



April 26, 2019

Council of the City of Philadelphia  
Committee on Transportation and Public Utilities  
Councilman Kenyatta Johnson, Chair

Re: Testimony of the Sierra Club on Resolution Number 181081, authorizing the Committee on Transportation and Public Utilities (“Committee”) to conduct hearings regarding the sustainability of the Philadelphia Gas Works (“PGW”)

Chair Johnson, Committee Members,

Thank you for the opportunity to testify today. I am a Deputy Regional Director for the Sierra Club, a national grassroots environmental organization with nearly 12,000 members in the Philadelphia area alone.

We applaud the City of Philadelphia (“City”) for its climate protection commitments, including the goal of limiting warming from climate change to below two degrees Celsius, even as we know we need to be more ambitious. This Committee, the Council, and PGW have an opportunity to help the City meet those targets while creating thousands of new family-supporting jobs, saving money, and improving the safety, comfort, and health of residents throughout the community, particularly those most overburdened and underserved by our current energy system. Achieving those objectives requires swift action supported by robust community engagement, leadership, and analysis. We therefore request that the Committee and Council require PGW to develop and submit a plan through a comprehensive, participatory process, to do their part to meet the City’s climate protection goals in an equitable manner. As a first step we encourage the Committee and Council to take any and all actions necessary to ensure new residential and commercial buildings do not use gas or other dirty fuels.

The City is not alone in recognizing the need, opportunities, and challenges for a gas company to meet climate protection commitments. The District of Columbia (“DC”) has required a similar plan from its gas company by January 1<sup>st</sup>, 2020<sup>1</sup>, and the administration is actively working to stop new gas hookups.<sup>2</sup> Both DC<sup>3</sup> and New York City<sup>4</sup> have enacted new policies to require significant improvements in reducing energy use and climate pollution by large commercial buildings. Four other cities are partnering with them to pilot strategies to scale up the electrification of building heating and cooling systems through the Building Electrification Initiative.<sup>5</sup>

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<sup>1</sup> DC PSC Formal Case No. 1142, Order No. 19396, Commitment #79: “By January 1, 2020, AltaGas will file with the Commission a long-term business plan on how it can evolve its business model to support and serve the District’s 2050 climate goals (e.g. providing innovative and new services and products instead of relying only on selling natural gas). After the business plan is filed, AltaGas will hold bi-annual public meetings to report on and discuss its progress on the business plan”

<sup>2</sup> <https://edocket.dcpsc.org/apis/api/filing/download?attachId=84274&guidFileName=09bd0174-7a44-4d90-a578-e20b1f2ec733.pdf>

<sup>3</sup> <https://lms.dccouncil.us/Legislation/B22-0904?FromSearchResults=true>

<sup>4</sup> <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=3761078&GUID=B938F26C-E9B9-4B9F-B981-1BB2BB52A486&Options=ID%7CText%7C&Search=1253>

<sup>5</sup> <https://www.beicities.org/>

The primary opportunity for the City and PGW is through helping customers transition to heat pumps, induction stoves, and other technologies utilizing clean, renewable electricity instead of gas. The easiest place to begin is by not making the problem worse. Every building we hook up to gas makes it harder and more expensive for families and businesses.

The next step is making sure those who have been most overburdened and underserved are first in line for the benefits of investment in safer and healthier buildings, starting with affordable housing. Not only can we get dangerous and poisonous gas and fumes out, but we can improve efficiency, save money, and get the lead, mold, asbestos, dangerous wiring, and everything else threatening our families out at the same time. This requires coordination of energy and housing assistance programs with efficiency and electrification retrofits.

Homes and businesses will need to be rewired and new appliances installed. That rewiring can also support rooftop solar and electric vehicle charging stations needed to reduce climate pollution from power plants and motor fuels. The City will need more experienced construction workers of many types, particularly electrical workers, and should work with the members of the North American Building Trades Unions to fund appropriate training and apprenticeship programs.

The City also needs to create a sustainable regulatory framework for winding down PGW's gas assets. All gas distribution assets should be depreciated on the schedule needed to meet climate commitments. Families and businesses can be helped off the most dirty and dangerous parts of the pipeline network first – a focused effort to electrify entire blocks and neighborhoods with old, leaking pipes in order to shut down specific sections of gas distribution systems. The money saved on maintenance and repair of leaking gas pipelines can help support PGW's outstanding financial obligations.

Taking these steps in an equitable way requires mobilization and market transformation. We can put a stop to climate pollution, people being threatened by gas explosions, and children being poisoned by leaks, fumes, lead, mold, and more. We can save money and create thousands of family-supporting jobs by moving our buildings off gas and other dirty fuels to clean, renewable electricity over the next few decades. But we need to start now, by requiring a plan and not making the problem worse. Thank you again for the opportunity to testify today, happy to answer any questions or go further into detail on any one of these issues.

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