

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

AGENDA DATE: 03-07-2013

SUBJECT: Authorize negotiation and execution of an agreement with Canyon Oaks, LP, to provide a performance-based incentive for the generation of solar energy at six facilities located at Royal Crest Drive and Burton Drive in Austin, Texas, for an estimated \$22,384 per year, for a total amount not to exceed \$223,840 over a 10-year period.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$22,384 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 Canyon Oaks, LP to provide a performance-based incentive (PBI) for an estimated \$22,384 per year, for a total amount not to exceed \$223,840 over the 10-year period for the generation of solar energy at six facilities located at Royal Crest Drive and Burton Drive, Austin, Texas 78741.

The total cost is \$579,232.50 and the incentive will cover between 33% and 38% 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 413 solar modules rated at 255 watts and associated inverters rated at 95.5% and 96% efficiency. A total of 81.09 kW-AC in demand savings is expected.

This energy improvement will save an estimated 139,012 kWh per year—enough to provide electricity to 12 average Austin homes for a year—and produce an estimated 139 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 2,144 trees or 107 acres of forest in Austin's parks or the removal of 187,414 vehicle miles or 16 cars from Austin roadways. This project will save 92 tons of Carbon Dioxide (CO₂); 116 pounds of Sulfur Dioxide (SO₂); 128 pounds of Nitrogen Oxide (NO_x), and 89 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere.