

## Resolution On Eliminating Energy Code Requirement for Natural Gas Connection

**WHEREAS**, the Austin City Council adopted Resolution No. 20140410-024, which states that “City Council establishes a goal of reaching net zero community-wide greenhouse gas emissions by 2050 and prefers to achieve this goal as soon as it is feasible;”<sup>1</sup> and

**WHEREAS**, the Austin City Council adopted Resolution No. 20150604-048, which included adopting the Austin Community Climate Plan;<sup>2</sup> and

**WHEREAS**, action number RT-6 in the Austin Community Climate Plan calls for “electrification of carbon-fueled consumer products;”<sup>3</sup> and

**WHEREAS**, following a discussion at the Joint Sustainability Committee in August 2017 about including points in a pilot carbon impact statement for planned unit developments (PUDs) that didn’t connect homes to natural gas infrastructure,<sup>4</sup> City of Austin staff identified section R403.5.5 of the city’s Energy Code as a barrier for doing so; and

**WHEREAS**, the Energy Code for Austin includes section R403.5.5, which, with some exceptions, requires the use of natural gas for water heating where a residential building is constructed adjacent to natural gas service;<sup>5</sup> and

**WHEREAS**, technology lock-in is a form of economic path dependence whereby the market selects a technological standard and because of network effects the market gets locked-in or stuck with that standard even though market participants may be better off with an alternative; and

**WHEREAS**, the Office of Sustainability conducted a thorough analysis of the effect on both greenhouse gas emissions and affordability for using natural gas versus electric hot water heaters, space heaters, cooking ranges, and clothes dryers that included both the up-front and operating costs;<sup>6</sup> and

**WHEREAS**, the Office of Sustainability analysis shows that a home using all electric appliances is both the most affordable option and results in lower greenhouse gas emissions over a 15 year period compared to using natural for some or all appliances, if Austin Energy continues to meet its resource goals; and that greenhouse gas emissions are lower for electric hot water heating

<sup>1</sup> Pg 3, [http://austintexas.gov/sites/default/files/files/Sustainability/Climate/Resolution\\_No\\_20140410-024.pdf](http://austintexas.gov/sites/default/files/files/Sustainability/Climate/Resolution_No_20140410-024.pdf)

<sup>2</sup> Pg 3, <http://www.austintexas.gov/edims/document.cfm?id=234102>

<sup>3</sup> Pg 44, [http://austintexas.gov/sites/default/files/files/Sustainability/FINAL\\_-\\_OOS\\_AustinClimatePlan\\_061015.pdf](http://austintexas.gov/sites/default/files/files/Sustainability/FINAL_-_OOS_AustinClimatePlan_061015.pdf)

<sup>4</sup> <http://www.austintexas.gov/edims/document.cfm?id=284325> and <http://www.austintexas.gov/edims/document.cfm?id=287890>

<sup>5</sup> [https://library.municode.com/tx/austin/codes/code\\_of\\_ordinances?nodeId=TIT25LADE\\_CH25-12TECO\\_ART12ENCO\\_S25-12-263LOAMENCO](https://library.municode.com/tx/austin/codes/code_of_ordinances?nodeId=TIT25LADE_CH25-12TECO_ART12ENCO_S25-12-263LOAMENCO)

<sup>6</sup> Pg 2, <http://www.austintexas.gov/edims/document.cfm?id=306909>

than natural gas hot water heating even if Austin Energy's carbon intensity held constant at its 2018 rate;<sup>7</sup> and

**WHEREAS**, affordability is a high priority for the Austin community; and

**WHEREAS**, the idea of amending the Energy Code to remove section R403.5.5 has been discussed at several Resource Management Commission and Joint Sustainability Committee meetings; and

**WHEREAS**, according to the Resource Management Commission bylaws, it is the duty of the Commission to "Advise the city council regarding appropriate City Code amendments that encourage the use of alternate energy technologies and renewable energy sources, and the conservation of energy,"<sup>8</sup> **NOW, THEREFORE,**

**BE IT RESOLVED BY THE AUSTIN RESOURCE MANAGEMENT COMMISSION:**

Recommends that the Austin City Council direct the City Manager to initiate a code amendment update process, with full stakeholder involvement, to consider the removal of section R403.5.5 from the Energy Code for the City of Austin.

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<sup>7</sup> Pg 20, <http://www.austintexas.gov/edims/document.cfm?id=306909>

<sup>8</sup> Pg 2, <http://www.austintexas.gov/edims/document.cfm?id=251468>