

Resource Management Commission 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 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 Rock 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 gas stub for clothes dryers; and
3. Redirect funds from the appliance programs to be excluded to rebates for duct sealing, ceiling insulation, and other cost-effective 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.