CITY OF AUSTIN – AUSTIN ENERGY **AGENDA DATE: 03-07-2013**
RECOMMENDATION FOR COUNCIL ACTION

SUBJECT: Authorize negotiation and execution of an agreement with Phoebe Austin, LP, to provide a performance-based incentive for the generation of solar energy at two facilities located on Royal Crest Drive in Austin, Texas, for an estimated $7,219 per year, for a total amount not to exceed $72,190 over a 10-year period.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of $7,219 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: Jeff Vice 322-6087, Debbie Kimberly 322-6327, Leslie Libby 482-5390.

BOARD AND COMMISSION ACTION: To be reviewed by the Resource Management Commission on February 19, 2013 and the Electric Utility Commission on February 25, 2013.

Austin Energy requests authorization to enter into an agreement with Phoebe Austin, LP, to provide a performance-based incentive (PBI) for an estimated $7,219 per year, for a total amount not to exceed $72,190 over the 10-year period for the generation of solar energy at two facilities located on Royal Crest Drive, Austin, Texas 78741.

The total installation cost is $201,960 and the incentive will cover between 31% and 36% 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 147 solar modules rated at 255 watts and associated inverters rated at 95.5% efficiency. A total of 28.27 kW-AC in demand savings is expected.

This energy improvement will save an estimated 44,833 kWh per year—enough to provide electricity to four average Austin homes for a year—and produce an estimated 45 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 692 trees or 35 acres of forest in Austin's parks or the removal of 60,442 vehicle miles or five cars from Austin roadways. This project will save 30 tons of Carbon Dioxide (CO2); 37 pounds of Sulfur Dioxide (SO2); 41 pounds of Nitrogen Oxide (NOX), and 29 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere.