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| TO: | Members, Climate Action Council |
| FROM: | Ken Pokalsky, Vice President |
| SUBJECT: | Initial Scoping Plan Comments |
| DATE: | 4/14/22 |

On behalf of The Business Council and the 3,500 statewide businesses and organizations we represent, we appreciate the opportunity to share comments with Council members today.

New York State has been, and we fully expect it to continue to be, a national leader in clean energy and environmental protections. Pre-CLCPA, New York was already the nation’s most carbon efficient state economy, with our emissions per dollar of economic output only 43% of the national average. Per capita, we had the sixth lowest carbon emissions of any state. About 60% of our electric power generation was from non-carbon-emitting sources, and another 36% from low-emitting natural gas.

We recognize and respect the ambitious carbon reduction and renewable energy deployment targets set by the CLCPA. Achieving them will pose significant technical, financial and political challenges, and will take careful planning to assure both effective and affordable implementation.

We share the concerns raised by many of our members – and being echoed by a growing number of commentators -- that the economic transition required by the CLCPA will have significant direct and indirect costs, and that those costs will be borne by all New York residents, businesses and institutions.

To address those concerns, we support several key principles. In its CLCPA planning and implementation efforts, New York State should:

- keep open all fuel and technology options, including use of existing gas infrastructure, and the pursuit of still-emerging technologies (e.g., green hydrogen), especially at this early stage in the CLCPA implementation process.

- identify measures that can be readily achieved in the short term, with limited costs and economic disruption but meaningful emission benefits (e.g., investments in energy efficiency, adoption of a clean fuel standard, adoption of a renewable gas standard); in doing so, focus on emergent, but not-yet-fully “mainstream” technologies and promote them through state financial and technical assistance.

- avoid measures that will contribute to the out-of-state leakage of economic activity, jobs and – perhaps most significant – carbon emissions. New York remains a high cost, high regulation state, and CLCPA implementation raises the specter of significant additional restrictions and mandates on the private sector.

The Business Council represents businesses in virtually all economic sectors that will be impacted by the CLCPA – importantly, they will also be fully engaged in its implementation. We are challenging our members to bring fact-based analysis and recommendations to the table, with the goal of achieving a workable, productive path to meeting CLCPA targets.

Finally, our members look forward to working with the Administration and legislature to maximize the in-state economic development opportunities that will presented by our significant future investments in energy technology, facility and building upgrades, and other areas. While these equipment and products will be bought and paid for in New York, their manufacture in New York is hardly guaranteed, and we need to make the state’s business climate more competitive for industrial investment and manufacturing job growth.

Again, thank you for the opportunity to address the Council today. We will be submitting detailed written comments on these and other Scoping Plan issues by the June 10 deadline.