SUBJECT: Approve issuance of a rebate to Samsung Austin Semiconductor for the installation of energy efficient equipment in an amount not to exceed $200,000.00.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2010-2011 Operating Budget of Austin Energy, Conservation Rebates and Incentive Fund.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

FOR MORE INFORMATION CONTACT: Fred Yebra, P.E., Director, Energy Efficiency Services, at 482-5305 or Stephen Leinweber, Unit Manager, at 322-6056.

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on April 18, 2011 and by the Resource Management Commission on April 19, 2011.

Austin Energy's Energy Efficiency Services requests authorization to issue a rebate to Samsung Austin Semiconductor in the amount of $200,000.00 for the installation of both high and low temperature chillers, uninterruptible power supplies (UPSs), custom technology dynamic sag correctors (DSCs), cooling towers, premium efficiency motors, and variable frequency drives (VFDs) for the cooling towers, all in accordance with the City of Austin's Commercial Rebate Program guidelines. This program is one element of Austin Energy's comprehensive Energy Resource Plan, approved in December 2003 by City Council, designed to reduce local air pollution through energy conservation, to reduce peak demand, and to assist customers in reducing electric consumption.

Samsung Austin Semiconductor (SAS) is located at 12100 Samsung Blvd. in northeast Austin. The demand (kW) savings associated with the high efficiency equipment installed in this project is estimated at 953.3 kW, at a program cost of $ 209.82 per kilowatt saved. The avoided kWh, estimated at 7,954,151 kWh per year, represents a major benefit to the local environment. This project will prevent the following air pollutants from being emitted: 4,776 metric tons of Carbon Dioxide (CO2), 3.01 metric tons of Sulfur Dioxide (SO2), and 3.33 metric tons of Nitrogen Oxides (NOX).

In addition to the reduced air and toxic metals pollution, the project savings are also equivalent to an estimated 10,723,649 vehicle miles traveled, the removal of 915 cars from our roadways, or the planting of 122,702 trees or 6,135 acres of forest in Austin's parks.

RCA PROJECT FACT SHEET

Customer Name:	Samsung Semiconductor, LLC
File Number:	4176
Facility Address:	12100 Samsung Blvd., Austin, TX 78754
Customer Contact:	Jung Kim, 512-672-3511
Estimated Rebate:	$ 200,000.00
Equipment Installed:	High and low temperature chillers, cooling towers, uninterruptible power supplies (UPSs), dynamic sag correctors (DSCs), NEMA premium motors, and variable frequency drives (VFDs) for the cooling towers.
Demand Savings:	953.3 kW
KWh Savings:	7,954,151 kWh
Cost per kW:	$ 209.82
Estimated Project Cost:	$ 3.6 Billion
Est. Completion Date:	June, 2011

Site Information: Samsung Austin Semiconductor (SAS) is located at 12100 Samsung Blvd. in northeast Austin. At this location is a 2.3-million-square-foot semiconductor complex.

Comments: Samsung Austin Semiconductor (SAS) is owned by Samsung Electronics and is the company's only semiconductor manufacturing plant located outside Korea. The complex has one of the most advanced semiconductor plants in the United States where state-of-the-art NAND Flash memory chips are made. The company is currently building out the Fab 2 building, which is the size of nine football fields. The new manufacturing area boasts a 220,000 square foot clean room, the largest ever built in Texas. The expansion project also included major upgrades to the existing facilities.

In the expansion, known as Fab 2, Phase 2, the company will produce LSI — large-scale integration — chips designed for use in mobile devices. This expansion, along with the creation of Samsung Austin's first research and development entity last spring, makes the Austin campus a true semiconductor complex and ensures Austin's premier status as a center for semiconductor research and manufacturing.