

**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 Holt Cat for the generation of solar energy at their facility located at 9601 S. Interstate 35, Austin, Texas 78744, for an estimated \$45,500 per year with the total amount not to exceed \$522,700 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.

---

Austin Energy requests authorization to issue a letter of intent for a performance based incentive (PBI) to Holt Cat, for an estimated \$45,500 per year, not to exceed \$522,700 over the 10-year agreement for the generation of solar energy at 9601 S. Interstate 35, Austin, TX 78744. The total cost is \$814,469 and the incentive will cover between 55% and 64% of the cost depending on production. 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 880 solar modules rated at 290 watts and associated inverters rated at 96% efficiency. A total of 196.5 kW – AC in demand savings is expected.

This energy improvement will save an estimated 324,676 kWh per year—enough to provide electricity to 29 average Austin homes for a year—and produce an estimated 325 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 5,009 trees or 250 acres of forest in Austin's parks or the removal of 437,723 vehicle miles or 37 cars from Austin roadways. This project will save 195 tons of Carbon Dioxide (CO<sub>2</sub>); 271 pounds of Sulfur Dioxide (SO<sub>2</sub>); 300 pounds of Nitrogen Oxide (NOX), and 208 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere.