

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

AGENDA DATE: 1-17-2013

SUBJECT: Approve the issuance of a Performance Based Incentive to Compound Security Specialists for the generation of solar energy at its facilities located at 435 and 440 Industrial Blvd., Austin, Texas, for an estimated \$10,500 per year, for a total amount not to exceed \$105,000 over a 10-year period.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$10,500 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 Compound Security Specialists, for an estimated \$10,500 per year, not to exceed \$105,000 over the 10-year agreement, for the generation of solar energy at 435 and 440 Industrial Blvd., Austin, Texas 78745. The total cost is \$162,302 and the incentive will cover between 55% and 64% 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 198 solar modules rated at 255 watts and associated inverters rated at 96% efficiency. A total of 38.8 kW-AC in demand savings is expected.

This energy improvement will save an estimated 64,463 kWh per year—enough to provide electricity to 6 average Austin homes for a year—and produce an estimated 64 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 994 trees or 50 acres of forest in Austin's parks or the removal of 86,908 vehicle miles or 7 cars from Austin roadways. This project will save 43 tons of Carbon Dioxide (CO₂); 54 pounds of Sulfur Dioxide (SO₂); 59 pounds of Nitrogen Oxide (NOX), and 41 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere.