



Recommendation for Action

File #: 19-2210, **Agenda Item #:** 4.

6/19/2019

Posting Language

Approve issuance of a rebate to Waters at Bluff Springs LLC, for performing energy efficiency improvements at the Waters at Bluff Springs Apartments, located at 7707 South IH-35, in an amount not to exceed \$99,500.

Lead Department

Austin Energy

Fiscal Note

Funding is available in the Fiscal Year 2019 Operating Budget of Austin Energy.

Prior Council Action:

March 28, 2019 - Approved rebate to Waters at Bluff Springs LLC for energy efficiency improvements at the Waters at Bluff Springs Apartments for up to \$187,829.

For More Information:

Jeff Vice, Director, Local Government Relations (512) 322-6087; Denise Kuehn, Director, Energy Efficiency Services (512) 322-6138.

Council Committee, Boards and Commission Action:

June 10, 2019 - Recommended by the Electric Utility Commission.

June 18, 2019 - To be reviewed by the Resource Management Commission.

Additional Backup Information:

Austin Energy requests approval to issue a rebate to Waters at Bluff Springs LLC, in an amount not to exceed \$99,500, for energy efficiency measures at the Waters at Bluff Springs Apartments located at 7707 South IH-35, in Council District 2.

This property consists of 300 apartment units. The average rent for a one-bedroom unit is \$869, a two-bedroom unit is \$1,068, and a three-bedroom unit is \$1,419. This property is recognized by the IRS as a 501(c)(3) not-for-profit provider of low-income housing.

On March 28, 2019, Council approved issuance of a rebate to The Waters at Bluff Springs LLC to implement energy efficiency measures at the same property. The measures included lighting, solar screens and duct remediation for a cost of \$187,829. In May 2019, Austin Energy introduced new and enhanced energy efficiency rebate offerings for which the property has applied. The combined total of the previously approved and proposed rebates do not exceed the \$300,000 annual cap.

The proposed measures to be implemented at the Waters at Bluff Springs Apartments include installation of Energy Star Power Partner eligible smart thermostats and tune-ups for the heating, ventilation and air conditioning (HVAC) systems. The estimated total cost of the project is \$99,500 and the rebate will cover 100% of the cost. It is funded by Austin Energy's Multifamily Income Qualified Program. While similar to the standard Multifamily Rebate Program, the rebates are larger for low income housing and are customized for

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each measure based on historical savings and cost data.

These improvements are in accordance with Austin Energy's Multifamily Income Qualified Program guidelines and the Energy Conservation Audit and Disclosure (ECAD) Ordinance. The rebate program is one element of the comprehensive Austin Energy Resource, Generation and Climate Protection Plan to realize 900 MW of energy efficiency and demand response by 2025. It is designed to support energy conservation, reduce peak demand, and the need to purchase additional generation.

The avoided kilowatt-hours (kWh), estimated at 205,623 kWh per year, represent a major benefit to the local environment. This project is estimated to prevent the production of the following air emissions annually: 110 metric tons of Carbon Dioxide (CO₂), 0.05 metric tons of Nitrogen Oxides (NO_x), and 0.12 metric ton of Sulfur Dioxide (SO₂). The project savings is equivalent to an estimated 247,180 vehicle miles traveled, the removal of 21 cars from our roadways, or the planting of 2,828 trees or 141 acres of forest in Austin's parks.



MULTIFAMILY REBATE FACT SHEET

Waters at Bluff Springs

Property Name	Waters at Bluff Springs				
Customer Name	Waters at Bluff Springs LLC				
Property Address	7707 South IH-35, Austin, Texas 78744				
Year Built	2001				
Average Rent per Floor Plan	1 BR \$869; 2 BR \$1068; 3 BR \$1419				
Number of Rentable Units ¹	300				
Housing Type ²	501(c)3, not-for-profit provider of low income housing				
Air Conditioner Tonnage	2 (average tonnage; 300 units)				
Water Heater Type	Electric				
Electric Utilization Intensity (EUI)	15.42				
Average Electric Utilization Intensity for cohort ³	8.89 kWh/sq ft				
Total Project Costs					
Total Project Costs	\$99,500				
Total Rebate – Not to Exceed	\$99,500				
% of Total Construction Costs	100%				
Rebate per Unit	\$331.67				
Note(s)					
Remove Power Partner (one-way) thermostats and install 300 Energy Star Power Partner eligible smart thermostats. Perform HVAC tune-up on 300 furred down air handlers with electric heat and air conditioning condensing units. The installation of new smart thermostats may result in demand response participation and additional kW savings.					
Estimated Project Annual Savings at 100% Occupancy					
Kilowatt (kW) Saved	61.73				
Kilowatt-hours (kWh)	205,623				
\$/kW ⁴	\$1611 / kW				
Monthly Savings Per Customer ⁵	\$69				
Scope of Work⁶					
Measure	Rebate Amount	kW Saved – Estimated	kWh Saved – Estimated	\$/kW	Average Annual Dollar Savings per Customer
Energy Star Power Partner Eligible Smart Thermostat	\$54,500	26.13	136,617	\$2,085	\$46
HVAC Tune-Up	\$45,000	35.60	69,006	\$1,264	\$23
Total	\$99,500	61.73	205,623		\$69
Measures Performed in last 10 years at this property		Completion Date		Rebate Amount	
Duct seal, lighting and solar screen installation in progress (per approval by City Council on March 28, 2019)		Pending		\$187,829	

¹ Source: ApartmentTrends.com (<https://www.apartmenttrends.com/>)

² Per IRS tax documentation for 501(c)3 not-for-profit entities

³ Cohort Type is determined by the year the property is built and the heating type (either gas or electric)

⁴ Dollars per kW for all 5 measures is \$691/kW (including duct seal, solar screens and lighting measures approved by Council on March 28, 2019)

⁵ Calculation based on 10 cents per kWh

⁶ Energy (kWh) and dollars (\$) saved per project varies by both the size of the project and the type of heating. Projects with electric heat generally have higher savings than projects with gas heat.