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Date: April 28, 2025

To: Chairman Morgan Meyer and the Members of the House Committee on Ways & Means

CC: Vice-Chair Trey Martinez Fischer, Rep. Diego Bernal, Rep. Angie Chen Button, Rep. Giovanni Capriglione, Rep. Barbara Gervin-Hawkins, Rep. Hillary Gail Hickland, Rep. Sergio Muñoz, Jr., Rep. Candy Noble, Rep. Vincent M. Perez, Rep. Ellen Troxclair, Rep. Chris Turner, Rep. Cody Vasut
Via hand delivery and by email.

From: Adrian Shelley (ashelley@citizen.org), Public Citizen, 512-477-1155

Re: HB 1483, Residential energy efficiency – Public Citizen testimony in support

Dear Chairman Meyer and Members of the Committee:

On behalf of 30,000 members and supporters in Texas, Public Citizen appreciates the opportunity to testify in support of HB 1483, relating to an exemption from ad valorem taxation of the amount of the appraised value of certain residential real property that arises from the installation in the property of certain energy efficiency-related improvements.

Summary of our testimony:

- We support HB 1483 because it will promote residential energy efficiency through a tax incentive.
- Energy efficiency helps Texans save money on electricity bills.
- Energy efficient homes are safer and more comfortable.
- Energy efficiency is the cheapest strategy to stabilize the grid.

This bill will help Texans save money.

HB 1483 will create a tax incentive to encourage homeowners to make energy efficiency investments in their homes. Energy efficiency upgrades help regular Texans save money. Whether it is replacing inefficient lightbulbs with LED's, replacing an old refrigerator with a newer one, or using a more efficient dishwasher, Texans can save hundreds to thousands of dollars in electricity bills. Simply replacing resistance heating with energy-efficient heat pumps can save the average Texan $300 on their utility bill annually, according to the American Council for an Energy-Efficient Economy (ACEEE).[1] Homes with energy efficient appliances can be cooled or heated with less energy, which saves people money—especially those that are most vulnerable, like low-income communities and communities of color.

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[1] *See* https://www.aceee.org/press-release/2024/11/heat-pumps-would-save-many-texas-households-300-annually

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Energy efficiency upgrades and updated building codes can improve the filtration of a building which reduces the internal circulation of pollen and dust. This improves internal air quality, thus improving health outcomes and reducing the cost of hospital visits for Texans.

Energy efficient homes help people survive power outages.

Residential home weatherization provides public safety benefits as well. Weatherization in homes includes insulation, double-pane windows, weather stripping around doors, windows, and plumbing, and optimizing HVAC equipment. These energy efficient investments make a home more comfortable and safer.

Some power outages in Texas are caused by extreme weather events such as winter storms. When the electricity goes out at home, energy efficiency upgrades to the building envelope help make a home feel comfortable and remain at a livable temperature for longer.[2] This could be life saving given the number of Texans who lose their lives each year to both extreme heat and cold when left without power.[3]

Energy efficiency is the best strategy to secure the grid.

Because Texas has had weak energy efficiency goals for years, [4] we have a significant opportunity to achieve grid benefits with comparably little investment. Demand reduction strategies are cheaper than the gas investment attempted by the Texas Energy Fund. This is because the cheapest megawatt of electricity is the one that you don't buy.

Some projections have demand in ERCOT *tripling* by 2039.[5] Every option should be on the table for getting supply to meet demand, including demand reduction strategies like energy efficiency. Reducing energy demand is just as effective as increasing supply—more so because it can be deployed more quickly.

According to one ACEEE study, with $1.6 billion of investment in high-efficiency heat pumps total over 15 years, ERCOT could see a 12 gigawatt winter peak demand reduction and savings of over $15 billion. This is the equivalent of 40 new 300MW gas plants.[6] This would offer massive savings and put more dollars into the pockets of Texans.

In conclusion, we ask you to support HB 1483 because it will encourage much needed investments in residential energy efficiency.

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[2] *See* https://www.urbangreencouncil.org/baby-its-cold-inside/
[3] *See* https://harcresearch.org/news/home-is-where-the-resilience-is-increased-home-weatherization-and-energy-efficiency-are-key-to-a-more-resilient-future-for-all-texans/
[4] *See* https://www.aceee.org/state-policy/scorecard
[5] *See* https://www.ercot.com/files/docs/2025/01/24/2024_LTSA_Review_Jan2025_v1.0.pdf
[6] *See* https://www.aceee.org/sites/default/files/pdfs/transforming_texas_-_how_heat_pumps_can_replace_electric_resistance_heat_reducing_costs_and_winter_power_peaks.pdf