

Summer 2024 Community Listening Sessions FAQs

Charlottesville Gas Operations & Programs

What is Charlottesville Gas doing to facilitate energy conservation in the community and the wise use of resources?

In recent years, Charlottesville Gas has invested in and expanded its energy efficiency programs. Improved energy efficiency results in a more comfortable home, lower utility costs, and lower emissions. We highlight the benefits these programs provide to residents, actively promote their availability, and constantly work to ensure they aid our efforts to reduce energy consumption. Currently, rebates for a programmable thermostat and attic insulation are available, and since 2019, the utility has partnered with the Local Energy Alliance Program (LEAP) to provide free home weatherization for income-qualified households with the Charlottesville Gas Energy Efficiency Program (CGEEP).

Is the Charlottesville Gas Energy Efficiency Program (CGEEP) only available to residential gas customers?

CGEEP is designed to address weatherization improvements and upgrades to residential customers and is available to all income qualifying homeowners and renters who live in single-family homes, duplexes, or townhouses that are currently served by Charlottesville Gas.

How much energy savings has the Energy-Saving Trees program provided?

According to the 2024 Impact Report provided by the Arbor Day Foundation, with the 700 trees planted to date by Utilities customers in the City, the projected cumulative 20-year values are 1.2 million kWh of energy savings, 1.7 million lbs. carbon sequestered/avoided, and 4,679 lbs. of air pollutants absorbed.

What support resources does the Energy-Saving Trees program provide to help ensure the success of the tree?

The Arbor Day Foundation, Utilities' partner in this program, provides information on proper planting, and a hotline for specific questions participants might have about caring for their trees. They also perform a follow-up survey to check on the tree's progress and provide additional help if it is not growing as expected.

What are the carbon offset projects Charlottesville Gas is using?

A carbon offset broker has selected verified projects from a wide range of options on behalf of Utilities. These projects include both nature-based and technology-based methods to remove or prevent carbon emissions. Examples include sustainable forest management in Tennessee and developing solar energy power plants in India. Participation in the carbon offsets program adds about 60 cents a month to the average bill for Charlottesville Gas customers.

What is the offset verification process?

Third-party carbon offset registries accredited under the applicable offset project standard verify reported carbon dioxide savings. These registries include [Verra](#), [American Carbon Registry \(ACR\)](#), and [Climate Action Reserve \(CAR\)](#), which ensure that all offsets are Real, Additional, Verifiable, and Permanent.

How do we know that the offsets are high quality and verifiable?

The offset projects Utilities sponsors have undergone a rigorous multi-level eligibility, reporting, and verification process. A carbon offset consultant works with a project developer to review the project program and methodology to ensure it meets the criteria to apply for offset registration. Once registered, the consultant and the developer monitor the project, gathering data and records to meet all methodology requirements.

Why do we not utilize local programs for carbon offsetting?

Finding local carbon offset opportunities is difficult due to the verification process. Assessing the true environmental impact of a project is complex, requiring in-depth knowledge of the project's methodology and potential risks. Local carbon offset projects would need to meet specific standards for measuring and verifying emissions reductions, comparing options and assessing their quality. Although we are unaware of high-quality, verified carbon offset projects available locally, we will prioritize any project in the area that meets the carbon offset registry requirements if the project becomes available.

How many emissions from natural gas leaks have been prevented by Charlottesville modernizing its natural gas distribution infrastructure with up-to-date materials?

The information is not available to determine the emissions that were avoided from leaks by Charlottesville modernizing its infrastructure. Based on the Federal Code of Regulations, older cast iron piping is over 10 times more likely to leak than modern polyethylene pipe. Only 1 mile of cast iron pipe remains in the Charlottesville Gas system and a project to replace it has been initiated.

Does Charlottesville Gas have a program to help customers check for leaks in their own homes?

Charlottesville Gas implements a robust gas safety public awareness program that complies with and exceeds federally mandated regulations that follow the guidance of the American Petroleum Institute (API) Recommended Practice (RP) 1162. The safety program is nationally recognized for its effectiveness, and utilizes television, print, web, radio, and community events to educate and reinforce how to prevent a natural gas leak, how to detect a natural gas leak, and what actions to take if a leak is suspected. Since 2006, there has been a 142% increase in our customers' ability to recognize the smell of natural gas, and a 77% reduction in gas line damage caused by third-party excavation. If someone suspects a gas leak, they should immediately contact Charlottesville Utilities Dispatch so that trained Charlottesville Gas technicians can respond to the situation and resolve any issues. Customers should never attempt to locate the leak.

What is Charlottesville Gas doing to prevent, detect, and address leaks, and what is the leak rate?

Charlottesville’s leak mitigation program exceeds the standards laid out by PHMSA (Pipeline and Hazardous Materials Safety Administration), operating a modernized gas system with most of the system having been replaced with industry best-practice materials, and which is reflected in the low number of leaks per mile the system has experienced. We proactively survey the street to detect leaks, and all detected leaks are repaired immediately. Year after year, Charlottesville’s leaks per mile continue to decrease with 0.13 leaks per mile detected in 2023. The national average is 0.263, therefore the City is approximately half the national average.

What is methane, and what is its relationship to natural gas?

Methane is an odorless, colorless gas and an organic compound. Methane is the main constituent of natural gas, making up over 90% of its volume in most cases.

Decarbonization Study

What exactly is decarbonization?

Decarbonization is reducing or eliminating the levels of carbon emissions caused by using fossil fuels. The final report of the Decarbonization Study will address decarbonization as related to Charlottesville Gas.

What is the cost-benefit of the decarbonization of natural gas?

The cost-benefit of the decarbonization of the natural gas utility will be addressed in the final report of the Decarbonization Study.

What is renewable natural gas?

Renewable natural gas (RNG) is the gaseous product of the decomposition of organic matter that has been processed to purity standards and can be used in various applications. It is most commonly sourced from landfills, livestock operations, or wastewater facilities. RNG, as related to Charlottesville Gas, will be addressed in the final report of the Decarbonization Study.

When looking at emissions, will the Decarbonization Study consider the full fuel cycle of the gas operation?

Since Charlottesville Gas is the local provider of natural gas, this study is only considering emissions generated by Charlottesville Gas from the gate station to customer’s usage. The gate station is the beginning of the gas pipeline under the control of Charlottesville Gas.

Is the City working with both UVA and Albemarle County on decarbonization?

Charlottesville Utilities has briefed UVA and Albemarle County staff about the Natural Gas Decarbonization Study.

Will Charlottesville Gas phase out new gas connections?

There is no law banning new gas installations in Virginia. Charlottesville Gas' service area is geographically fixed, and the gas utility will not expand beyond the current boundary. Therefore, we expect the rate of new customer additions to decline. The final report of the Decarbonization Study will address additional information on this topic, as related to Charlottesville Gas.

Will Charlottesville use hydrogen as an energy source?

This topic will be addressed in the final report of the Decarbonization Study.

Financial Impact

Will the upcoming "new gas connection fee" apply to purchases of new homes with natural gas?

The "new gas connection fee" will only be charged when gas service installation is requested for a home or business that did not previously have natural gas. The fee will not be applied to a subsequent owner of a home or business with natural gas service.

If or when the gas customer base decreases, how will ratepayers be affected?

We have emphasized that the natural gas decarbonization study is not intended to be a decommissioning study but to identify ways the natural gas utility can align with the Charlottesville's climate goals. If the number of gas customers decreases, it is difficult to predict the resulting impacts on ratepayers as there a number of variables which go into calculating gas rates. Examples of these variables include the numbers and types of customers exiting the utility, the timing of customers leaving the utility, changes in the amount of gas purchased (measured in dekatherms), and changes in the price of gas per dekatherm.

Can the City steadily raise gas rates to encourage customers to switch away from gas between the present day and 2050?

The City operates all of its utilities on a break-even basis (revenues equal to expenses) to ensure that each is self-sustaining. This calculation includes determining the revenue requirements needed to provide "reasonably adequate services and facilities" (see Code of Virginia 56-234.A). This methodology is often referred to as the cost-of-service approach. This approach includes the total cost to provide the service to the customer and includes resources needed to operate, maintain, and construct the utility. Expenses outside of those needed to support the services and facilities of the utility or in excess of the amount needed are not eligible for inclusion in determining the revenue requirements of the utility and rate calculations.

Does the gas system have long-term debt obligations?

The gas utility does not have any debt obligations.

Does the state regulate gas rate settings, or is that up to the City?

Gas utility rates are calculated by the City's Finance Department and Department of Utilities using a financial model. The City Council adopts and sets the rates pursuant to the City and State Code. Unlike investor-owned utilities, the City's rates are not subject to review by the State Corporation Commission (SCC).

Will there be a penalty for using a gas furnace in my home if I do not convert to electric?

There will not be a penalty for using a gas furnace in your home.

Will Charlottesville Gas provide rebates for conversion to electric appliances or solar panel installations?

The City cannot use revenue from gas utility rates to provide rebates for conversion to electric appliances or solar panels as these are not costs related to the utility's operation and maintenance. The City could use other funds from other sources for these rebates, just not those from the gas utility. Federal or state rebates or incentives may be available to help customers convert to electric appliances or solar energy should they choose to do so.