

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

AGENDA DATE: 1-17-2013

SUBJECT: Approve the issuance of a Performance Based Incentive to Foundation Communities-Spring Terrace for the generation of solar energy at its facility located at 7101 N. IH35, Austin, Texas, for an estimated \$14,000 per year, for a total amount not to exceed \$140,000 over a 10-year period.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$14,000 is available in the Fiscal Year 2012-2013 Operating Budget of Austin Energy.

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 December 17, 2012 and the Resource Management Commission on December 18, 2012.

Austin Energy requests authorization to issue a letter of intent for a performance based incentive (PBI) to Foundation Communities-Spring Terrace, for an estimated \$14,000 per year, not to exceed \$140,000 over the 10-year agreement, for the generation of solar energy at 7101 N IH35, Austin, Texas 78752. The total cost is \$226,841 and the incentive will cover between 54% and 62% 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 293 solar modules rated at 245 watts and associated inverters rated at 96% efficiency. A total of 55.3 kW-AC in demand savings is expected.

This energy improvement will save an estimated 86,954 kWh per year—enough to provide electricity to 8 average Austin homes for a year—and produce an estimated 87 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 1,341 trees or 67 acres of forest in Austin's parks or the removal of 117,230 vehicle miles or 10 cars from Austin roadways. This project will save 58 tons of Carbon Dioxide (CO₂); 73 pounds of Sulfur Dioxide (SO₂); 80 pounds of Nitrogen Oxide (NO_x), and 56 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere.