Individual Statement of Mick Long

to the Electric Utilities Commission Recommendations on

The Austin Energy Resource Generation and Climate Plan to 2035

I concur with providing to the Austin City Council the Electric Utility Commission's recommendations (EUC Report) because I agree with much that is in that report. I am writing separately, however, to identify several areas where I disagree and to add additional comments.

Goals

Carbon reduction goals are the driving force in Austin's planning for future generation resources. As indicated in the EUC Report, the current Austin Energy Resource, Generation and Climate Protection Plan, fixes the goals that 86% of Austin Energy's (AE) electricity generation will be carbon-free by year-end 2025, 93% will be carbon-free by year-end 2030, and all generation resources will be carbon-free by 2035. I recommend that this schedule be accelerated such that all generation resources be carbon free by 2030.

I understand that this is very aggressive. I believe that it is warranted given our new understanding of the pace of climate change and its accelerating effects and new carbon free energy technologies identified by Austin Energy in its proposal and by the EUC. I am mindful that the plan must be reasonably affordable to the Austin's consumers and cannot introduce too much financial risk for AE. I recommend that the Council task Austin Energy to see if they can develop a plan to meet the 2030 carbon free goal.

I believe that setting the stricter goal however requires that we be less prescriptive in directing AE on means and methods to achieve it. With that caveat in mind, I offer the following thoughts and information regarding the retirements of current fossil fuel resources and replacement energy resources.

Retirements

I agree with the ECU Report that retiring Austin Energy's portion of the Fayette coal plant as soon as possible should be a top priority. Closing, or green retrofitting, the gas turbines at Decker Creek and Sand Hill and the combined cycle generator will need to be done to achieve the 2030 carbon reduction goal. I also concur that the REACH strategy that AE developed to reduce admissions at the Fayette coal plant should be applied to the gas resources until they can be retired.

Replacement Resources

Austin Energy is recommending prioritizing the development of Hydrogen Capable Combined Cycle plants. Austin Energy believes they are important to the achievement of the carbon free goals established by the City because they allow for the replacement of local generation that is dispatchable and green when the existing coal and natural gas plants are retied, According to Austin Energy this is necessary to maintain affordability and mitigate financial risk to the utility that would be experienced from extreme weather events.

The EUC disagrees with Austin Energy and recommends not prioritizing the development of this hydrogen technology. Instead, the EUC believes its usage would be premature and that further study is required.

I agree with Austin Energy that the development of green hydrogen may be a valuable tool in successfully achieving our carbon free goals especially if they are accelerated to 2030. Such capability can also be an important tool in voltage support to protect the grid. I note that the Biden Administration is aggressively pursuing hydrogen usage and greatly incentivizing its development. So, while I agree that further analysis and study is always warranted, I support AE' conclusion that its development should be prioritized.

In addition, I agree with the EUC Report that Austin Energy should focus on expanding and enhancing their usage of energy efficiency and demand response programs to reduce energy load and on local solar, and energy storage (batteries) to increase and time energy supply.