

**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 Journeyman Austin Holdings Inc. for the generation of solar energy at their facility located at 7701 North Lamar Blvd, Austin, Texas 78752, for an estimated \$8,850 per year with the total amount not to exceed \$88,500 over the 10-year agreement.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$8,850 is included in the Fiscal Year 2012-2013 Operating Budget of Austin Energy, Conservation Rebates and Incentive Fund. Funding for the remaining nine years of the contract is contingent upon available funding 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 September 17, 2012 and the Resource Management Commission on September 18, 2012.

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Austin Energy requests authorization to issue a letter of intent for a performance based incentive (PBI) to Journeyman Austin Holdings Inc., for an estimated \$8,850 per year, not to exceed \$88,500 over the 10-year agreement for the generation of solar energy at 7701 North Lamar Blvd, Austin, Texas 78752. The total cost is \$154,212 and the incentive will cover between 47% and 57% 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 169 solar modules rated at 250 watts and associated inverters rated at 98% efficiency. A total of 32.5 kW in demand savings is expected.

This energy improvement will save an estimated 54,952 kWh per year—enough to provide electricity to 5 average Austin homes for a year—and produce an estimated 55 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 848 trees or 42 acres of forest in Austin's parks or the removal of 74,085 vehicle miles or 6 cars from Austin roadways. This project will save 36 tons of Carbon Dioxide (CO<sub>2</sub>); 46 pounds of Sulfur Dioxide (SO<sub>2</sub>); 51 pounds of Nitrogen Oxide (NO<sub>x</sub>), and 35 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere.