

## A G E N D A



## Recommendation for Council Action

Austin City Council	Item ID	73579	Agenda Number	3.
Meeting Date:	8/31/2017		Department:	Austin Energy
Subject				
<p>Authorize issuance of residential rebates to 1806 East 4th Ltd., for the installation of solar electric systems to serve 97 condominium units located at 1800 East 4th Street, for an amount not to exceed \$80,976; and authorize execution of four performance-based incentive agreements with 1806 East 4th Ltd., for the generation of solar energy for commercial common areas at the same location, for an amount not to exceed \$3,292 per year a 10-year period; for a combined total residential and commercial incentive amount not to exceed \$113,896. (District 3)</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$113,896 is available in the Fiscal Year 2016-2017 Operating Budget of Austin Energy.</p>				
Fiscal Note				
<p>A fiscal note is not required.</p>				
Purchasing Language:				
Prior Council Action:				
For More Information:	Jeff Vice, Director, Local Government Issues (512) 322-6087; Danielle Murray, Solar Program Manager (512) 322-6055.			
Council Committee, Boards and Commission Action:	<p>August 14, 2017 - Recommended by the Electric Utility Commission on a 7-0 vote with Commissioner Wray off the dais, Commissioners Stout and Zell absent, and one vacancy.          August 15, 2017 - Recommended by the Resource Management Commission on a 7-0 vote, with Commissioners Kohan, Madison, and Santiago absent, and one vacancy.</p>			
MBE / WBE:				
Related Items:				
Additional Backup Information				



Austin Energy requests authorization to issue residential rebates to 1806 East 4th Ltd. for the installation of solar electric systems to serve 97 condominium units for an amount not to exceed \$80,976, and execution of four performance-based incentive agreements for commercial common areas for an estimated \$3,292 per year, for an amount not to exceed \$32,920 over a 10-year period, for the combined total amount not to exceed \$113,896. The units are located at 1800 East 4th Street in Austin in Council District 3.

The total installation cost is \$389,760 and the incentives will cover up to 29% of the cost. The ownership of the residential photovoltaic (PV) systems will transfer to the buyers of the individual condominium units upon sale of the property. The solar incentive level is \$0.60 per watt-DC for a total of 134.96 kilowatt (kW)-DC for the residential systems, and \$0.06/kilowatt hour (kWh) for a total of 33.04 kW-DC for the commercial systems. The solar equipment, which meets Austin Energy program requirements, includes a total of 600 solar modules rated at 280 watts.

Austin Energy's solar program helps meet the community's solar goal of 950 MW by 2025, including 200 MW of local solar capacity, established in the Resource, Generation and Climate Protection Plan approved by City Council in December 2014. The solar program is designed to reduce the amount of electricity Austin Energy must purchase from the market and reduce associated greenhouse gas emissions.

This energy improvement will generate an estimated 242,541 kWh per year—enough to power 21 average Austin homes. This project is estimated to prevent the production of the following emissions each year: 161 tons of Carbon Dioxide (CO<sub>2</sub>); 202 pounds of Sulfur Dioxide (SO<sub>2</sub>); 224 pounds of Nitrogen Oxide (NO<sub>x</sub>); and 156 pounds of Carbon Monoxide (CO). These emissions reductions are equivalent to planting 3,741 trees or 187 acres of forest in Austin's parks or the removal of 326,990 vehicle miles or 28 cars from Austin roadways.

The Austin City Council launched Austin Energy's original solar photovoltaic (PV) rebate incentive program in 2004 (Resolution No. 040527-06) to benefit Austin residents and utility customers by: promoting the use of an environmentally-friendly and energy efficient renewable energy resource; promoting economic development for the development, recruitment and retention of renewable energy enterprises; and ensuring that Austin remains a local, national and international leader in the development and use of renewable energy.