

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

AGENDA DATE: 01/23/2014

SUBJECT: Authorize negotiation and execution of an agreement with Woodmark Apartments, to provide a performance-based incentive for the generation of solar energy at its facility located at 1735 Rutland Drive, Austin, Texas 78758, for an estimated \$24,645 per year, for a total amount not to exceed \$246,450 over a 10-year period.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$24,645 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 December 16, 2013, and the Resource Management Commission on December 17, 2013.

Austin Energy requests authorization to enter into an agreement with Woodmark Apartments, to provide a performance-based incentive (PBI) for an estimated \$24,645 per year, for a total amount not to exceed \$246,450 over the 10-year period for the generation of solar energy at its regional distribution facility located at 1735 Rutland Drive, Austin, Texas 78758.

The total installation cost is \$800,000 and the incentive will cover between 29% and 31% 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 604 solar modules rated at 265 watts and associated inverters rated at 95.5% efficiency. A total of 123 kW-AC in demand savings is expected.

This energy improvement will save an estimated 195,590 kWh per year—enough to provide electricity to 17 average Austin homes for a year—and produce an estimated 196 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 3,017 trees or 151 acres of forest in Austin's parks or the removal of 263,691 vehicle miles or 23 cars from Austin roadways. This project will save 129 tons of Carbon Dioxide (CO₂); 163 pounds of Sulfur Dioxide (SO₂); 180 pounds of Nitrogen Oxide (NOX); and 125 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere, and 152,980 gallons of water at the power plant.