

## Green Building is Making a Difference

Over the last 12 years, the Green Building Program has made remarkable progress in its goal of bringing sustainable building practices to the mainstream building industry. We measure our success in a variety of ways, including number of homes, apartments, and commercial buildings rated; amount of kW hours saved; pollution reduction related to kW savings; and water conservation. Thanks to our members and staff, this has been our most successful year ever. In 2002, 666 homes in the Austin Energy service area were rated using the Green Building Program's rating system. This works out to about 57% of all new home construction in the service area. It's true that this year has seen an unusually low number of home starts (around 1,200 as compared to the 2,000+ that we usually have) but the progress of the program is still very significant.

Between 1993, when the rating tool was introduced, and 1998, 713 homes in the service area were rated. Our ratings started to skyrocket and during 1999 and 2000, when more production builders joined our program. Between 1998 and 2002 we rated more than 2,400 homes, which brings our lifetime total to more than 3,100 ratings.

The commercial side of the Green Building Program is also doing phenomenal work. They completed ratings on three projects this year, the IBM/Tivoli Software building, CarrAmerica's 300 W. 6th Street office building, and the J.J. Pickle Elementary School/St. Johns Community Center. The commercial program's work alone equals over 1,600 kW of peak energy reduction. Our commercial program staff is currently consulting on over one million square feet of space. We are just beginning to process the ratings from the multi-family segment of the program but expect those savings to be equally impressive. At the moment, we have 12 projects in the works comprising 1,911 units.

Overall, Austin Energy's Green Building Program members are responsible for reducing Austin's peak energy load by 6.3 megawatts (mW). This is slightly less than 2001 reductions but very respectable considering the downturn in the economy. Austin's peak energy load time is during the hot summer months when people naturally run their cooling equipment most frequently. Reducing peak load is important because it reduces Austin Energy's need to build more power plants to keep up with demand. Green Building's contribution to electrical energy conservation for 2002 was 12,321 mW hours (mWh). This energy conservation will save Austin ratepayers about \$875,000 per year. Even more important than fiscal savings is the amount of pollution reduction that these numbers indicate. Saving 12,321 mWh of energy reduces carbon dioxide (CO<sub>2</sub>)

emissions by 10,473 tons, nitrogen oxide (NO<sub>x</sub>) emissions by 35,731 lbs, and sulphur oxide (SO<sub>x</sub>) emissions by 78,854 lbs.

Thank you and congratulations to all our Green Building Program members who are really making a difference in Austin. Be sure to see the member ratings table which shows how many total ratings have been completed and which star level has been achieved by each member.

## Tax Exemptions for Saving Water



**In Hays County,  
rainwater collection  
systems qualify for  
property tax**

by Dick Peterson

At our last member's seminar, a question was asked about whether rainwater-harvesting equipment is exempt from property taxes or from state sales tax (SECTION 4.25. Subchapter H, Chapter 151, Tax Code). Currently, only Hays County has property tax exemption for rainwater systems. However, there IS a statewide sales tax exemption for components of rainwater and certain greywater systems. I visited with Al Van Allen with the [Texas Comptroller of Public Accounts](#). He referred me to their September 2002, Sales Tax Update, which is available by request from their office. The publication lists specific components that may be excluded from sales tax if the purchaser completes [The Texas Sales and Use Tax Exemption Certificate](#) when making a purchase.

Whether or not your favorite local supplier will accept the document is another issue altogether. Evidently, the state can not force retailers to accept your provided document. The Sales Tax Update article states: "To encourage Texans to conserve water, the 2001 Texas Legislature created a new sales tax exemption which applies to equipment, supplies and services used solely for certain types of water conservation."

The new exemption covers the following types of conservation and each type also lists examples of equipment, supplies and services now exempt from sales tax if used solely for the purpose shown.

Rainwater harvesting: rain barrels; gutters used solely to route the water into rain barrels or rainwater collection systems; tanks and cisterns; roof washers used in a harvesting system; screens and filters for the gutters, barrels, tanks, cisterns and roof washers; and a collection surface area that is not used as a roof of a structure or storage area.

**Water recycling and reuse:** chemicals, tanks and cisterns, and water recycling systems for washing machines.

**Reduction or elimination of water use:** water dams for toilets, timers attached to sprinkler systems, water displacement devices for toilet tanks, and faucet sensors that shut off water flow.



**Some cisterns are locally made, such as**

There are other exempt items including bulldozers and chainsaws used for brush control designed to increase the availability of water, desalination and precipitation enhancement equipment.

Water or wastewater system components are only exempt if they are part of a regional system. Remember the "sole purpose" segment of the law which states, "not exempt are items that do not meet the 'sole purpose' test, such as water efficient appliances, pumps for fountains or water



**Many components of rainwater collection**

displays, tools used for landscaping or lawn care, lawnmowers, shredders, low-flush toilets, and water hoses. For the purpose of this exemption, 'solely' means the equipment, services or supplies are used exclusively for the reason stated. For example, a water dam in a toilet tank is used only to save water, therefore it qualifies for the exemption. A washing machine with special features to conserve water does not qualify, because it's used to wash clothes, not solely to reduce water use."

With this sales tax exemption, we hope you consider rainwater harvesting in your next Green Building Program rated project.

From the lawyers: "The above general information is not intended to constitute specific tax advice. Please contact your local taxing authority and/or the Texas Comptroller of Public Accounts to discuss your specific tax situation and determine your tax liability."

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## Member Bulletin Board

### Green Building Program Members Receive Awards

Three Green Building Program members earned prestigious awards at the **2002 Design Awards Competition** sponsored by the Austin Chapter of American Institute of Architects. Architects Chris Krager and Chris Robertson of KRDB earned a Citation of Honor Award for their Cedar Avenue S.M.A.R.T. Housing Development, located in East Austin and financed through the Austin Housing Finance Corporation Small Builder Program. Dick Clark Architects picked up two awards, one for the Matthews Residence and another for their work on the Safady residence. Team Haas was honored for their work on the J.J. Pickle School/St. John Community Center. Congratulations to all the winners.