

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

**AGENDA DATE: -2014**

**SUBJECT:** Authorize negotiation and execution of an agreement with International Biomedical, to provide a performance-based incentive for the generation of solar energy at its facility located at 8206 Cross Park Drive #100 in Austin, Texas, for an estimated \$36,497 per year, for a total amount not to exceed \$364,970 over a 10-year period.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$36,497 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 April 21, 2014, and the Resource Management Commission on April 15, 2014.

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Austin Energy requests authorization to enter into an agreement with International Biomedical, to provide a performance-based incentive (PBI) for an estimated \$36,497 per year, for a total amount not to exceed \$364,970 over the 10-year period for the generation of solar energy at its facility located at 8206 Cross Park Drive #100 in Austin, Texas 78754.

The total installation cost is \$673,030 and the incentive will cover between 52% and 54% of the cost. The PBI level for this project is \$0.10 per kWh for 10 years. The solar equipment, which meets Austin Energy program requirements, includes a total of 864 solar modules rated at 300 watts and associated inverters rated at 98% efficiency. A total of 200 kW-AC in demand savings is expected.

This energy improvement will save an estimated 347,584 kWh per year—enough to provide electricity to 31 average Austin homes for a year—and produce an estimated 348 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 5,362 trees or 268 acres of forest in Austin's parks or the removal of 468,607 vehicle miles or 40 cars from Austin roadways. This project will save 230 tons of Carbon Dioxide (CO<sub>2</sub>); 290 pounds of Sulfur Dioxide (SO<sub>2</sub>); 321 pounds of Nitrogen Oxide (NOX); and 223 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere, and 156,413 gallons of water at the generation power plant (evaporation only).