

Late Backur

Version 2

Item No. 47

02/20/20

Alison Alter

RESOLUTION NO.

WHEREAS, the City of Austin has established a goal of achieving community-wide net-zero greenhouse gas emissions by 2050; and

WHEREAS, Resolution 20190808-078 directed the city manager to provide options for more aggressive interim targets to accelerate the reduction pathway to achieve net-zero by 2050, and to consider a range of innovative and aggressive strategies; and

WHEREAS, the City is currently in the process of updating the Austin Community Climate Plan, which outlines the City's goals and methods of reducing community-wide greenhouse gas emissions; and

WHEREAS, according to the 2018 Austin Community Greenhouse Gas Emissions Inventory, natural gas contributes an estimated seven percent of Austin's inventory of greenhouse gas emissions based on currently available data; and

WHEREAS, more complete data is needed to more accurately estimate natural gas contributions to Austin's inventory of greenhouse gas emissions, and natural gas emissions sources include end use as well as system leakage; and

WHEREAS, the City has committed to a goal of Zero Waste by 2040; and

WHEREAS, Austin Energy plans for at least 65 percent of the power supplied to customers to be from renewable sources by 2027; and

24 **WHEREAS**, renewable natural gas, also known as biomethane, is gas
25 produced by the decomposition of organic matter under anaerobic (oxygen-free)
26 conditions; and

27 **WHEREAS**, once biomethane has been purified to a quality similar to ~~fossil~~
28 geologic natural gas, it becomes possible to distribute the gas to customers via the
29 existing gas ~~grid-distribution system and for~~ use within existing appliances ~~and for~~
30 transportation; and

31 **WHEREAS**, policymakers around the nation have implemented policies to
32 promote the development of renewable natural gas such as federal Renewable Fuel
33 Standards or state and local Low-Carbon Fuel Standards; and

34 **WHEREAS**, the U.S. Environmental Protection Agency has found that the
35 integration of captured methane as renewable natural gas has the potential to offset
36 other greenhouse gas emission, particularly in transportation; and

37 **WHEREAS**, the Austin Water Hornsby Bend Biosolids Management Plant
38 (HBBMP) uses biomethane from its sludge treatment process to generate clean
39 electricity to power facility operations; and

40 **WHEREAS**, Austin Water offsets one hundred percent of facility power
41 consumption at HBBMP using its generated biomethane and is actively studying
42 options for the best use of biomethane, in order to reduce disposal of excess gas by
43 flaring and sustain an economically beneficial program for the City; and

44 **WHEREAS**, biomethane can be derived from a variety of sources, including
45 landfills and wastewater treatment plants, and such opportunities exist in Austin and
46 the surrounding area; and

47 **WHEREAS**, various utilities in the U.S. purchase carbon offsets including
48 programs for tree planting, forest preservation, renewable energy, and elimination
49 of ozone depleting chemicals; and

50 **WHEREAS**, Austin Energy offers a GreenChoice program to allow
51 subscribers to opt in to purchasing one hundred percent renewable Texas wind
52 energy at a low cost; and

53 **WHEREAS**, similar opt in programs from Austin ~~gas~~ local distribution
54 ~~companies~~providers do not currently exist; and

55 **WHEREAS**, according to currently available data, in 2018, Texas Gas
56 Service gas system leaks were responsible for an estimated 125,045 in metric tons
57 of CO₂e in ~~Texas~~Travis County; and

58 **WHEREAS**, greater communication and coordination between the Office of
59 Sustainability and local distribution companies is necessary to achieve more accurate
60 reporting; and

61 **WHEREAS**, the 2015 Austin Community Climate Plan contains action item
62 RT-4, to “evaluate technology and cost options for increasing natural gas system
63 leak detection and reduction programs”; and

WHEREAS, development and integration of technology for renewable natural gas helps achieve the City's goal of reducing and ultimately eliminating community-wide greenhouse gas emissions; and

WHEREAS, the City desires to keep energy rates affordable while pursuing environmental leadership and goals; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City encourages the capture of renewable energy within city facilities where appropriate (as successfully implemented at the Hornsby Bend Biosolids Management Plant), and to do so with a goal of retaining the economic value of such projects for the City and its residents.

BE IT FURTHER RESOLVED:

The City requests that Texas Gas Service Company, a division of ONE Gas, Inc., conduct and provide to the city manager by late Spring of 2020 a feasibility analysis of renewable natural gas that addresses:

- Opportunities for methane capture from any and all sources in the Austin area and in the surrounding region;
- The economic benefits of such opportunities for the City, gas providers, and ratepayers; and
- Opportunities and benefits of the use of renewable credits and offsets to support sustainability goals.

The feasibility analysis should include findings identifying:

- A target percentage of biomethane (and potentially, hydrogen) to be incorporated into the throughput of Texas Gas Service or other local distribution companies;
- A target date by which such percentage will be reached, to include interim goals for adoption;
- Options for a potential opt-in consumer renewable energy program modeled on the Austin Energy GreenChoice program;
- Local opportunities that retain revenue for the City;
- Options for opportunities throughout the local economy, and how distribution companies can support local efforts; and
- Options for offsets and renewable credits as another strategy for carbon emissions reduction.

All options and recommendations should aim for aggressive sustainability goals while maintaining affordable energy rates for Austin residents.

The City Council requests that Texas Gas Service present the completed feasibility analysis to the Resource Management Commission and to City Council by late spring 2020.

BE IT FURTHER RESOLVED:

The city manager is directed to facilitate conversations between Texas Gas Service, other local distribution companies, and City departments ~~to and to~~ provide input ~~in on the Texas Gas Service's feasibility~~ completed feasibility analysis ~~and facilitate conversations between Texas Gas Service and City departments.~~

BE IT FURTHER RESOLVED:

109 The city manager is directed to evaluate the findings of Texas Gas Service's
110 feasibility study and its recommendations for possible incorporation into the 2020
111 update to the Austin Community Climate Plan, in addition to any related ideas in
112 consideration for inclusion into the plan.

113 **BE IT FURTHER RESOLVED:**

114 Texas Gas Service is requested to evaluate technology and cost options for
115 increasing natural gas system leak detection and reduction programs and to
116 regularly report to the City's Resource Management Commission, at least quarterly,
117 and to City Council, at least annually, an update on leakage rates and efforts to
118 reduce leakage rates. Efforts can include pipeline modernization, third party damage
119 prevention programs, City permitting processes to repair leaks, and coordination
120 with the capture of methane as indicated above.

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122 **ADOPTED: _____, 2020 ATTEST: _____**

123 Jannette S. Goodall
124 City Clerk
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