

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

AGENDA DATE: 9-26-2013

SUBJECT: Authorize negotiation and execution of an agreement with Steve Jackson Games, to provide a performance-based incentive for the generation of solar energy at its facility located at 3735 Promontory Point Drive, Austin, Texas 78744, for an estimated \$23,488 per year, for a total amount not to exceed \$234,880 over a 10-year period.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$23,488 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.

FOR MORE INFORMATION CONTACT: Jeff Vice, Director, Local Government Issues (512) 322-6087; Debbie Kimberly, Vice President, Distributed Energy Services (512) 322-6327; Kurt Stogdill, Interim Solar Program Manager (512) 322-6510.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on September 16, 2013, and the Resource Management Commission on September 17, 2013.

Austin Energy requests authorization to enter into an agreement with Steve Jackson Games, to provide a performance-based incentive (PBI) for an estimated \$23,488 per year, for a total amount not to exceed \$234,880 over the 10-year period for the generation of solar energy at its facility located at 3735 Promontory Point Drive, Austin, Texas 78744.

The total installation cost is \$415,133 and the incentive will cover between 54% and 57% 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 493 solar modules rated at 300 watts and associated inverters rated at 97.5% efficiency. A total of 173 kW-AC in demand savings is expected.

This energy improvement will save an estimated 186,412 kWh per year—enough to provide electricity to 16 average Austin homes for a year—and produce an estimated 186 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 2,876 trees or 144 acres of forest in Austin's parks or the removal of 251,317 vehicle miles or 21 cars from Austin roadways. This project will save 123 tons of Carbon Dioxide (CO₂); 156 pounds of Sulfur Dioxide (SO₂); 172 pounds of Nitrogen Oxide (NOX); and 120 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere.