

ROLL BEYOND COAL, Austin! City of Austin can phase out Fayette Faster with Clean Power & Green Jobs

Clean Power & Energy Efficiency means: <u>Green Jobs.</u>

Implement Energy Efficiency measures across all sectors, buildings and residential.

Build more Renewable Power, on and off-site: wind, solar, geothermal.

Phase out of burning 600 megawatts of Fayette Coal.

Austin Energy Plan: a Good Start, and... Austin Can Do Better!

On August 18th, *Austin Energy* gave recommendations to the Mayor and City Council for its plan to meet Austin's energy needs by 2020 while meeting the City Council's goal of at least 30% renewable power. The proposed electricity generation plan includes: over 200 megawatts (MWs) of solar power, over 1,000 MWs of wind, and 150 MWs of biomass to provide more than a third of our electricity consumption with clean energy.

This plan also relies on additional natural gas and an unprecedented amount of demand reduction – 800 MWs – through energy efficiency and green building programs. Austin Energy's proposed plan does address Austin's secret addiction: the 607 MWs of energy we consume from burning coal at the Fayette plant. AE is ready to utilize new renewable resources and energy efficiency to reduce the use of coal by 40%, or about 240 MWs by 2020...maybe. Austin Energy should be applauded for this initial plan which makes significant improvements in our renewable and energy efficiency commitments. However, Sierra Club and our Central Texas environmental partners believe that the *City of Austin can and must do better than a promise to try and reduce coal* by running Austin's power plant less.

It is time now for Austin Energy and the City Council to come up with a just transition for getting out of the coal plant completely.

The solution is to more substantially increase:

- Energy Efficiency programs; and,
- Clean Renewable power, particularly solar; ...and roll beyond coal in Austin.

Can We Roll Beyond Coal?

Austin Energy's own consulting firm Pace provided the following scenario for Austin to end our dependence on Fayette coal by 2020.

Year	Coal	Gas	Biomass	Wind	Geothermal	Solar	Renewable Portfolio %
2009	607	1,444	12	439	0	1	12.6%
2015	303	100	250	133	25	30	32%
2020	0	0	50	1,024	25	150	54%
Total	0	1,544	312	1,596	50	181	54%

The Above Scenario is one potential way to phase out the Fayette Plant. Sierra Club and our allies our working on a different scenario which will be more cost-effective.

Why Roll Beyond Coal? To eliminate a huge source of: carbon dioxide, the principal global warming gas; *and*, to eliminate toxic coal plant mercury, sulfur dioxide and smogforming pollution. To clean up our air and stay healthy!

Clean Power means Green Jobs!

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Roll Beyond Coal, Austin! We can Phase Out Fayette Faster with a *Just Transition*

Fayette (Coal) Power Plant is jointly owned by the Lower Colorado River Authority (LCRA) and the City of Austin and managed by the LCRA. Austin has two options for phasing out Fayette faster. They can either sell their portion of the plant and LCRA would likely continue burning coal there and selling to Texas' regional electricity market. That would possibly reduce demand for other coal plants. Or, Austin could retain ownership of its portion, phase it out, and mothball it – some say in as soon as five years!

Mothballing the Fayette coal plant will depend upon factors such as price, the terms of our present contract with LCRA, the potential to gain carbon credits by holding on to the plant and mothballing it, the potential to convert the plant to running on natural gas, and other options. These potentials can be modeled, studied and implemented.

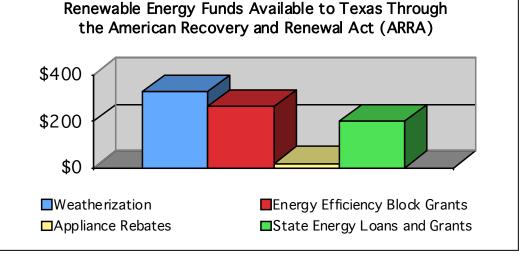
Whatever route City of Austin takes, it must consider the impacts on ratepayers and our environment. Sierra Club and our environmental partner groups believe we can phase out Fayette in a *just transition* that is fair to ratepayers.

AE estimates that getting out of coal entirely would cost about two percent more over 12 years than their draft plan. While that doesn't seem like a lot to pay for clean air and less asthma, the potential rate impacts are real and must be examined more closely. The City Council should tell Austin Energy to end our addiction to coal by 2020 in the most cost-effective, economically fair, and environmentally responsible manner possible.

Steps to help replace Fayette coal *entirely* by 2020 include:

- Improving energy efficiency services to Austinites least able to afford increased rates to make sure bill impacts stay low;
- A more aggressive low-interest loan program for homeowners to make their homes more energy efficient and add solar water heaters and panels;
- A more aggressive industrial efficiency program by raising the per-project cap that prevents many of Austin's largest employers from conserving energy;
- Investing in utilty-scale solar plants including storage and natural gas backup for baseload power;
- Expanding investments in geothermal resources;
- A more aggressive Combined Heating and Power initiative for institutional buildings;
 - Utilizing the millions of dollars available in stimulus monies to promote energy efficiency and renewable power within Austin.

Explore, enjoy and protect the planet.



Millions of Dollars of Energy Efficiency and On-Site