

Resolution on State Oversight of Energy Conservation Programs of Texas Gas Service

WHEREAS, the current City of Austin franchise agreement with Texas Gas Service gives the Resource Management Commission purview to advise City Council on matters related to the company's energy conservation programs; and

WHEREAS, regulation of these programs has been the ultimate responsibility of Austin City Council since 1985, and

WHEREAS, the passage of House Bill 2263 in the 2023 session of the Texas Legislature suggests removal of Austin control of these programs, replacing City regulatory authority with the Railroad Commission of Texas; and

WHEREAS, this removal may make the Texas Gas Service programs less cost effective and less accountable to local needs;

THEN BE IT RESOLVED, that the Resource Management Commission advise the Austin City Council to seek a waiver from the Railroad Commission of Texas allowing Austin to maintain local regulatory control of these programs; and

BE IT FURTHER RESOLVED, that the Resource Management Commission advise Council that if this waiver is not granted, then the City take a position in future deliberations before the Railroad Commission of Texas that the rebates for specific appliances and other energy conservation measures be disallowed by the Commission if they are not cost effective. These include current rebates for gas clothes dryers, tankless water heaters, and central furnaces. Low-income programs would be exempted from cost-effectiveness requirements.

AND BE IT FURTHER RESOLVED, that the Resource Management Commission advise Council that after 2024, and well as in coming negotiations for renewal of the Texas Gas Service franchise, a formal arrangement should be established where the City of Austin would approve and administer gas conservation programs currently operated by the company.