

## Housing affordability is in crisis. When it comes to residential construction, CRBRA members are your local experts. We welcome the opportunity to be a part of the conversation.

When considering All-Electrification in New York State, we urge you to consider our three "C's": cost, competition and commitment.

### COST

- Electrifying a new construction home potentially increases the purchase cost by approx. \$30,000.
- The operating costs of an all-electric home will be exponentially higher, which only adds to a homeowner's monthly utility bills and further drives down affordability in New York State.
- At a time when New Yorker's have already been experiencing inordinately high electric bills, caution should be exerted to determine what an all-electric bill will amount to for the average consumer and their ability to afford it.
- A rebate program for heat pumps and potential code changes needs to be defined and made available to consumers to help offset their higher electric costs.
- More stringent energy code requirements for new homes significantly increase the cost of these homes and harm housing affordability.
  - *For instance, additional insulation will be required to compensate for the lowered reliability of electric heating systems, resulting in higher costs for the consumer.*

### COMPETITION

- New construction and the local economy will suffer greatly as consumers choose to purchase existing homes rather than building new to get the features they desire and the reliability they depend on in a harsh New York winter.
  - *Previously owned homes will be less expensive than a new home AND have the features a new home is no longer allowed to have – like a natural gas stove, furnace, and fireplace.*
- The inventory of previously owned homes was down 18.5% in the first quarter of 2023, compared to Q1 2022, according to the Greater Capital Association of REALTORS®.
  - With an already limited inventory, demand will drive the prices higher, threatening affordability even further.
- New York State already has high-reaching clean energy goals compared to other neighboring states and significantly lower new home starts, making it increasingly difficult to retain and attract residents.

### COMMITMENT

- Grandfather in projects where builders/developers have expended substantial funds in good faith planning and design.
- Electrification of the building stock requires a grid that can handle increased demands on the electric system.
  - Any implementation plan should call for the PSC and Independent System Operator to determine that the grid is sufficient to support the new load in a particular region, area, or project.



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