

Recommendation Number _____
Recommendation for ECAD enforcement

Recommendation: Austin Energy should develop a plan for fully enforcing the entire ECAD ordinance, especially for those multi-family facilities whose electric cost is 150% of average electrical cost, and should present that plan to the Electric Utility Commission, the Resource Management Commission and the City Council for approval. Austin Energy should include funding for full enforcement of ECAD, according to the approved plan in its FY 2017 budget proposal

Targeted Underserved Group: Low and moderate-income renters

Time Schedule: Implement in 2015 (requirement) and 2016 (funding for enforcement)

Budget Impact: cost of enforcement

Brief Description: Create an action plan to enforce the ECAD ordinance, particularly the provision mandating Landlords whose facilities incur electric costs greater than 150% of the average cost to make energy efficient improvements to reduce usage by 20%.

Community Need: A majority of Austin residents rent and renters as a class have disproportionately lower incomes than homeowners. Rental properties, particularly those with lower rents are often not very energy efficient. Landlords have little incentive to improve energy efficiency at their properties because it's the tenants who pay the electric bills.

Although landlords of multifamily properties (excluding duplexes, triplexes, fourplexes, and units designated as condominiums) are required to have energy audits conducted on buildings that are at least 10 years old and are required to disclose the results compliance is spotty at best. The status quo is that renters are often blindsided by high electric bills after signing a lease. In some cases, a rental property with higher rent, but lower electric bills would be more affordable overall. Consumers should be provided the information they need to make an educated decision about where to live.

Enforcing the ordinance would ensure that prospective tenants would receive the energy guide and audit required under the ECAD ordinance before they decide to rent. Moreover, greater enforcement of the required improvements for multi-family facilities with high electric costs would result in greater energy efficiency, thereby resulting in reduced electric bills.

Program Description

Austin Energy should develop a plan for fully enforcing the entire ECAD ordinance and present that plan to the Electric Utility Commission, the Resource Management Commission and the City Council for approval. Actions recommended include: creating a marketing campaign to educate the community and community activists; investigating the multi-family facilities to verify whether the elements of the ECAD ordinance are being carried out; and establishing a prosecution process to enforce the ordinance. Funding for full enforcement of ECAD, according to the approved plan should be included in its FY 2017 budget proposal.