Eugene Sustainability Office

December 12, 2022

Senator Lieber and Representative Marsh, Co-Chairs
Joint Task Force on Resilient Efficient Buildings
Oregon Legislature
900 Court Street NE
Salem, OR 97301

RE: Correcting external data characterizations on impact of potential restriction of fossil fuel infrastructure in new buildings in Eugene.

Co-Chairs Lieber and Marsh:

During the 11-15-22 meeting of the Joint Task Force on Resilient Efficient Buildings (REBuilding Task Force)[1] as well as in separate letter[2] submitted to the Task Force, NW Natural asserted that "the City of Eugene's own climate action planning analysis showed a ban on natural gas in new construction would result in a net carbon savings on the residential side of 0.1%, and for commercial 1.7% by 2037".

Specifically, footnote 9 from the NW Natural letter to the Task Force links to the information packet from a July 25, 2022 work session with Eugene City Council and the company's above statement refers to information provided in response to Question 30 in that packet: "Attachment A: New Building Electrification – Council Questions and Responses".[3]

The 0.1% and 1.7% figures being referenced by NW Natural come from a graphic included in the answer to Question 30. **However, the statement from NW Natural quoted above mischaracterizes both the graphic and the information it represents.**

First, the figures NW Natural is referencing are from an internal City analysis done in early 2021 on potential greenhouse gas (GHG) reductions that could result from a policy of restricting natural gas infrastructure in new residential and commercial development within Eugene's tax district.

Second, the pie chart NW Natural is referencing and the 0.1% and 1.7% figures for residential and commercial emissions respectively do not represent "net carbon savings" as has been asserted. They represent additional GHG emissions attributable to increased natural gas usage from new buildings constructed in 2037 as a percentage of total community-wide emissions (e.g., emissions from existing buildings, waste, transportation, etc.) under a business-as-usual (BAU) GHG emissions scenario. The BAU scenario used in the City's analysis assumed all other non-natural gas sectors would see a 1% annual growth in GHG emissions between 2022 and 2037.

[1] The NW Natural statement can be heard starting at the 1:09:19 mark of the meeting recording.
[2] The NW Natural letter submitted to the Task Force can be found here. Accessed December 7, 2022.
[3] Eugene City Council Work Session information packet with the figure being referenced can be found here.

Third, the City's 2021 analysis relied on NW Natural's own 2018 IRP[4] which forecasted that natural gas use in the residential sector would increase by 0.12% annually and natural gas use in the commercial sector would increase by 1.25% annually. Based on the relative contribution of those two building sectors to community-wide emissions under a BAU scenario, the City's analysis found that a policy restricting new fossil fuel infrastructure in residential and commercial buildings would reduce forecasted natural gas emissions in 2037 by 13% compared to a 2017 – 2019 annual average baseline.

Fourth, the City's analysis found that over a 2022-2037 timeframe, additional cumulative GHG emissions attributable to growth in natural gas use in residential and commercial sectors within Eugene's tax district would be approximately 160,000 MT CO_2e – roughly the equivalent of the emissions from over 34,000 gas-powered passenger vehicles driven for one year or the equivalent of a year's worth of residential and commercial natural gas emissions for existing buildings within the City of Eugene's tax district (based on FY19 GHG emissions data).

Using the annual growth rates forecasted in NW Natural's 2018 IRP, City analysis also found that the cumulative emissions impact from new residential and commercial construction would continue to increase over time. For example: looking at a 2022-2050 timeframe, additional GHG emissions attributable to growth in natural gas use in residential and commercial sectors within Eugene's tax district would be approximately 535,000 MT CO2e – the equivalent of the emissions from over 115,000 gas-powered passenger vehicles driven for one year or the equivalent of emissions from burning over 590 million pounds of coal.

Thank you for the opportunity to provide additional information and data with the intention of clarifying the record on this information. Counter to the assertions highlighted above, the City's 2021 analysis found it could achieve considerably more than a negligible decrease in emissions from the building sector by implementing a restriction on new fossil fuel infrastructure in residential and commercial buildings. Please let me know if you have further questions.

Sincerely,

Ian T. Penn
Sustainability Manager
City of Eugene

[4] NW Natural 2018 IRP can be found here.