

## Proposed 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 programs are expected to save natural gas at the same or less cost than purchasing it; and

Whereas some of the Residential programs are failing to achieve this economic goal, with a cost to Central Texas ratepayers of almost \$2 million a year; and

Whereas the programs are also expected to help the environment by preventing fossil fuel use, but are failing to effectively achieve this with rebates for certain Residential appliances; and

Whereas the City Council may adjust TGS's energy conservation program funding mechanism and structure on an annual basis before November 30 of each year; and

Whereas the Resource Management Commission is charged with providing feedback and recommendations regarding gas conservation efforts;

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 program for the budget year 2023 and thereafter:

1. The exclusion of rebates for natural gas equipment in new construction, as incentivizing natural gas use in new construction is not currently compatible with the City's Climate Equity Plan targeting net zero carbon by 2040, including the focus area of Sustainable Buildings. Specifically, the plan has the following goal by 2030, which is incompatible with encouraging fossil fuel combustion in new construction:

*"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% "* (<https://www.austintexas.gov/page/austin-climate-equity-plan>)

2. The elimination of rebates in existing Residential buildings for clothes washers, central furnaces, and tankless water heaters;

3. Encouragement for 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.

AND BE IT FURTHER RESOLVED that the Resource Management Commission *recommends that City Council* ask Texas Gas Service to repurpose money saved from these new policies to fund a pilot program for an income-verified discount for low-income customers and Research & Development of renewable energy that can be used in place of conventional natural gas.