

**CITY OF AUSTIN – AUSTIN ENERGY  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA DATE: 9-27-2012**

**SUBJECT:** Approve the issuance of a Letter of Intent for a Performance Based Incentive to Tarrytown Pharmacy for the generation of solar energy at their facility located at 2727 Exposition Blvd. Ste 105, Austin, Texas 78703, for an estimated \$5,900 per year with the total amount not to exceed \$67,600 over the 10-year agreement.

**AMOUNT & SOURCE OF FUNDING:** Funding is contingent upon available funds in future budgets.

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

**FOR MORE INFORMATION CONTACT:** Leslie Libby, Solar Program Manager, 482-5390; Scott Jarman, Interim Director of Energy Efficiency Services, 482-5307

**BOARD AND COMMISSION ACTION:** To be reviewed by the Electric Utility Commission on August 20, 2012 and the Resource Management Commission on August 21, 2012.

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Austin Energy requests authorization to issue a letter of intent for a performance based incentive (PBI) to Tarrytown Pharmacy for an estimated \$5,900 per year, not to exceed \$67,600 over the 10-year agreement for the generation of solar energy at 2727 Exposition Blvd. Ste 105, Austin, Texas 78703. The total cost is \$112,853 and the incentive will cover between 51% and 60% of the cost. The PBI level for this project is \$0.14 per kWh for 10 years. The solar equipment, which meets Austin Energy program requirements, includes a total of 132 solar modules rated at 250 watts and associated inverters rated at 95.5% efficiency. A total of 25.4 kW in demand savings is expected.

This energy improvement will save an estimated 41,959 kWh per year—enough to provide electricity to 4 average Austin homes for a year—and produce an estimated 42 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 647 trees or 32 acres of forest in Austin's parks or the removal of 56,568 vehicle miles or 5 cars from Austin roadways. This project will save 28 tons of Carbon Dioxide (CO<sub>2</sub>); 35 pounds of Sulfur Dioxide (SO<sub>2</sub>); 39 pounds of Nitrogen Oxide (NO<sub>x</sub>), and 27 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere.