

RESOLUTION NO.

WHEREAS, in April of 2010, the City Council adopted the Austin Energy Resource, Generation, and Climate Protection Plan to 2020 (the "Generation Plan") which establishes a general framework for investment in certain types of energy and emphasizes the City's continued commitment to invest in renewable energy; and

WHEREAS, the Generation Plan includes an overall installed solar capacity goal of 200 megawatts (MW) but does not specify the location or character of the solar production; and

WHEREAS, the City of Austin has provided a rebate for local distributed generation for residential and commercial customers for many years and has done so in part to incentivize the growth of local solar generation and the growth of the local renewable energy economy; and

WHEREAS, the latest Austin Energy data show that with a rebate program investment of about \$6 million in fiscal year 2013, local installations have already produced almost 4.5MW of residential and commercial projects; and

WHEREAS, City Council recently approved approximately \$7 million for the solar rebate program in fiscal year 2014, and with continued City investment in solar programs the utility should expect to achieve at least 5MW of residential and commercial solar for each of the next six years; and

WHEREAS, Austin Energy plans to develop community solar projects which will enable customers to participate in solar that currently cannot due to shaded rooftops or because they are renters; and

WHEREAS, the price of solar panels and the cost of installation have declined over time, as predicted, and are widely expected to continue to decline to a point that makes solar energy competitive with traditional forms of generation when considering all market externalities; and

[WHEREAS, the solar Investment Tax Credit (ITC) provides individuals and businesses a significant tax credit on purchasing a solar system and the ITC is currently scheduled to expire at the end of 2016, leading some to believe that the next few years are vital to a rapid, cost-effective expansion of solar generation; and]

WHEREAS, in April 2012, City Council appointed a Local Solar Advisory Committee consisting of experts from nonprofits, businesses, business associations, and city commissioners, among others; and

WHEREAS, the Local Solar Advisory Committee recommended adopting a new 400MW goal; distinguishing local solar goals into specific types: residential, commercial, and large local (including utility-owned community solar and utility-contracted projects like the Webberville solar project); and phasing out the upfront rebate for residential solar projects over time as the price of solar becomes more competitive; and

WHEREAS, Austin Energy and their consultants have analyzed the Local Solar Advisory Committee recommendations and concluded that achieving 400MW is technically feasible, but there remain disagreements about how to compare the cost of achieving that goal to other sources of energy; and

WHEREAS, City Council's commitment to developing a local solar program has contributed to the growth of many local jobs in solar manufacturing and installations, and establishing a local solar goal will

provide some of the certainty needed for continued investment and sustainability of a local solar industry until further discussions regarding comparable costs will occur; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The Austin Energy Resource, Generation, and Climate Protection Plan to 2020 is amended to specify that 50% of the previously adopted 200 megawatt goal will be local solar, and at least 50% of the local solar will be [solar generation systems located on the customer's side of the meter.]

BE IT FURTHER RESOLVED:

The City Manager should consider using the Local Solar Advisory Committee's recommendation to increase the overall solar goal to 400MW as the basis for future discussions regarding the appropriate level of solar goals in the context of the next Generation Plan update.

ADOPTED: October 24 , 2013 **ATTEST:** _____

Jannette Goodall
City Clerk