

Thanks for giving me the opportunity to speak with you today. My name is Matt Dennis with Halco Home Energy out of Phelps New York. I'm here as a member of the NY-GEO and the BPCA as well as New Yorkers for Clean Energy and the thousands of HVAC and Home Performance professionals in New York. Halco Energy is one of the largest NYSERDA certified contractors in the state, we do full home energy projects including building envelope improvements, air source heat pumps, ground source heat pumps, solar, electrical and plumbing. We are a living wage employer with about 200 employees and serve 26 counties though out the Finger Lakes, Southern Tier and Central New York. We are a \$25 million a year business and more than half of that is heat pump sales. We are in thousands of homes every year, improving the energy efficiency and comfort of customers many of which are low to moderate income. In 39 years of business Halco has installed thousands of air source and ground source heat pump systems and paired with insulation and air sealing improvements, many New Yorkers are now happy and comfortable with low-cost heating and cooling in their homes.

In 8 years with Halco, I personally have deigned over 1,000 projects and sold nearly \$20 million in heat pump, energy efficiency and clean energy projects. I design HVAC systems every day for new homes and retro fits, and every time I have a customer ask about fossil fuels, my first response is why?. When you build a new home, you have a fixed cost with much of the heating system anyway such as distribution, electrical, permitting, etc. It's when it comes to the machine in the basement that things change. From a cost perspective, it can cost significantly less or at worst the same to install a heat pump instead of fossil fuels, and cost of operation will always be less. It's crazy to build a new house or building of any kind and not install a heat pump. Heat pumps can work in all sorts of homes and buildings as long as they are built correctly.

Heat pumps absolutely work in cold climates like New York. I personally live in Cortland and have cold climate air source heat pumps in my home. My house was built in 1962, simple raised ranch, nothing fancy and in the 6 years that I've had my heat pumps, I've not had one single issue keeping warm in the winter, even at -15°. A heat pump properly sized and designed will work 100% of the time. Not all heat pumps are created equal so it's important to choose the right one. Ground source heat pumps work even better.

Heat pumps can save homeowners significant amount of money, as much as 50%-75% over their old fuels. I had a customer that was spending \$6,000 a year on fuel oil, and after we installed his ground source heat pump, his costs came down to about \$1,000 a year. He then took those savings and invested it in solar to take his home to net zero.

Governor Hochul's budget proposals are a good start, but they don't go far enough to meet the state's climate targets. The legislature must do more! On behalf of the 10's of thousands of HVAC and home performance professionals in New York and the 10's of thousands more we need in the future, I ask you to Pass the All-Electric Building Act without delay! The technology is ready now. I ask you to Pass the NY HEAT Act to put

heat pumps on a level playing field with gas. And provide needed GAP (Green Affordable Pre-electrification) funding in the budget to make older homes electrification ready. Much of the housing stock in New York is older and needs some extra work to get them to full electrification, it's not as easy as just swapping out a furnace for a heat pump.

At the end of the day, I'm just a simple blue-collar contractor, a proud New Yorker and proud environmentalist. I want to continue to see my state lead the nation in these endeavors. I could spend all day telling stories about how much good we've done for folks over the years, but I just don't have the time. I'm the one that's in homes every day trying to make a difference, I just ask for your help to make it easier.

Thank You