City Agrees to Phase Out Austin’s Oldest Fossil Fuel Plants

New energy plan makes historic, affordable clean energy commitments

AUSTIN – Shortly before midnight, in a 6 to 1 vote, the City of Austin adopted a plan to affordably phase out the city’s oldest and most polluting fossil fuel plants - the Decker natural gas plant and the Fayette coal plant. The plan constitutes one of the strongest energy portfolios through 2025 for a public power utility.

The new 2025 Austin Resource Generation Plan, one of the most progressive energy plans in the country, also makes historic commitments to solar power and other forms of renewable energy; increases Austin’s commitments to energy efficiency and demand response; and begins investments in energy storage. Through this plan, the City of Austin will reduce its carbon-based electricity by 75-80 percent by 2025.

“I am thrilled that we were able to come together and help develop a thoughtful, affordable plan,” said Cyrus Reed, Acting Director of the Sierra Club Lone Star Chapter. “This plan reflects the support not only of City Council and Austin Energy, but also the thousands of citizens who organized, called and emailed demanding groundbreaking and affordable action to combat climate disruption.”

Over the last three months, Sierra Club worked with faith leaders, low-income advocates and other energy and environmental stakeholders, to help develop the new 2025 Generation Plan that seeks to cut carbon pollution through clean energy investments.

“The 2025 Austin Resource Generation Plan was forged through several months of negotiation between the Austin City Council, Austin Energy, Austin Interfaith, Sierra Club, and environmental non-profits, and designed to serve Austin with more affordable rates, cleaner air and a stronger renewable energy economy,” said Richard Halpin, Co-Chair of the Austin Interfaith Environmental Justice Ministry. “Austin Interfaith believes new living wage jobs can grow out of this rich, historic generation plan.”

Highlights of the Austin Energy 2025 Generation Plan include:

- 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-burning Fayette Power Plant, would significantly ramp-down in 2020 with a retirement process commencing in 2022;
- Overall solar goals would skyrocket from 200 MW in the current plan to 950 MW by 2025;
- Renewable energy goals would increase significantly from the current goal of 35 percent by 2020 to 55 percent by 2025;
- Any future construction of a proposed 500 MW combined-cycle gas plant will be subject to a third-party independent analysis and vetting by a future city council to make sure any investments adhere to both affordability and climate protection goals;
- Takes 1,000 MW of other proposed new natural gas generation off the table;
- Maintains commitments to local solar energy in Austin at 200 MW;
- 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;
- Establishes investments in advanced energy technology for energy storage with a first step of 30 MW – including batteries, other technologies, and chilling stations – and investigating an additional 170 MW of utility-scale storage.

Several other organizations, including Public Citizen, Solar Austin, the SEED Coalition, Texas Drought Project, Climate Buddies, the Faith Energy and Action Team, Texas ROSE and Environment Texas also contributed to the new energy plan.

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