

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

October 31, 2019

**Posting Language:**

Authorize issuance of energy efficiency program rebates during Fiscal Year 2019-20, in an amount not to exceed \$2,120,000 for multifamily energy efficiency rebates and \$2,335,000 for commercial energy efficiency rebates, for a total combined amount not to exceed \$4,455,000.

**Fiscal Note:**

Funding is available in the Fiscal Year 2019-2020 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:**

October 14, 2019 – To be reviewed by the Electric Utility Commission.

October 15, 2019 – To be reviewed by the Resource Management Commission.

**Additional Backup Information:**

Austin Energy's energy efficiency rebate programs provide customer incentives to reduce energy demand and associated costs, benefiting all electric utility customers and the utility. This authorization will allow Austin Energy to issue rebates to multifamily and commercial customers during Fiscal Year 2019-2020 for energy efficiency improvements in accordance with program guidelines and up to a combined amount of \$4,455,000.

This aggregate rebate approval request reflects a continued commitment to be responsive and flexible to customer needs. Customers and contractors participating in the rebate programs asked for reduced wait times to be reimbursed for their energy efficiency projects. The current approval process typically adds 60-90 days for completion of a project, depending on rebate timing and commission and Council agenda scheduling. Some property owners have declined participation in the rebate programs after learning how long it would take to be reimbursed.

Therefore, Austin Energy requests authorization to issue up to \$2,120,000 in multifamily energy efficiency rebates and \$2,335,000 in commercial energy efficiency rebates during Fiscal Year 2019-2020. The combined program funding represented in this request is \$4,455,000 and was included in Austin Energy's Fiscal Year 2020 operating budget approved by Council on September 10, 2019. The funds do not carry over to a subsequent year.

The annual cap for a multifamily or commercial customer will remain at \$300,000; and the types of energy efficiency measures eligible for rebates will remain the same, e.g., lighting, insulation, duct seal/repair, smart thermostats, HVAC tune-ups, etc.

This authority includes the following pending energy efficiency rebates:

- Commercial program rebate to WG Arboretum LLC for lighting retrofits at the Atria at Arboretum, a senior living facility at 9306 Great Hills Trail in District 10, for \$63,336.
- Multifamily (income qualified) program rebate to the FP Affordable Housing LP, for duct work, lighting retrofits, smart thermostats, and air conditioning and heating system tune-ups at Forest Park Apartments, 1088 Park Plaza in District 4, for \$157,160. The property consists of 228 units with an average rent of \$880 for a one-bedroom unit; \$1054 for a two-bedroom unit; \$1168 for a three-bedroom unit; and \$1331 for a four-bedroom unit.
- Multifamily (standard) program rebate to Iron Horse Apartments for lighting retrofits, smart thermostats and air conditioning and heating system tune-ups at the Iron Horse Flats Apartments, 1930 W. Rundberg Lane in District 4, for \$95,630. The property consists of 200 units with an average rent of \$1021 for a one-bedroom unit and \$1346 for a two-bedroom unit.

Austin Energy will continue to provide monthly and quarterly reports on Customer Energy Solutions programs at [austinenergy.com/ae/about/reports-and-data-library/customer-energy-solutions-program-updates](https://austinenergy.com/ae/about/reports-and-data-library/customer-energy-solutions-program-updates).