Written Testimony for LIPA Commission Public Hearing

My name is Lena Tabori, and I live in East Hampton. I am a homeowner who installed an air source heat pump system as part of a whole house deep energy retrofit we did in 2020. I am a member and the former chair of the East Hampton E&S Committee. I co-founded and run a climate change non-profit --with the purpose of educating people about climate change and how to work to prevent further consequences.

Our EH committee recommended and the Town approved enabling CCA legislation in 2019. LIPA has made this impossible to move forward.

I believe LIPA, as a nonprofit electric utility, must be locally controlled and fully operate its grid. This means private utility contractors such as PSEG-LI are eliminated. LIPA must also be restructured with an elected governing board directly accountable to the communities it serves. This will ensure LIPA responds to consumer needs and invests its revenues locally by upgrading the grid to make it more reliable, renewable, and resilient. This is especially true as we become entirely reliant on our electric grid.

LIPA was originally intended to be a fully public utility as per the Long Island Power Act of 1985 that created it. It never was. So, I was delighted with the 2022 passage of the New York State Legislative Commission on the Future of LIPA bill. The directive for the Future of LIPA Commission is clear, “...to investigate and evaluate the establishment of a public power model for the operation of LIPA, whereby the authority would directly operate the utility as a true public power authority...”

The Future of LIPA website says, “The Legislative commission...was established in 2022 to develop and present...a true public power model...This means LIPA would directly provide electric service to the more than three million residents and thousands of businesses in its service area without contracting out that responsibility to an investor-owned, for-profit utility.”

We are in the midst of a climate crisis. Our world is changing in response to it, and LIPA must transform too. It needs a new paradigm that abandons the business-as-usual policy. New York State is aiming to electrify everything by 2050 and Long Island must too. As our electric system needs to evolve, so must LIPA.

Electricity consumption on LI will gradually rise due to electrification, which poses challenges as well as providing benefits. Heating, cooking and hot water appliances will run on electricity, as will transportation. But heating will not be done with electric resistance coils. Instead, heat pumps, which are 2-5 times more efficient, will provide both heating and cooling.

As more customers switch to heat pumps, revenue will rise as more heating dollars are diverted to LIPA and away from fossil fuel companies. Is anyone looking at evolving patterns of usage due to electrification and its likely effect on both LIPA’s increasing revenues and power needs?

Heat pumps offer many benefits to LIPA and *all* its ratepayers, and yet they are not yet either promoted or incentivized enough.

Heat pumps add load in winter when there is plenty and cut it in summer when consumption is high. Balancing out demand across the year will make LIPA operations more efficient and improve its load factor, which **reduces both strain on the grid and the need for new generation capacity***,* meaning *it would need fewer new power plants*. LIPA would need less capacity than previously required for those few peak consumption days of summer.

With this increased savings and revenue LIPA could invest in hardening the grid by burying power lines and/or reducing electric rates. Since heat pump owners rely on electricity for heating in winter and cooling in the summer, we need a reliable electric system, with no brownouts and rare power outages.

To plan for eventual mass electrification, LIPA needs quality, unbiased research to plan for an all-electric future. Electric rates will need to be closely examined to discover what each charge covers for the PSEG bill has many hidden charges. People need to know how much they are paying each month on the Shoreham debt, infrastructure maintenance, grid upgrades to accommodate more renewables, their own consumption, and other LIPA costs. Is the debt level of $10 billion the norm for an electric utility?

The current delivery charges appear higher for those who heat with electricity since it contains volumetric rates. Do you realize this subsidizes those who heat with fuels? The cost of delivering electricity to me and my neighbors is the same, but since I consume more, I pay more. LIPA must beware of unintended consequences.

In summary, heat pump owners are the pioneers who are showing LIPA what the future consumption of electricity will be on Long Island as we move into an all- electric world. The future will be radically different from the present, please plan for it. This is our future, and it is starting now.

I urge you to move this forward.

Respectfully,

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