



# HB 17

## Testimony Before the Texas House State Affairs Committee

### Brent Bennett, PhD, Policy Director, Life:Powered

Chairman Paddie and Members of the Committee:

Thank you for the opportunity to testify today in support of House Bill 17. I am the policy director of Life:Powered, an initiative of the Texas Public Policy Foundation to raise America's energy IQ. We support this bill because cities' unilateral bans on certain types of utilities will place a financial strain on Texans in poverty while providing no tangible environmental benefits.

A common saying around the Capitol is, "As goes Texas, so goes the nation." Unfortunately, "as goes California, so goes Austin" is just as accurate. Following in the footsteps of Berkeley, San Francisco, and other California cities, Austin and other Texas municipalities are considering banning natural gas utilities for new homes and businesses. Communities of color in California are already waking up to the fact that natural gas bans are <u>harming minorities</u>, and Texas leaders should heed these warnings. While these policies satisfy environmental groups and political constituencies that lobby our city councils, recent polling shows that nearly <u>70% of Texans oppose them</u>.

The cost to convert a home from gas to electric heating and to change out appliances runs in the <u>thousands of dollars</u>. Also, the cost of natural gas heating is usually cheaper than electric, and many homeowners may want to use natural gas as a hedge against the likelihood of rising electric bills. These costs have the greatest effect on the people who can least afford them. A recent study by the Home Builders Association found that for every \$1,000 increase in the price of a home, over 11,000 Texans are priced out of the market. There is also a significant effect on restaurants and other commercial buildings that rely on gas heating and stoves.

Additionally, banning natural gas would produce no measurable impact on the global climate. Climate models show that eliminating all U.S. fossil fuel consumption by 2030 would alter global temperatures by less than two tenths of a degree. No city's actions—indeed, even *every* U.S. city's actions combined—will make a significant difference when the vast majority of future greenhouse gas emissions will come from the developing world.

On a more micro scale, even if we use the <u>Biden administration's \$51/ton social cost of carbon</u>, eliminating the emissions from an <u>average home's natural gas usage</u> will only bring \$81 per year in climate benefits. In no way is this supposed benefit worth the cost of changing an entire city's utility infrastructure. If going electric will save consumers money, they will choose to do so on their own. Forcing such a change in the name of negligible environmental benefits is harmful policy.

One question is whether the Legislature should intervene to stop these municipal regulations. **There are many precedents for curtailing municipal overreach and preventing a patchwork quilt of unpredictable and harmful city ordinances.** Texas stopped Denton's fracking ban in 2015 and Austin's ridesharing ordinances in 2017. Our position is that the Texas Commission on Environmental Quality should be the sole regulator of greenhouse gas emissions and that cities acting unilaterally to ban fossil fuels would have harmful effects not just on their residents but on the entire state.

In the wake of the blackouts that left 4 million Texans without power, the importance of natural gas and a diverse energy system should be clear. While Texans with all-electric appliances and heating systems were left with little protection from the cold—and at least 80 died because of it—those fortunate enough to have natural gas in their homes at least had heating, cooking, and hot water. As Texans work to improve their preparedness for future blackouts, which are likely to occur again due to the reliability problems facing the ERCOT grid, many are counting on natural gas.

We commend Representative Deshotel for introducing this bill and hope the committee will consider it thoughtfully. We should not allow cities to limit consumer choice, drive up housing prices, and enact patchwork environmental policies that will bring no tangible benefits.

#### **ABOUT THE AUTHOR**



**Brent Bennett, PhD**, is the policy director for Life:Powered, an initiative of the Texas Public Policy Foundation that reframes the national discussion on energy and the environment. As part of the Life:Powered team, Bennett regularly speaks with policymakers, energy experts, and industry associations across the country. He is responsible for fact-checking the team's work and spearheading many of the team's policy and regulatory initiatives. He has written extensively on how America has improved its environment while growing its energy use and on the physical limitations of renewable energy and energy storage.

Prior to joining the Foundation, Bennett worked for a startup company selling carbon nanotubes

to battery manufacturers, and he continues to provide technology consulting to energy storage companies. His early years were spent in the oil country of Midland, Texas—the heart of the oil patch—where he has been a student of energy his entire life.

Bennett has an M.S.E. and Ph.D. in materials science and engineering from the University of Texas at Austin and a B.S. in physics from the University of Tulsa. His graduate research focused on advanced chemistries for utility-scale energy storage systems.

Bennett and his wife Erin live in downtown Austin with their son Jack. They enjoy Austin's great restaurant scene and being active leaders in the local Catholic community.

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