

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

AGENDA DATE: 12/11/2014

SUBJECT: Authorize negotiation and execution of an agreement with LegalZoom, to provide a performance-based incentive for the generation of solar energy at its facility located at 9900 Spectrum Drive, Austin, Texas 78717, for an estimated \$34,142 per year, for a total amount not to exceed \$341,420 over a 10-year period.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$34,142 is included in the Fiscal Year 2014-2015 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; Danielle Murray, Solar Program Manager (512) 322-6055.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on November 17, 2014, and the Resource Management Commission on November 18, 2014.

Austin Energy requests authorization to enter into an agreement with LegalZoom, to provide a performance-based incentive (PBI) for an estimated \$34,142 per year, for a total amount not to exceed \$341,420 over the 10-year period for the generation of solar energy at its facility located at 9900 Spectrum Drive in Austin, Texas 78717.

The total installation cost is \$686,880 and the incentive will cover between 43% and 50% of the cost. The PBI level for this project is \$0.09 per kWh for 10 years. The solar equipment, which meets Austin Energy program requirements, includes a total of 836 solar modules rated at 310 watts and associated inverters rated at 97.5% efficiency. A total of 200 kW-AC in demand savings is expected.

This energy improvement will save an estimated 329,870 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 5,089 trees or 254 acres of forest in Austin's parks or the removal of 444,725 vehicle miles or 38 cars from Austin roadways. This project will save 218 tons of Carbon Dioxide (CO₂); 275 pounds of Sulfur Dioxide (SO₂); 304 pounds of Nitrogen Oxide (NO_x); and 212 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere, and 148,442 gallons of water at a power plant.



Austin Energy Project Fact Sheet Solar Applications

File Number	PBI201
Customer Name	LegalZoom
Facility Address	9900 Spectrum Drive, 78717
Customer Contact	Mike Wilson
Phone Number	866-773-0888 x3350
Estimated Total Incentives	\$34,142 per year for 10-years
Application Received Date	10/20/2014
Number of Modules	836
Wattage per Module (STC)	310
Inverter Efficiency	97.5%
Solar Contractor	Meridian Solar
Contractor Contact	Joe Schmitz
Contractor Phone	512-215-5332
Installation Cost	\$686,880
Estimated kWh Savings	329,870 kWh per year
Estimated kW Demand Savings	200 kW-AC
Estimated Date of Completion	TBD
Site Information/Additional Comments	LegalZoom's regional office, a company serving online legal needs. This is a request for a second phase of 200 kW, to total 400kW at the location.

<http://www.bizjournals.com/austin/print-edition/2013/03/08/legalzoom-pays-21m-for-building.html?page=all>

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

AGENDA DATE: 12/11/2014

SUBJECT: Authorize negotiation and execution of an agreement with Overlook at Rob Roy's Hills Office Park, to provide a performance-based incentive for the generation of solar energy at its facility located at 4611 FM 2244, West Lake Hills, Texas 78746, for an estimated \$9,371 per year, for a total amount not to exceed \$93,710 over a 10-year period.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$9,371 is included in the Fiscal Year 2014-2015 Operating Budget of Austin Energy.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

PRIOR COUNCIL ACTION: September 25, 2014 – Approved an agreement with this customer and address for a smaller system (\$84,600 over 10 years for a 46 kilowatt system). The current request includes and replaces that action.

FOR MORE INFORMATION CONTACT: Jeff Vice, Director, Local Government Issues (512) 322-6087; Danielle Murray, Solar Program Manager (512) 322-6055.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on November 17, 2014, and the Resource Management Commission on November 18, 2014.

Austin Energy requests authorization to enter into an agreement with Overlook at Rob Roy's Hills Office Park, to provide a performance-based incentive (PBI) for an estimated \$9,371 per year, for a total amount not to exceed \$93,710 over the 10-year period for the generation of solar energy at its facility located at 4611 FM 2244 in West Lake Hills, Texas 78746.

This request includes and replaces a previous RCA for this customer and address, approved on September 25, 2014, for an amount not to exceed \$84,600 over a 10-year period for a 46 kilowatt (kW) system. After Council approval, the customer applied for the installation of a larger system.

The total installation cost is \$258,616 and the incentive will cover between 32% and 36% of the cost. The PBI level for this project is \$0.09 per kilowatt hour (kWh) for 10 years. The solar equipment, which meets Austin Energy program requirements, includes a total of 242 solar modules rated at 315 watts and associated inverters rated at 94.5% efficiency. A total of 59 kW-AC in demand savings is expected.

This energy improvement will save an estimated 90,541 kWh per year—enough to provide electricity to eight average Austin homes for a year—and produce an estimated 91 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 1,397 trees or 70 acres of forest in Austin's parks or the removal of 122,066 vehicle miles or 10 cars from Austin roadways. This project will save 60 tons of Carbon Dioxide (CO₂); 76 pounds of Sulfur Dioxide (SO₂); 84 pounds of Nitrogen Oxide (NO_x); and 58 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere, and 40,743 gallons of water at a power plant.



Austin Energy Project Fact Sheet Solar Applications

File Number	PBI195**
Customer Name	Overlook at Rob Roy's Hills Office Park
Facility Address	4611 FM 2244 West Lake Hills, Texas 78746
Customer Contact	Steve Harren
Phone Number	512-328-1111
Estimated Total Incentives	\$93,710 per year for 10-years
Application Received Date	11/6/2014
Number of Modules	242
Wattage per Module (STC)	315
Inverter Efficiency	94.5%
Solar Contractor	Meridian Solar
Contractor Contact	Joe Schmitz
Contractor Phone	512-448-0055
Installation Cost	\$258,616
Estimated kWh Savings	90,541 kWh per year
Estimated kW Demand Savings	59 kW-AC
Estimated Date of Completion	TBD
Site Information/Additional Comments	Office Park – **Originally approved for 46kW installation for PBIs up to \$84,600 on 9/25/14. Reapplying to increase system installation to total of 59 kW for PBIs up to \$93,710.

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

AGENDA DATE: 12/11/2014

SUBJECT: Authorize negotiation and execution of an agreement with Overlook at Rob Roy's Lake Pointe Center, to provide a performance-based incentive for the generation of solar energy at its facility located at 11612 FM 2244, Austin, Texas 78738, for an estimated \$14,166 per year, for a total amount not to exceed \$141,660 over a 10-year period.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$14,166 is included in the proposed Fiscal Year 2014-2014 Operating Budget of Austin Energy.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

PRIOR COUNCIL ACTION: September 25, 2014 – Approved an agreement with this customer and address for a smaller system (\$66,180 over 10 years for a 39 kilowatt system). The current request includes and replaces that action.

FOR MORE INFORMATION CONTACT: Jeff Vice, Director, Local Government Issues (512) 322-6087; Danielle Murray, Solar Program Manager (512) 322-6055.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on November 17, 2014, and the Resource Management Commission on November 18, 2014.

Austin Energy requests authorization to enter into an agreement with Overlook at Rob Roy's Lake Pointe Center, to provide a performance-based incentive (PBI) for an estimated \$14,166 per year, for a total amount not to exceed \$141,660 over the 10-year period for the generation of solar energy at its facility located at 11612 FM 2244 in Austin, Texas 78738.

This request includes and replaces a previous RCA for this customer and address, approved on September 25, 2014, for an amount not to exceed \$66,180 over a 10-year period for a 39 kilowatt (kW) system. After Council approval, the customer applied for the installation of a larger system.

The total installation cost is \$292,900 and the incentive will cover between 42% and 48% of the cost. The PBI level for this project is \$0.09 per kilowatt hour (kWh) for 10 years. The solar equipment, which meets Austin Energy program requirements, includes a total of 342 solar modules rated at 315 watts and associated inverters rated at 97.5% efficiency. A total of 83 kW-AC in demand savings is expected.

This energy improvement will save an estimated 136,867 kWh per year—enough to provide electricity to 12 average Austin homes for a year—and produce an estimated 137 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 2,111 trees or 106 acres of forest in Austin's parks or the removal of 184,522 vehicle miles or 16 cars from Austin roadways. This project will save 91 tons of Carbon Dioxide (CO₂); 114 pounds of Sulfur Dioxide (SO₂); 126 pounds of Nitrogen Oxide (NO_x); and 88 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere, and 61,590 gallons of water at a power plant.



Austin Energy Project Fact Sheet Solar Applications

File Number	PBI196**
Customer Name	Overlook at Rob Roy's Lake Pointe Center
Facility Address	11612 FM 2244 Austin, Texas 78738
Customer Contact	Steve Harren
Phone Number	512-328-1111
Estimated Total Incentives	\$14,166 per year for 10-years
Application Received Date	10/01/2014
Number of Modules	342
Wattage per Module (STC)	315
Inverter Efficiency	97.5%
Solar Contractor	Meridian Solar
Contractor Contact	Joe Schmitz
Contractor Phone	512-448-0055
Installation Cost	\$292,900
Estimated kWh Savings	136,867 kWh per year
Estimated kW Demand Savings	83 kW-AC
Estimated Date of Completion	TBD
Site Information/Additional Comments	Office Park – **Originally approved for 39kW installation for PBIs up to \$66,180 on 9/25/14. Reapplying to increase system installation to total of 83kW for PBIs up to \$141,660.

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

AGENDA DATE: 12/11/2014

SUBJECT: Approve issuance of a rebate to Riverstone Residential, for performing energy efficiency improvements at the Fort Branch at Trumans Landing Apartments located at 5800 Techni Center Dr., Austin, Texas 78721, in an amount not to exceed \$85,203.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2014-2015 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) 322-6450; Denise Kuehn, Director, Energy Efficiency Services (512) 322-6138.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on November 17, 2014 and the Resource Management Commission on November 18, 2014.

Austin Energy requests authorization to issue a rebate to Riverstone Residential in an amount not to exceed \$85,202, for performing duct diagnostics and improvements at the Fort Branch at Trumans Landing Apartments in accordance with the City of Austin's Multi-Family Rebate Program guidelines. This program is one element of Austin Energy's comprehensive Resource, Generation and Climate Protection Plan to 2020, approved in April 2010 by City Council and designed to reduce local air pollution through energy conservation, reduce peak demand, and assist customers in reducing electric consumption.

The Fort Branch at Trumans Landing Apartments are located at 5800 Techni Center Dr, Austin, Texas 78721. The property comprises 15 buildings containing 250 apartment units, with 240,578 square feet of conditioned space. The average rent for a two bedroom unit is \$815 and the three bedroom units are \$1,000. The estimated total cost of the project is \$94,750 and the rebate will cover approximately 90% of the total cost.

The demand (kilowatt or kW) savings associated with this energy efficiency project is estimated at 142.5 kW, at a program cost of \$598 per kW saved. The avoided kilowatt hours (kWh), estimated at 191,669 kWh per year, represent a major benefit to the local environment. This project will prevent the production of the following air pollutants from being emitted: 115.1 metric tons of Carbon Dioxide (CO₂), 0.080 metric tons of Nitrogen Oxides (NO_x), and 0.073 metric tons of Sulfur Dioxide (SO₂). In addition to the reduced air and toxic pollution, the project savings are also equivalent to an estimated 258,405 vehicle miles traveled, the removal of 22.0 cars from our roadways, or the planting of 2,957 trees or 148 acres of forest in Austin's parks. The project will also offset approximately 86,251 gallons of water at a power plant.

RCA PROJECT FACT SHEET

Customer Name: Fort Branch at Trumans Landing Apartments
Property Owner: Post Investment Group
Property Management Company: Riverstone Residential

Property ID: 783949

Facility Address: 5800 Technicenter Dr., Austin, TX 78721

Customer Contact: Kelly Hullender

Year Built: 2001

Estimated Rebate: Not to exceed \$ 85,203

Rebate Offering: Duct Diagnostic & Improvement Program – Uncased Fan Coil and Up-Flow HVAC systems

Demand Savings: 142.5 kW – estimated

KWh Savings: 191,669 kWh - estimated

Cost per kW: \$ 598

Estimated Project Cost: \$94,750

- *The rebate amount for this energy efficiency improvement is 90% of the total cost of this project.*
- *This energy efficiency improvement qualifies at rebate levels of \$.25 / 4,000 square feet of conditioned space and \$.35 / 240,578 square feet of conditioned space.*
- *The average rebate per apartment unit is \$341.*
- *This project passes cost benefit analysis.*
- *In addition to demand savings, this rebate measure improves both comfort and indoor air quality and lowers the utility bill for all residents.*

Estimated Completion Date: No later than three months after issuance of LOI

Site Information: Fort Branch at Trumans Landing Apartments, 5800 Technicenter Dr., Austin, TX 78721

Average Rent: 2BR \$815 3BR \$1,000

Comments:

The Fort Branch at Trumans Landing Apartments are located at 5800 Technicenter Dr. in Austin, Texas. The property comprises 15 buildings containing 250 apartment units, with 240,578 square feet of conditioned space.

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

AGENDA DATE: 12/11/2014

SUBJECT: Approve issuance of a rebate to Westdale Asset Management, for performing energy efficiency improvements at Hunters Chase Apartments – East Phase located at 12343 Hunters Chase Dr., Austin, Texas 78729, in an amount not to exceed \$131,250.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2014-2015 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) 322-6450; Denise Kuehn, Director, Energy Efficiency Services (512) 322-6138.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on November 17, 2014 and the Resource Management Commission on November 18, 2014.

Austin Energy requests authorization to issue a rebate to Westdale Asset Management, in an amount not to exceed \$131,250, for performing multiple energy efficiency improvements at Hunters Chase Apartments in accordance with the City of Austin's Multi-Family Rebate Program guidelines. This program is one element of Austin Energy's comprehensive Resource, Generation and Climate Protection Plan to 2020, approved in April 2010 by City Council and designed to reduce local air pollution through energy conservation, reduce peak demand, and assist customers in reducing electric consumption.

Hunters Chase Apartments are located at 12343 Hunters Chase Dr., Austin, Texas 78729. The property comprises 17 buildings containing 210 apartment units, with 159,521 square feet of conditioned space. The average rent for a one bedroom unit ranges from \$719 to \$984 and the two bedroom unit ranges from \$820 to \$950 depending on amenities. The energy and water efficiency upgrades include: air infiltration measures, duct sealing, installation of insulation, pipe wrap, and low flow water devices. The estimated total cost of the project is \$145,833 and the rebate will cover approximately 90% of the total cost.

The demand (kilowatt or kW) savings associated with these energy efficiency improvements is estimated at 279.58 kW, at a program cost of \$469 per kW saved. The avoided kilowatt hours (kWh), estimated at 1,557,259 kWh per year, represent a major benefit to the local environment. This project will prevent the production of the following air pollutants from being emitted: 935.1 metric tons of Carbon Dioxide (CO₂), 0.652 metric tons of Nitrogen Oxides (NO_x), and 0.589 metric tons of Sulfur Dioxide (SO₂). In addition to the reduced air and toxic pollution, the project savings are also equivalent to an estimated 2,099,470 vehicle miles traveled, the removal of 179.1 cars from our roadways, or the planting of 24,023 trees or 1,201 acres of forest in Austin's parks. The project will also offset approximately 700,767 gallons of water at a power plant.

RCA PROJECT FACT SHEET

Customer Name: Hunters Chase Apartments East Phase
Property Owner: Westdale Asset Management
Property Management Company: Westdale Asset Management.

Property ID: R065344

Facility Address: 12343 Hunters Chase Dr., Austin, TX 78729

Customer Contact: Brian Barton

Year Built: 1984

Estimated Rebate: Not to exceed \$131,250

Measures Included: Air infiltration, duct sealing, insulation, pipe wrap, and low flow water devices.

Demand Savings: 279.6 kW – estimated

KWh Savings: 1,557,259 kWh - estimated

Cost per kW: \$ 469

Estimated Project Cost: \$145,833

- *The rebate amount for these energy efficiency improvements is 90% of the total cost of this project.*
- *These bundled energy and water efficiency improvements qualify at a rebate level of \$625 per apartment.*
- *This project passes cost benefit analysis.*
- *In addition to demand savings, this rebate measure improves both comfort and indoor air quality and lowers the utility bill for all residents.*

Estimated Completion Date: No later than three months after issuance of LOI

Site Information: Hunters Chase Apartments, 12343 Hunters Chase Dr. Austin, TX 78729

Average Rent: 1BR \$719 to \$984 2BR \$820 to \$950

Comments:

The Hunters Chase Apartments are located at 12343 Hunters Chase Dr. in Austin, Texas. The property comprises 17 buildings containing 210 apartment units, with 159,521 square feet of conditioned space.

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

AGENDA DATE: 12/11/2014

SUBJECT: Approve issuance of a rebate to Bouldin Willows Apartments Inc., for performing energy efficiency improvements at The Willows Apartments located at 600 South 1st St., Austin, Texas 78704, in an amount not to exceed \$67,900.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2014-2015 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) 322-6450; Denise Kuehn, Director, Energy Efficiency Services (512) 322-6138.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on November 17, 2014 and the Resource Management Commission on November 18, 2014.

Austin Energy requests authorization to issue a rebate to Bouldin Willows Apartments Inc., in an amount not to exceed \$67,900, for performing multiple energy efficiency improvements at The Willows Apartments in accordance with the City of Austin's Multi-Family Rebate Program guidelines. This program is one element of Austin Energy's comprehensive Resource, Generation and Climate Protection Plan to 2020, approved in April 2010 by City Council and designed to reduce local air pollution through energy conservation, reduce peak demand, and assist customers in reducing electric consumption.

The Willows Apartments are located at 600 South 1st St., Austin, Texas 78704. The property comprises 8 buildings containing 97 apartment units, with 44,400 square feet of conditioned space. The average rent for a one bedroom unit ranges from \$785 to \$910 and the two bedroom unit ranges from \$935 to \$1,155 depending on amenities. The energy and water efficiency upgrades include: air infiltration measures, solar screens, installation of insulation, duct sealing, and low flow water devices. The estimated total cost of the project is \$83,472 and the rebate will cover approximately 81% of the total cost.

The demand (kilowatt or kW) savings associated with these energy efficiency improvements is estimated at 166.3 kW, at a program cost of \$408 per kW saved. The avoided kilowatt hours (kWh), estimated at 863,148 kWh per year, represent a major benefit to the local environment. This project will prevent the production of the following air pollutants from being emitted: 518.3 metric tons of Carbon Dioxide (CO₂), 0.361 metric tons of Nitrogen Oxides (NO_x), and 0.327 metric tons of Sulfur Dioxide (SO₂). In addition to the reduced air and toxic pollution, the project savings are also equivalent to an estimated 1,163,681 vehicle miles traveled, the removal of 99.3 cars from our roadways, or the planting of 13,315 trees or 666 acres of forest in Austin's parks. The project will also offset approximately 388,417 gallons of water at the power plant.

RCA PROJECT FACT SHEET

Customer Name: The Willows Apartments
Property Owner: Bouldin Willows Apartments Inc.
Property Management Company: Rainier Management

Property ID: 101836

Facility Address: 600 South 1st St., Austin, TX 78704

Customer Contact: Susan Thompson

Year Built: 1969

Estimated Rebate: Not to exceed \$67,900

Measures Included: Air infiltration, insulation, duct sealing, solar screens, and low flow water devices.

Demand Savings: 167 kW – estimated

KWh Savings: 863,148 kWh - estimated

Cost per kW: \$ 407

Estimated Project Cost: \$83,472

- *The rebate amount for these energy efficiency improvements is 81% of the total cost of this project.*
- *These bundled energy and water efficiency improvements qualify at a rebate level of \$700 per apartment.*
- *This project passes cost benefit analysis.*
- *In addition to demand savings, this rebate measure improves both comfort and indoor air quality and lowers the utility bill for all residents.*

Estimated Completion Date: No later than 3 months after issuance of LOI

Site Information: The Willows Apartments, 600 South 1st St., Austin, TX 78704

Average Rent: 1BR \$785 to \$910 2BR \$935 to \$1,155

Comments:

The Willows Apartments are located at 600 South 1st St. in Austin, Texas. The property comprises eight buildings containing 97 apartment units, with 44,400 square feet of conditioned space.



Recommendation for Council Action (CMD)

Austin City Council	Item ID:	36917	Agenda Number	
Meeting Date:	November 20, 2014			
Department:	Contract Management			
Subject				
<p>Authorize additional funding in an amount of \$2,700,000 to the job order contract with GO GREEN SQUADS, LLC (WBE/FW); MCCULLOUGH HEATING & AIR CONDITIONING, INC.; CLIMATE MECHANICAL, INC., AIRTECH ENERGY SYSTEMS, INC.; GOOD NEIGHBOR MANAGEMENT, INC. DBA CITY CONSERVATION; AND AMERICAN CONSERVATION & AIR, INC., for Austin Energy's Home Efficiency Assistance (Free Home Weatherization) Program Tier 2 Basic Weatherization Plus HVAC, to be distributed to the contractors based on work authorization and availability.</p>				
Amount and Source of Funding				
Funding is available in Fiscal Year 2014-2015 Operating Budget of Austin Energy.				
Fiscal Note				
There is no unanticipated fiscal impact. A fiscal note is not required.				
Purchasing Language:				
Prior Council Action:	<p>March 20, 2014 - Authorized additional funding in an amount not to exceed \$1,182,000 for Tier 2 Basic Weatherization Plus HVAC; May 23, 2013 - Authorized negotiation and execution of a Job Order Contracts not to exceed \$1,500,000 with Go Green Squads, LLC; McCullough Heating & Air, Inc.; Climate Mechanical, Inc.; Airtech Energy Systems, Inc.; Good Neighbor Management, Inc. DBA City Conservation; and American Conservation & Air, Inc.; September 27, 2012 - Authorized the use of a Job Order Contracting Project Delivery Method.</p>			
For More Information:	<p>Thomas Chamberlain 512-482-5388; Joe Guerrero 512-482-5394; Matt Duree 512-974-6346; Elizabeth Godfrey 512-974-7141.</p>			
Boards and Commission Action:	<p>To be reviewed by the Electric Utility Commission on October 20, 2014 and the Resource Management Commission on October 21, 2014.</p>			
MBE / WBE:	<p>This contract was awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified and no goals were established for the solicitation. Although no goals were established for this solicitation, contractors are required to comply with the MBE/WBE Procurement Program if subcontracting opportunities are identified.</p>			
Related Items:				
Additional Backup Information				

Austin Energy offers free home energy improvements to customers with low-to-moderate incomes. These improvements not only reduce energy costs, they also create a more comfortable and safe living environment. In addition, the Austin Water Utility offers free high efficiency bathroom and kitchen aerators and showerheads as well as rebates for water efficient appliances.

The need for weatherization and plumbing repairs or services by low income customers in the Austin Energy and Austin Water Utility service areas exceeds the available level of assistance. This request for additional funding authority for the Home Efficiency Assistance (Free Home Weatherization) Program – Tier 2 Basic Weatherization Plus HVAC is needed to meet current and projected needs. An initial audit of a home's energy performance, conducted by Austin Energy, establishes the priority of improvement measures necessary to improve the water and energy efficiency level of a housing unit. Over 807 customers' homes have been assessed by the program for weatherization and repairs since 2013. To date, 437 homes have been weatherized with 352 homes weatherized and repaired under the Tier 2 contract. The remaining homes were referred to outside agencies for structural repairs. If approved, the funding will be distributed to the job order contractors based on work authorization and availability.

The Tier 2 contract was executed June 2013 for \$1,500,000 for a one-year initial term subject to availability of funding with the city option to renew the contract term for one additional year. Additional funding was requested and approved on March 20, 2014 in an amount not to exceed \$1,182,000. The Tier 2 contract will expire in June 2015 and this request would increase funding authority in an amount not to exceed \$2,700,000 for a total Tier 2 funding authorization not to exceed \$5,382,000.

AUTHORIZATION HISTORY

<u>AMOUNT</u>	<u>DATE</u>	<u>DESCRIPTION</u>
\$1,500,000	05/23/2013 (Council)	Original authorization for negotiation and execution of the Tier 2 Basic Weatherization plus HVAC Job Order Contract Program
\$1,182,000	03/06/2014 (Council)	Additional funding authority for continued use of the Tier 2 Basic Weatherization plus HVAC Job Order Contract Program
\$2,700,000	10/23/2014 (Council)	<i>Proposed</i> – Additional funding authority for continued use of the Tier 2 Basic Weatherization plus HVAC Job Order Contract Program
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\$5,382,000	Total Proposed Contract Authorization	

CONTRACT HISTORY

<u>AMOUNT</u>	<u>DATE</u>	<u>DESCRIPTION</u>
\$1,500,000	06/24/2013	Original authorization for negotiation and execution of the Tier 2 HEAP Job Order Contract Program
\$1,182,000	03/26/2014	Additional funding authorization for continued use of the Tier 2 HEAP Job Order Contract Program
\$2,700,000	10/23/2014	<i>Proposed</i> - Additional funding authorization for continued use of the Tier 2 HEAP Job Order Contract Program
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\$5,382,000	Total Proposed Contract Expenditures	

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

AGENDA DATE: 12/11/2014

SUBJECT: Approve an ordinance authorizing appropriation of \$5,010,812 in American Recovery and Reinvestment Act (ARRA) grant funds from the U.S. Department of Energy and amending the Fiscal Year 2014-2015 Austin Energy Operating Budget Special Revenue Fund of Ordinance No. 20140908-001 to appropriate the funds to continue the Retrofit Ramp-Up Program, including two temporary full-time equivalent positions for continued implementation of the program.

AMOUNT & SOURCE OF FUNDING: Funding is available from the U.S. Department of Energy (DOE) for the extended grant period beginning November 1, 2014 and ending when funds have been expended or until further notice from the DOE. No match is required.

FISCAL NOTE: A fiscal note is required.

PRIOR COUNCIL ACTION: May 27, 2010 – Approved Ordinance No. 20100527-002, accepting \$10,000,000 in ARRA grant funds from the DOE and amending the budget.

FOR MORE INFORMATION CONTACT: Jeff Vice, Director, Local Government Issues (512) 322-6450; Denise Kuehn, Director, Energy Efficiency Services (512) 322-6138.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on November 17, 2014 and the Resource Management Commission on November 18, 2014.

In 2010, the U.S. Department of Energy (DOE) awarded the City of Austin (Austin Energy) \$10,000,000 in American Recovery and Reinvestment Act (ARRA) competitive grant funds to design, develop and implement an ARRA “Retrofit Ramp-Up Program.” The purpose of the program was to create jobs and accelerate the number of residential and commercial comprehensive building retrofits in the Austin Energy service area by providing enhanced marketing and outreach and a new financing option to complement existing energy efficiency and solar programs.

The grant allowed Austin Energy to conduct customer research, develop marketing, provide contractor and customer outreach, design financing mechanisms, and provide oversight, inspections, tracking, and grant reporting activities. Eight temporary employees were hired during the original grant period from June 1, 2010 to June 1, 2013 to begin implementation of the program. Before the grant period ended, the DOE extended the grant period to allow recipients to continue work on ARRA programs.

During the initial period of the grant, Austin Energy worked with Velocity Credit Union to develop a program by which Velocity offered low interest loans to Austin Energy customers who made energy efficiency improvements to their homes through the Home Performance with ENERGY STAR® (HPwES) program. The HPwES is a whole-house approach to energy efficiency with improvements that could include: a new central air conditioning or heat pump

system, replacement of window units with a central air or heat system, adding attic insulation, repair of leaking ducts, installing Low-E windows and/or a radiant barrier.

Austin Energy provided \$5,000,000 of the grant funds for the loan program which allowed Velocity to offer an improved financing option to utility customers, including a lower interest rate and credit score threshold. The program was popular with customers and as they repaid their loans, the fund grew to its current amount of \$5,010,812. To utilize these funds and further the grant's intent, Austin Energy requests City Council approval.

Council approval will allow Austin Energy to continue using the funds for innovative energy efficiency financing mechanisms like the low interest loan program at Velocity. In addition, two temporary employees will be hired to provide oversight, tracking, grant reporting and program administration.

DRAFT