

AGENDA



Recommendation for Council Action

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| Austin City Council | Item ID | 26394 | Agenda Number | 5. |
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| Meeting Date: | 8/29/2013 | Department: | Austin Energy |
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Subject

Authorize negotiation and execution of an agreement with Cinemark USA Inc., to provide a performance-based incentive for the generation of solar energy at its facility located at 9900 South IH 35, for an estimated \$35,821 per year, for a total amount not to exceed \$358,210 over a 10-year period.

Amount and Source of Funding

Funding in the amount of \$35,821 is included in the proposed Fiscal Year 2013-2014 Operating Budget of Austin Energy.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

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| Purchasing Language: | |
| Prior Council Action: | |
| For More Information: | Jeff Vice, Director, Local Government Issues (512) 322-6087; Debbie Kimberly, Vice President, Distributed Energy Services (512) 322-6327; Leslie Libby, Project Manager (512) 482-5390. |
| Boards and Commission Action: | August 19, 2013 – Unanimously approved by the Electric Utility Commission on a 5-0 vote. August 20, 2013 – Unanimously approved by the Resource Management Commission on a 4-0 vote. |
| MBE / WBE: | |
| Related Items: | |

Additional Backup Information

Austin Energy requests authorization to enter into an agreement with Cinemark USA Inc., to provide a performance-based incentive (PBI) for an estimated \$35,821 per year, for a total amount not to exceed \$358,210 over the 10-year period for the generation of solar energy at its "Tinseltown 17" facility located at 9900 South IH 35, Austin, Texas 78748.

The total installation cost is \$512,286 and the incentive will cover between 67% and 70% of the cost. The PBI level for this project is \$0.12 per kWh for 10 years. The solar equipment, which meets Austin Energy program requirements, includes a total of 882 solar modules rated at 255 watts and associated inverters rated at 96.5% efficiency. A total of 173.2 kW-AC in demand savings is expected.

This energy improvement will save an estimated 284,290 kWh per year—enough to provide electricity to 25 average

Austin homes for a year—and produce an estimated 284 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 4,386 trees or 219 acres of forest in Austin's parks or the removal of 383,275 vehicle miles or 33 cars from Austin roadways. This project will save 188 tons of Carbon Dioxide (CO₂); 237 pounds of Sulfur Dioxide (SO₂); 262 pounds of Nitrogen Oxide (NOX); and 182 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere