

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

AGENDA DATE: 12-12-2013

SUBJECT: Authorize negotiation and execution of an agreement with Expo 2 Partners, Ltd, to provide a performance-based incentive for the generation of solar energy at its facility located at 6411 Burlleson Rd., Austin, Texas 78744, for an estimated \$41,599 per year, for a total amount not to exceed \$415,990 over a 10-year period.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$41,599 is available in the 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 November 18, 2013, and the Resource Management Commission on November 19, 2013.

Austin Energy requests authorization to enter into an agreement with Expo 2 Partners, Ltd, to provide a performance-based incentive (PBI) for an estimated \$41,599 per year, for a total amount not to exceed \$415,990 over the 10-year period for the generation of solar energy at its regional distribution facility located at 6411 Burlleson Rd., Austin, Texas 78744.

The total installation cost is \$687,940 and the incentive will cover between 58% and 60% 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 880 solar modules rated at 295 watts and associated inverters rated at 96% efficiency. A total of 200 kW-AC in demand savings is expected.

This energy improvement will save an estimated 330,147 kWh per year—enough to provide electricity to 29 average Austin homes for a year—and produce an estimated 330 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 5,093 trees or 255 acres of forest in Austin's parks or the removal of 445,098 vehicle miles or 38 cars from Austin roadways. This project will save 219 tons of Carbon Dioxide (CO₂); 276 pounds of Sulfur Dioxide (SO₂); 305 pounds of Nitrogen Oxide (NOX); and 212 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere, and will save 148,566 gallons of water at the generation power plant (evaporation only).