

RECOMMENDATION FOR COUNCIL ACTION**City Council Meeting Date:**

August 8, 2019

Posting Language

Approve issuance of a rebate to Costco Wholesale Corp., for performing energy efficiency improvements at the Costco facility located at 10401 Research Blvd., in an amount not to exceed \$73,877. (District 7)

Fiscal Note

Funding is available in the Fiscal Year 2018-2019 Operating Budget of Austin Energy.

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:

July 15, 2019 – To be reviewed by the Electric Utility Commission.

July 16, 2019 – To be reviewed by the Resource Management Commission.

Additional Backup Information:

Austin Energy requests authorization to issue a rebate to Costco Wholesale Corp., in an amount not to exceed \$73,877, for energy efficiency measures at its Costco facility located at 10401 Research Blvd., in Council District 7. The energy efficiency measures implemented at this property include: LED lighting and lighting controls. The estimated total cost of these measures is \$286,975. The rebate will cover 26% of the total project cost.

These improvements are in accordance with Austin Energy's Commercial Rebate 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 in part to reduce local air pollution through energy conservation, reduce peak demand, reduce the need to purchase additional generation and assist customers in reducing electric consumption.

The avoided kilowatt-hours (kWh), estimated at 983,430 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: 526 metric tons of Carbon Dioxide (CO₂), 0.2 metric tons of Nitrogen Oxides (NO_x), and 0.6 metric ton of Sulfur Dioxide (SO₂). The project savings is equivalent to an estimated 1,182,186 vehicle miles traveled, the removal of 101 cars from our roadways, or the planting of 13,527 trees or 676 acres of forest in Austin's parks.



COMMERCIAL REBATE FACT SHEET
Costco – Research Blvd.

| | | | | |
|---|---|-----------------------------|------------------------------|----------------------|
| Property Name | Costco | | | |
| Customer Name | Costco Wholesale Corporation | | | |
| Property Address | 10401 Research Blvd., Austin, Texas 78759 | | | |
| Total Square Feet | 152,937 | | | |
| Year Built | 2001 | | | |
| Air Conditioner Tonnage | 784 | | | |
| Water Heater Type | Gas | | | |
| Total Project Costs | | | | |
| | \$286,975 | | | |
| Total Rebate – Not to Exceed | | | | |
| | \$73,877 | | | |
| % of Total Construction Costs | | | | |
| | 26% | | | |
| Note(s) | | | | |
| Costco on Research Blvd. installed the energy conservation measures listed under Scope of Work below, resulting in a rebate of \$73,876.71. The rebate amount is approximately 26% of the total retrofit project cost of \$286,975. | | | | |
| Project Annual Savings (Estimated) | | | | |
| Kilowatt (kW) | 347 | | | |
| \$/kW | \$212.85 | | | |
| Kilowatt-hours (kWh) | 983,430 | | | |
| Scope of Work | | | | |
| Measures | Rebate Amount | kW Saved – Estimated | kWh Saved – Estimated | \$/kW |
| Lighting retrofit on sales floor: High-intensity discharge lamps (HID) to LED | \$ 63,724.15 | 288 | 816,736 | \$ 221.28 |
| Lighting control system upgrade | \$ 10,152.56 | 59 | 166,694 | \$ 171.74 |
| | | | | |
| | | | | |
| | | | | |
| Total | \$ 73,876.71 | 347 | 983,430 | \$ 212.90 |
| Measures Performed in last 10 years at this property | | | Completion Date | Rebate Amount |
| Lighting retrofit in display cases, photo lab, optical area: Florescent to LED | | | 8/16/2017 | \$4,041.77 |
| Lighting retrofit in display cases, photo lab, optical area: Florescent to compact florescent lamps (CFL) | | | 9/13/2012 | \$3,849.12 |