

RESOLUTION NO.

WHEREAS, in 2021, Council approved the Austin Climate Equity Plan, which outlines a path to reaching net-zero community-wide greenhouse gas emissions by 2040; and

WHEREAS, in 2024, Council approved the Austin Energy Resource, Generation and Climate Protection Plan to 2035 to create a reliable, affordable, and environmentally sustainable future and to make continued progress and demonstrate a clear commitment to an industry-leading goal of 100% carbon-free energy by 2035; and

WHEREAS, Austin Energy in its Resource, Generation and Climate Protection Plan to 2035 outlines goals to add diversity to its carbon-free generation mix and to continue its leadership in an evolving industry by fostering research and development partnerships that explore emerging technologies, including geothermal; and

WHEREAS, geothermal technologies for direct building heating and cooling may take the form of thermal energy networks (TENs) and thermal energy storage (TES) systems; and

WHEREAS, the Cornell University ILR Climate Jobs Institute highlights the energy efficiency potential that TENs such as the one at the Whisper Valley development in Manor, Texas may provide; and

WHEREAS, in 2025, the Texas Legislature passed Texas House Bill 4370, which authorizes financing for the acquisition, construction, improvement, or operation of geothermal water conveyance systems through public improvement districts; and

WHEREAS, the active Section 48 Federal Investment Tax Credit for geothermal, initially passed through the Inflation Reduction Act, offers the potential for financial incentives for certain geothermal projects; **NOW, THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Manager is directed to advance adoption and awareness of geothermal heating, cooling, and water conveyance technologies in alignment with the City's goals of equity and sustainability by:

- continuing to evaluate thermal energy networks for direct heating and cooling potential in development projects;
- considering the expansion of current energy efficiency and water conservation rebate programs offered by the City to support residents and businesses in making informed, sustainable choices; and
- convening a stakeholder group to identify opportunities, challenges, and feasibility associated with scaling geothermal technologies within the Austin Energy service area; the stakeholder group should be led by Austin Climate Action and Resilience and include representatives from organized labor, environmental groups, academic institutions, private sector developers, and relevant City departments including Austin Energy and Austin Water.

BE IT FURTHER RESOLVED:

The City Manager is directed to report back to Council with findings and potential recommendations by May 2027.

ADOPTED: _____, 2026

ATTEST: _____

Erika Brady
City Clerk