



Union of Concerned Scientists
Citizens and Scientists for Environmental Solutions

press release

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New Analysis: Renewable Energy Plan in Legislature Can Lower Electric Bills and Increase Revenue to School Districts

Renewable Electricity Standard Can Create 38,290 Jobs and Spur Rural Economic Development

AUSTIN, Feb. 15— Nearly 39,000 highly skilled jobs would be created in Texas if the state legislature passes a bill requiring 20 percent of the state's electricity come from clean renewable sources such as wind, biomass, and solar power, according to the new study released today by the Union of Concerned Scientists. Increasing the current Texas renewable electricity standard (RES) from 3 percent by 2009 to 20 percent by 2020 would provide a significant source of new income for rural communities, save consumers money on their energy bills by reducing natural gas and electricity costs, and provide more tax revenues for school districts.

"Producing 20 percent of our energy from home-grown renewable sources will be a major shot in the arm for Texas, especially its rural communities," said Tom "Smitty" Smith, director of Public Citizen's Texas office. "We would be the national leader on renewable energy while creating more jobs for Texans, producing cleaner air in our cities, and lowering energy bills for everyone."

In 1999, Texas passed a standard of 2,880 megawatts by 2009 and has seen wind power pump money into school districts and rural economies. The state legislature is currently considering upgrading the current standard. One proposal from the Texas Renewable Energy Industries Association (TREIA) would increase the standard to 20 percent by 2020. A less ambitious proposal from the governor's Texas Energy Planning Council (TEPC) calls for an upgrade of 5,000 MW by 2015 and an ultimate goal of 10,000 MW by 2025. TREIA also is proposing a shorter-term goal of 10,000 MW by 2015.

State Sen. Robert Duncan, R-Lubbock, and State Rep. David Swinford, R-Dumas have agreed to sponsor legislation boosting the state's renewable standard to 10,000 MW by 2015. State Sen. Troy Fraser, R-Marble Falls, and State Rep. Phil King, R-Weatherford, are expected to sponsor the TEPC recommendation, Smith said.

UCS analyzed the longer-term goals of both the TREIA and TEPC plans. The study, *Increasing the Texas Renewable Energy Standard: Impacts on Jobs and the Economy*, found that a national RES of 20 percent by 2020 would boost the Texas economy with benefits such as:

- A net gain of 38,290 new high-skilled jobs in manufacturing, construction, operation, maintenance, and other industries.
- \$9.4 billion in new capital investment for renewable energy facilities.
- \$1.1 billion in new property tax revenues for local school districts.
- \$696 million in lease payments to farmers, ranchers, and rural landowners for producing biomass energy and from wind power land leases.
- \$5.6 billion in savings on consumer electricity and natural gas bills.

“Embracing these clean technologies slashes pollution generated by coal-fired power plants while putting money in Texans' wallets,” said Jeff Deyette, energy analyst with the Union of Concerned Scientists. “Because Texas has the technical potential to produce eight times its electricity needs from clean renewable energy, setting standards and building toward that potential is good economic and public health policy.”

While the TEPC's 10,000 MW by 2025 goal would generate significant benefits for Texas, those would be considerably less than TREIA's 20 percent by 2020 proposal.

The TREIA renewable standard achieves energy bill savings primarily by reducing the demand for natural gas, which leads to lower electricity and gas prices. By 2025, average electricity prices would be nine percent lower under the 20 percent standard compared with business as usual. Average annual natural gas prices would be as much as three percent lower than business as usual during the forecast period. By contrast, natural gas prices have more than doubled over the past 5 years."

"Other states such as New Mexico and Kansas are moving aggressively to develop their wind resources," Smith said. "That's why Texas needs to expand our successful renewable standard. We want to keep wind power companies building projects in Texas."

Proposals by both TREIA and TEPC to expand the renewable energy standard also recommend that 500 MW of a new standard come from non-wind renewable sources, such as solar and biomass from forestry and agricultural wastes.

A copy of *Increasing the Texas Renewable Energy Standard: Impacts on Jobs and the Economy* can be found on the web at www.ucsusa.org/clean_energy

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