

RESOLUTION

Authorizing the Committee on Transportation and Public Utilities to conduct hearings regarding the sustainability of the Philadelphia Gas Works.

WHEREAS, the Philadelphia Gas Works (“PGW”) is the largest municipally-owned gas utility in the country with a distribution system of approximately 6,000 miles of gas mains and provides services centered on provision of natural gas to approximately 500,000 customers; and

WHEREAS, utilities are highly regulated businesses, permitted to have monopoly control of providing usually high-capital cost goods and services with consistent profits in exchange for reinvestment in the capital stock and not using revenue in unrelated ventures; and

WHEREAS, for 180 years, PGW and its employees have provided essential utility service to the residents and businesses of Philadelphia with a commitment to safety, service, and innovation; and

WHEREAS, forces outside the control of either PGW or the City of Philadelphia will call upon that history of innovation: the increasing destruction caused by global warming and the twin financial threats of more efficient energy usage and competitive price of renewable energy sources; and

WHEREAS, climate change is not just a future threat to be avoided, but – with the planet having already experienced one degree Celsius warming due to human activity, which has caused the rising sea levels, severe storms, and other extreme weather events we see right now – a present danger requiring significant human adjustments to avoid far worse damage; and

WHEREAS, this year, the Intergovernmental Panel on Climate Change, a body consisting of hundreds of climate researchers convened by the United Nations, issued a report that outlined a truly ambitious timeline for shifting systems from heating, to cooking, to transportation, to industry away from fossil fuels; and

WHEREAS, in the wake of an abdication of responsibility by the current federal administration and outgoing Congress, the City of Philadelphia joined hundreds of other American municipalities and states in committing itself to the Paris Climate Accord goal of limiting warming from climate change to below two degrees Celsius; and

WHEREAS, technical advancement has enabled the attainment of that objective, including incredible improvements in building insulation, reducing consumer demand for heating fuels, as well as solar, wind, battery, and other renewable technologies that have caused a precipitous fall in renewable energy prices, to a level competitive with traditional fuels; and

WHEREAS, falling demand and increasing competition threaten not only PGW's bottom line, or even the City's immediate financial interests, but critically the rates paid by residents who rely on utility services for warmth and cooking, without adequate resources to use the latest insulation in their homes, install solar panels on their roofs, purchase efficient appliances, procure top-of-the-line windows, or otherwise adapt their homes; and

WHEREAS, the downsides of ameliorating climate change and avoiding financial pressures on the City and its residents offer opportunities to create jobs, reduce costs, and otherwise make us more sustainable, but cannot be funded through ratepayer revenue; and

WHEREAS, to ensure the reliability of utility heating and cooking service for another 180 years and more, the City must explore how to adapt PGW to the needs of the changing market and planet. Now, therefore, be it

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, that the Council Committee on Transportation and Public Utilities hold hearings regarding the sustainability of the Philadelphia Gas Works.

Introduced by:

Councilmember Derek S. Green

December 6, 2018