

Why is the DC Healthy Homes Act So Important?

The Healthy Homes and Residential Electrification Amendment Act of 2023 (B25-0119) is the most important legislation that the District of Columbia government can enact now to help slow down climate change and promote environmental justice. Replacing gas-burning appliances with clean electric ones makes sense from four standpoints.

Economically: The price of methane (so-called “natural”) gas, including the future “blended fuels” touted by the industry, will skyrocket for ALL gas customers. In addition to the costs of the fuels, new, upgraded pipe infrastructure is projected to add well over 1000 dollars to the average customer’s bill in the years to come.

Health and safety: Combustion from gas appliances creates indoor air pollution which can cause or worsen asthma risk for children, cause or worsen other cardiovascular and respiratory diseases, and lead to early mortality in elders. Other risks include residential fire, explosions, and carbon monoxide poisoning.

Equity and environmental justice: Low-income individuals/families, and particularly people of color, are disproportionately impacted by rising energy costs and by dangerous indoor air quality from continuing to use gas heating and other appliances.

Climate: The District has adopted the most aggressive greenhouse gas emissions reduction goals in the nation. By law, the DC government is committed to achieving “carbon neutrality” by 2045. But these goals will not be met without action, and the Healthy Homes Act is the first legislation to take concrete steps toward a cleaner environment in our homes.

In early February, Councilmember Charles Allen (Ward 6), joined by Councilmembers Robert White (At Large), Brianne Nadeau (Ward 1), Brooke Pinto (Ward 2), Matt Frumin (Ward 3), Janeese Lewis George (Ward 4), Zachary Parker (Ward 5), and Vincent Gray (Ward 7), introduced the Healthy Homes Act. The bill is a nation-leading effort to slow down climate change and promote environmental justice. The bill sponsors hope to enact it into law in the fall of 2023.

WHAT THE ACT WOULD DO

- The Healthy Homes Act would require the District’s Department of Energy and Environment (DOEE) to replace gas appliances with modern, efficient, electric ones for up to 30,000 **low-income families free of charge** – 5,000 before the end of 2025; 10,000 before the end of 2030; 20,000 before the end of 2035; and the rest before the end of 2040. The homeowners would then have safer, healthier homes with higher property values.

- DOEE would be required to develop a **sliding scale** to share the costs of providing residential electrification retrofits to **moderate-income households**.
- If funds are available, DOEE would be allowed to support the cost of providing retrofits to households above these income limits. Benefits to homeowners may be combined with other subsidies from DOEE or other agencies.
- DOEE would be required to partner with a nonprofit to provide education to businesses and individuals on residential electrification retrofits, and would need to reduce or eliminate the cost of this training to maximize participation of equity impact enterprises and to provide jobs to DC residents.

In addition:

- The act would require a new building permit surcharge, beginning **January 1, 2024**, of at least a half cent per British Thermal Unit (BTU) for the installation (including replacement) of appliances or other systems that combust fossil fuels on site. This would amount to \$500 for a typical 100,000 BTU gas furnace. The surcharge would not apply to restaurants.
- The act would require that the DC government not install fossil fuel combustion appliances when it conducts a public housing improvement project under HUD's Rental Assistance Demonstration program.

FROM A CLIMATE PERSPECTIVE

1,435,000 metric tons of CO₂ – almost one quarter of DC's total carbon emissions – are produced annually by commercial and residential buildings burning methane gas or fuel oil for heat and hot water. To achieve DC's emissions reduction goals, virtually all of those buildings need to switch to electric heat pumps, stoves, and water heaters within the next 22 years.

FROM A COST PERSPECTIVE

Washington Gas, which has a monopoly on methane gas service in DC, has proposed a 40-year, \$4.5 billion pipe upgrade project, paid for almost entirely by gas customers. The current request, for "Phase 3" of this project, will raise the average customer's gas bill at least \$424 over the next five years, and there are five more phases planned.

FROM AN EQUITY PERSPECTIVE

It is critical that lower-income residents get rid of their gas appliances soon, as rising fuel and gas infrastructure costs will be divided among all remaining gas customers. Gas bills will multiply several times from where they are today, motivating businesses and the wealthy to get off gas, and leaving poorer people holding the bag.