CITY OF AUSTIN – AUSTIN ENERGY **AGENDA DATE: 08/02/2012**
RECOMMENDATION FOR COUNCIL ACTION

SUBJECT: Approve issuance of a rebate to Samsung Semiconductor, LLC for the installation of energy efficient equipment in an amount not to exceed $154,847.53.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2011-2012 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: Scott Jarman, P.E., Interim Director, Energy Efficiency Services, at 482-5307 or Terry Moore, Manager, Commercial Energy Efficiency Program, at 482-5378.

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on July 16, 2012 and by the Resource Management Commission on July 17, 2012.

Austin Energy requests authorization to issue a rebate to Samsung Semiconductor, LLC in the amount of $154,847.53 for multiple technologies, High Efficiency Chillers, Variable Frequency Drives, Cooling Tower, Uninterruptible Power Supply, Dynamic Sag Correction, High Efficiency Motors and Transformers, in accordance with the City of Austin's Commercial Rebate Program guidelines. This program is one element of Austin Energy's comprehensive Resource, Generation, Climate Protection Plan to 2020, approved in April 2010 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 Semiconductor is located at 12100 Samsung Blvd. in northeast Austin. At this location is a 2.3-million-square-foot semiconductor complex. The demand (kW) savings associated with the high efficiency equipment installed in this project is estimated at 454.79 kW, at a program cost of $340.48 per kilowatt saved. The avoided kWh, estimated at 2,731,474 kWh per year, represents a major benefit to the local environment. This project will prevent the following air pollutants from being emitted: 1,610.6 metric tons of Carbon Dioxide (CO2), 1.015 metric tons of Sulfur Dioxide (SO2), and 1.123 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 3,616,058 vehicle miles traveled, the removal of 308.5 cars from our roadways, or the planting of 41,376 trees or 2,069 acres of forest in Austin's parks.