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Sierra Club, Austin Energy Reach Agreement on Proposal to Ramp Up Renewable Energy, Phase Out Dirty Gas and Coal by 2023

AUSTIN, TX -- Utility officials presented an updated proposal for the 2025 Austin Resource Generation Plan at the Council Committee on Austin Energy at City Hall today. The plan discussed before City Council today will, if approved, make historic commitments to solar power and other forms of renewable energy, increase Austin's commitments to energy efficiency and demand response, begin investments in energy storage, and phase out the city's oldest and most polluting fossil fuel plants -- the Decker natural gas plant and Fayette coal plant.

Over the last three months, Sierra Club entered into a dialogue with Austin Energy, Council Member Mike Martinez, and other stakeholders to develop a 2025 Generation Plan that would be affordable, ambitious on renewables and cutting carbon dioxide emissions, and have buy-in from the utility, business community, and environmentalists.

Highlights of the Proposed Austin Energy 2025 Generation Plan:

- Steam units at the aging Decker natural gas plant – the largest point source of smog-forming, asthma-inducing pollution in Travis County – would be retired in 2018;
- Austin Energy's largest source of climate disrupting carbon pollution, the coal-fired Fayette Power Plant, would begin to ramp-down in 2020 with a retirement process commencing in 2022;
- Renewable energy goals would increase from the current goal of 35 percent by 2020 to 55 percent by 2025;
- Overall solar goals would skyrocket from 200 MW in the current plan to 950 MW by 2025;
- Energy efficiency goals would increase from 800 MW to 900 MW, including a specific demand response goal of 100 MW with a process to increase the total energy efficiency goal to as much as 1,200 MW if affordable and achievable;
- A local storage goal of 30 MW – including batteries, other technologies, and chilling stations – and scoping up to an additional 170 MW of utility-scale storage through a Request for Information.

The plan does authorize new natural gas power – a more modern 500 MW combined-cycle plant that would be more efficient and cleaner than Austin's current natural gas units – but any new power plant would be subject to a third-party independent analysis to make sure any investments adhere to both affordability and climate protection goals.

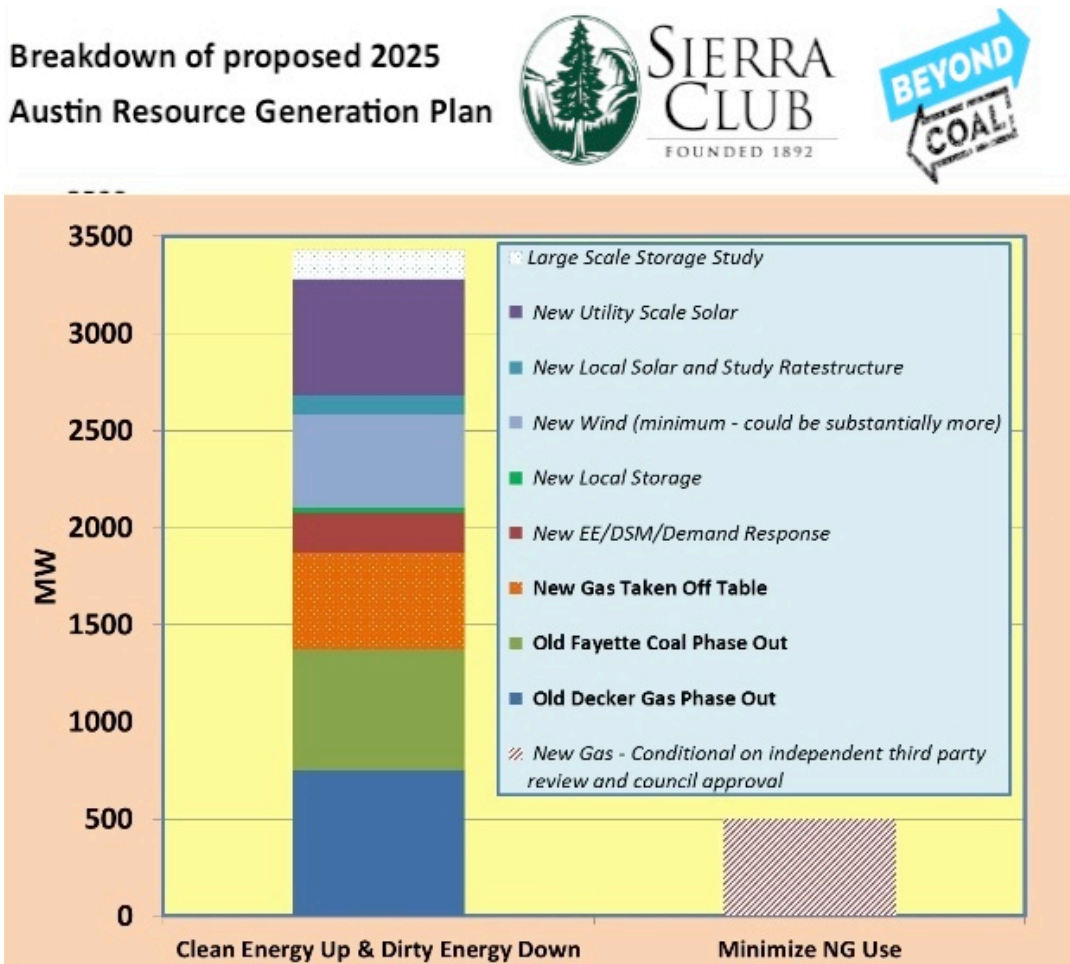
Cyrus Reed, Acting Director of the Sierra Club Lone Star Chapter and a member of the Austin Energy Generation Planning Task Force, released the following statement in response:

“Sierra Club is pleased to have worked cooperatively with Austin Energy, City Council, and many others on crafting a plan that we believe would be among the most ambitious, environmentally and fiscally

responsible generation plans in the nation.”

It is critical we don't jump into another investment like the biomass plant. We all agree that major investment decisions should be made only after careful independent analysis, stakeholder input, and consideration of alternatives. We also agree that this plan is a guiding document. It does not bind the utility into specific investments that may not be in people's best interests. It will guide Austin and the nation toward effective climate disruption solutions through affordable and reliable energy.

We look forward to working with City Council on December 11 to maintain broad support for these goals and approve this groundbreaking plan.”



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