

Applied Economics Clinic Report Published on behalf of CAC

A WHOLE NEW BALLGAME: Indiana Coal and the New Energy Landscape

INDIANAPOLIS – The Applied Economics Clinic report published today, *A Whole New Ballgame: Indiana Coal and the New Energy Landscape*, responds to several myths that persist regarding claimed benefits of aging coal-fired generators over renewable wind and solar. The report explains why it would be detrimental to continue to run Indiana’s aging coal plants and more beneficial to move toward renewable wind and solar resources instead. The report makes three key findings:

- **Indiana’s electric grid is supplied by a diverse portfolio of resources.** No single resource can reliably supply Indiana’s energy needs; the most reliable strategy is to invest in a mix of different, complementary resources.
- **Indiana is years, perhaps decades, away from needing to do anything at all to integrate additional renewable energy.** Today, just 9 percent of Indiana’s electric generating capacity is wind and solar.
- **Over half of Indiana’s coal capacity is beyond its economic lifetime, leading to additional capital costs that are passed along to ratepayers to repair, maintain and upkeep these aging plants.** A less expensive option for Indiana’s electric customers would be to retire aging coal plants, refinance any remaining capital costs, and build more affordable and more flexible new wind and solar resources.

The report concludes that putting all your eggs in one basket is not a way to ensure the reliable supply of electricity, especially in the midst of a nation-wide shift away from coal-fired generation. Additionally, detailed research by unbiased analysts at U.S. national laboratories and independent electric system operators has shown that an electric system powered with 30 to 40 percent renewable energy resources needs no special efforts to operate. Finally, operating existing coal is more expensive than installing and operating new wind and solar.

The report is available for download here: <https://aeclinic.org/publicationpages?month=02-2020>