



**The Lone Star Chapter has serious concerns about HB 17, as filed (Deshotel).**

HB 17, by Deshotel, is a bill supported by the natural gas industry that purports to support consumer choice on energy sources. This pre-emption bill is being introduced at state legislative bodies throughout the US as a reaction to efforts by certain cities to move toward electrification of buildings and appliances. While no city in Texas has passed specific ordinances or codes that require all-electric buildings or appliances, many cities in Texas have pursued local amendments, programs and education to promote more energy-efficient appliances, or local codes that promote solar, heat-pumps, more efficient water heaters, and electric vehicles. In particular, the Cities of Houston, Dallas, San Antonio and Austin are all pursuing programs to reduce both ozone-forming gases like VOCs and Nitrogen Oxides and carbon dioxide through energy efficiency, electric vehicles, electric appliances and building codes that can require pre-wiring for EVs and solar systems. Many electric utilities - public and private - do offer incentives for greener buildings and greener appliances, while many natural gas utilities do the same for gas appliances.

Because HB 17 is written so broadly and has language that would prevent any actions that could be perceived as discriminating against a particular energy source, SIERRA CLUB is opposed to the bill.

The bill as written would prevent any political subdivision from taking any action that could discriminate against an energy source (such as gas), including educating consumers about good energy choices like electric heat-pumps or tankless water heaters. It could even be interpreted to mean that transit authorities couldn't pursue policies that prevent electrification of vehicles or EV charging stations.

**We believe that if the bill is to move forward it should contain specific exceptions such as:**

- 1. Clarify that local utilities and political subdivisions can offer education and incentives about more energy-efficiency appliances and devices, whatever their energy source**

Nothing in this section prevents local political subdivision, including municipal electric utilities, from offering education, programs and financial incentives that provide customers with the opportunity to install more energy-efficient appliances and devices. This could include more efficient gas appliances and more efficient electric appliances.

- 2. Clarify that political subdivisions can adopt local amendments for new construction that encourage electrification, such as solar-ready and EV-ready provisions**

Nothing in this section prevents local political subdivisions from adopting local amendments to building codes, or updates to building codes that encourage the construction of more energy-efficient buildings, and the incorporation of new technology such as solar, demand response, heat pumps or electric vehicles.

- 3. Clarify that for new construction, political subdivisions can adopt net-zero energy provisions, as long as there are options for different energy sources.**

A political subdivision may pursue green-building practices and programs and set net-zero energy or net-zero carbon goals for new construction, provided that options are provided to builders for the use of different sources of energy where access to such sources exist.

- 4. Clarify that political subdivisions in affected counties and non-attainment areas may adopt provisions designed to lower the formation of ground-level ozone**

Nothing in this section prevents local political subdivision that are located within an area that has been designated as affected or non-attainment for ground-level ozone from adopting ordinances, provisions, programs or

incentives that are designed to prevent the formation of ground-level ozone by lowering energy use.