



## **BOARD/COMMISSION RECOMMENDATION**

### **Resource Management Commission**

### **Recommendation No. 20220816-005**

### **Resolution on Texas Gas Service Conservation Programs**

Whereas, the City of Austin has mandated that Texas Gas Service (TGS) conduct energy conservation programs since 1985; and

Whereas, the Austin City Council adopted the Austin Climate Equity Plan on September 30, 2021, which strengthens the city’s climate goal to “net zero carbon by 2040” and includes a focus area of Sustainable Buildings with goal that by 2030, “All new buildings are net-zero carbon, emissions from existing buildings are reduced by 25%, and all natural gas-related emissions are reduced by 30%; and

Whereas, the TGS energy conservation programs are also expected to help achieve the goals of the Climate Equity Plan; and

Whereas, the Resource Management Commission is charged with providing feedback and recommendations regarding gas conservation efforts and to support the goals of the Austin Climate Equity Plan; and

Whereas, the Resource Management Commission passed a resolution on June 20, 2017 that put a focus on reducing actual use of natural gas on site, calling for “at least 4.5% site natural gas savings” over 5 years, starting in 2018; and

Whereas, incentives to install natural gas appliances in situations where there isn’t already an existing natural gas appliance, such as for new construction or replacing an electric appliance with a natural gas appliance, increase, instead of decrease, actual use of natural gas on site; and

Whereas, Texas Gas has continued using a large portion of its energy conservation budget to provide incentives to install natural gas appliance where none previously existed, thus increasing use of on-site natural gas;

Whereas, research by the Rocky Mountain Institute and other organizations shows that gas stoves are a large source of toxic air pollution that can make indoor air more polluted than outdoor air and that low-income households are most likely to suffer from this harmful pollution; and

Whereas, incentives that increase the use of natural gas appliances are not compatible with the Austin Climate Equity Plan or public health; and

Whereas, on January 24, 2022, the Resource Management Commission passed a resolution that recommended against CenterPoint Energy incentives for natural gas appliances in new construction, as well as incentives for central furnaces and water heaters; and

Whereas, the TGS conservation program tariff that governs the program was adopted in December 2021 and is on a 3-year cycle, ending December of 2024. However, Austin City Council may take action to amend the tariff to help meet the goals of the Austin Climate Equity Plan;

NOW, THEREFORE, BE IT RESOLVED that the Resource Management Commission recommends that the Austin City Council make the following modifications to the Texas Gas Service conservation tariff for the budget year 2023 and thereafter:

1. Exclude rebates for natural gas equipment in new construction; and
2. Exclude rebates in existing residential buildings for installation of a new gas stub for clothes dryers; and
3. Up to the point that such rebate programs are cost effective, redirect funds from the eliminated appliance rebate programs to rebates for duct sealing, ceiling insulation, water conservation measures and other weatherization measures;
4. Encourage Texas Gas Service to seek cooperation with and co-funding from local water utilities for gas conservation programs focused on water-saving technologies such as low-flow showerheads, aerators, and commercial dish rinsers.

**Vote:** 9-0

**For:** Commissioner Kaiba White, Vice Chair; Commissioner Charlotte Davis; Commissioner Sam Angoori; Commissioner Shane Johnson; Commissioner Paul Robbins; Commissioner Louis Stone; Commissioner Dana Harmon; Commissioner Rebecca Brenneman; Commissioner Lisa Chavarria

**Against:** None

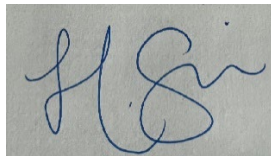
**Abstentions:** None

**Off Dais:** None

**Absences:** Commissioner Jonathon Blackburn, Chair

**Vacancies:** District 7

**Attest:**



Natasha Goodwin, Staff Liaison