

## Sustainable Tallahassee's Natural Gas Incentives Policy Statement

Statement of Policy: **The City of Tallahassee, in support of its commitment to 100% clean renewable energy by 2050,<sup>1</sup> should discontinue its program of natural gas incentives, including waiver of the street to house connection fee, low interest loans, and rebates for gas appliances and heating systems.**

Policy Justification: Residential and commercial users of natural gas currently receive rebate incentives provided by the city for the installation of new gas appliances and for the replacement of similar electrical appliances converted to use of natural gas. These incentives are widely advertised.

Based on the City's commitment to using 100% clean renewable energy by 2050, along with Sustainable Tallahassee's own Natural Gas Position Statement and the detrimental health effects of burning natural gas indoors, continued advertising of natural gas as a clean fuel plus incentives to promote the installation of natural gas appliances is counter to our community's goal for a clean energy future.

Our community will be faced with the prospect of customers investing in natural gas appliances only to find in the not-distant future that natural gas is no longer competitive with renewable sources of energy and the levelized cost of energy (LCOE) is no longer competitive with renewable sources.<sup>2</sup> The City should be careful about luring their customers into potentially bad economic choices and being seen as "unsavvy investors oblivious to the speed of the unfolding energy transition."<sup>3</sup>

Finally, continued investment in natural gas distribution infrastructure as well as incentivizing the purchase and installation of natural gas appliances and heating and cooling systems postpones the installation of rooftop solar and energy saving technologies to the detriment of the climate and the environment. The cost savings of discontinuing this program could be used to accelerate the switch to distributed solar with storage, demand side management, and advanced efficiency methods.

Eliminating natural gas incentives is one step we can take right now to move us toward the City's commitment to using 100% clean renewable energy by 2050.

This Policy was adopted by the Sustainable Tallahassee Board of Directors on 1 / 24 / 2022 .

  
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Shawn Youngblood, President

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<sup>1</sup> The City has said that with the coming of Renewable Natural Gas the negative aspects of the current natural gas program will be solved. Sustainable Tallahassee does not believe that there is a scientific basis for relying on the possibility of any significant emergence of RNG.

<sup>2</sup> To evaluate a power-generating asset one looks at the "levelized cost of energy" (LCOE) - the total cost to build and maintain the asset over its lifetime divided by the total energy output of the asset over that lifetime.

<sup>3</sup> Rifkin, *The Green New Deal* (St. Martin's Press 2019) pp. 8.  
(11/6/21 edited)

## References

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