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Historic Proposal for Affordable Clean Energy Will Save Austin Average of \$13 Million Annually in Energy Costs

Austin, Tex. – Today, Austin City Council will consider an [historic energy proposal from Council Member Chris Riley](#) that would save Austin millions while demonstrating an unprecedented commitment to renewable energy.

The resolution calls for Austin Energy to bring more than 600 megawatts of solar power, enough to power more than 100,000 homes, to its portfolio, phase out the Decker gas-fired power plant and set goals to generate more than 60 percent of its power from renewable sources and eliminate its carbon pollution by 2030. An analysis of the cost of Austin Energy's most recent solar Request for Proposals (RFP) and projected cost to generate electricity in ERCOT, the Texas grid, over time shows tremendous savings from investing in an additional 600 megawatts of solar for Austin. The cost analysis was conducted for Public Citizen, a consumer watchdog group, using the same planning tools used by ERCOT and found that the solar power proposed in the Affordable Energy Resolution will save Austin consumers between \$12.6 and \$32 million per year on average compared to building a new natural gas-fired power plant, depending on fluctuations in the gas market.

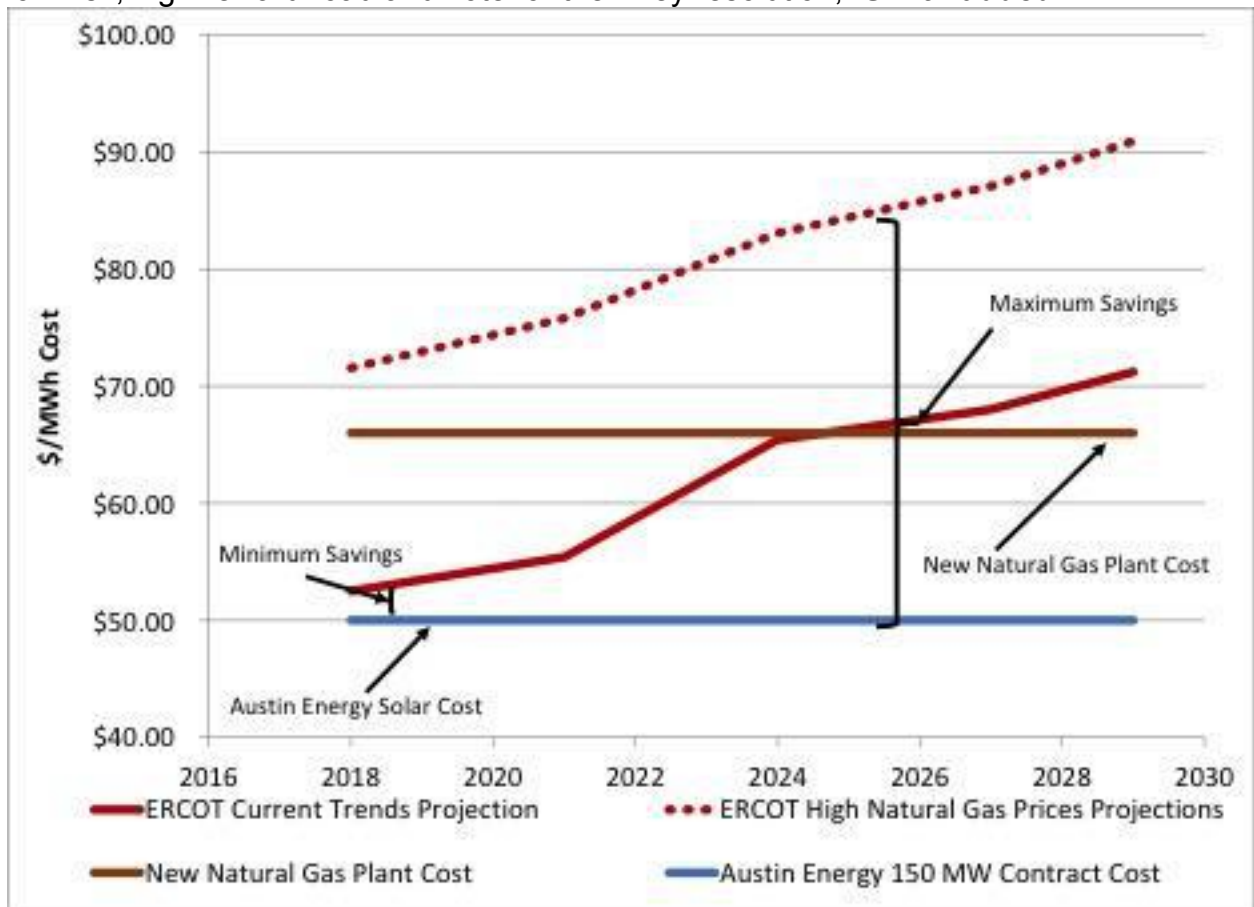
As Austin Energy representatives have said numerous times, with the advent of the nodal market, Austin Energy has to buy all of its electricity from the market and uses its generation resources as a vital hedge against increased market costs. The same will be true whether Austin Energy uses solar, gas, wind, nuclear or coal, and by further diversifying their portfolio Austin Energy decreases its market exposure.

"In America today, clean energy is the only form of affordable energy. Solar power and wind energy are at record low prices, undercutting coal and natural gas plants alike[1]. As new wind and solar projects spring up across the country these prices continue to fall while the cost of gas and coal power continues to go up. Austinites have already seen their bills increase because of natural gas. Contrary to what some opponents say, my resolution both moves Austin Energy in a more affordable direction, and maintains our city's commitment to affordability through a continuation of the affordability standard for all customers," **said Council Member Chris Riley, the lead sponsor of the resolution** "Given that the latest Austin Energy solar contract is lower than the cost of energy from a new natural gas plant[1], the resolution will be a valuable hedge against both rising fuel costs and rising ERCOT power costs," **Riley added.**

In fact, Xcel Energy opted to boost its wind power production by 40 percent because the company recognized that with today's low prices, boosting the company's wind power capacity is an "excellent way to protect customers from [rising fuel prices](#)." In December 2012, a Minnesota judge ruled that solar power was a better option for consumers than a new natural gas plant. These events highlight how clean energy solutions have been established as the lowest cost options for meeting the needs of our communities.

Tom "Smitty" Smith, director of Public Citizen Texas's office and supporter of the Affordable Energy Resolution, stated, "Replacing the energy produced by the Decker plant with solar is a win-win for consumers and the environment. Compared to building a new natural gas plant, solar will save consumers an average of between \$12.6 and \$32 million per year, on top of all the other benefits our city will see from expanding access to solar."

"In addition replacing the energy generated at Decker, Austin's most expensive and polluting power plant, solar will reduce risk from spiking costs of frequent natural gas price surges. It will also position the utility well to comply with the Clean Power Plan. Austin Energy representatives need to stop flip-flopping and acknowledge that after years of hard work and leadership from community members, we have all the information we need to support the Riley resolution. This resolution will save us money, clean our air, create jobs and expand access to clean energy for thousands of Austinites. It's time for the Council to choose the low-risk, high-reward road and vote for the Riley resolution," **Smith added.**



The Affordable Energy Resolution will also expand access to affordable energy by allowing home and property owners to use third-party lease agreements to install rooftop solar installations. These agreements are common in many states and ensure families from all walks of life have the opportunity to choose solar. Rooftop solar can reduce or eliminate energy bills, saving families money while supporting local companies and workers.

The Decker plant is the single-largest point source of smog-forming pollution in Travis County, heavily impacting the nearby communities of Colony Park and Cavalier Park. Smog pollution triggers asthma attacks and can cause difficulty breathing and other respiratory illness. Children, the elderly and people who work or recreate outdoors are at special risk. Replacing the plant with clean solar power will cut smog and improve air quality for the people living in these neighborhoods as well as the more than one million residents in the county, protecting children, seniors and people suffering from asthma and other respiratory illnesses.

Texas is only beginning to tap its solar power and energy efficiency potential, both of which can create many thousands of good jobs while cutting carbon pollution, soot and smog pollution and saving consumers money. The Affordable Energy Resolution takes a giant leap forward in bringing clean energy and its economic benefits to Central Texas.

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[1] According to the Energy Information Administration's 2014 Annual Energy Outlook a new combined cycle gas plant would cost between \$64-\$66/MWh, or \$91/MWh with carbon capture technology.