

Resource Management Commission July 2021

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Austin Energy

Customer Renewable Solutions Manager



April 2021

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Commercial Solar Incentive Program

- Program History/Opportunity Statement
- Stake Holder Feedback External/Internal
- Resources Requirements
- Improvements/Suggestions

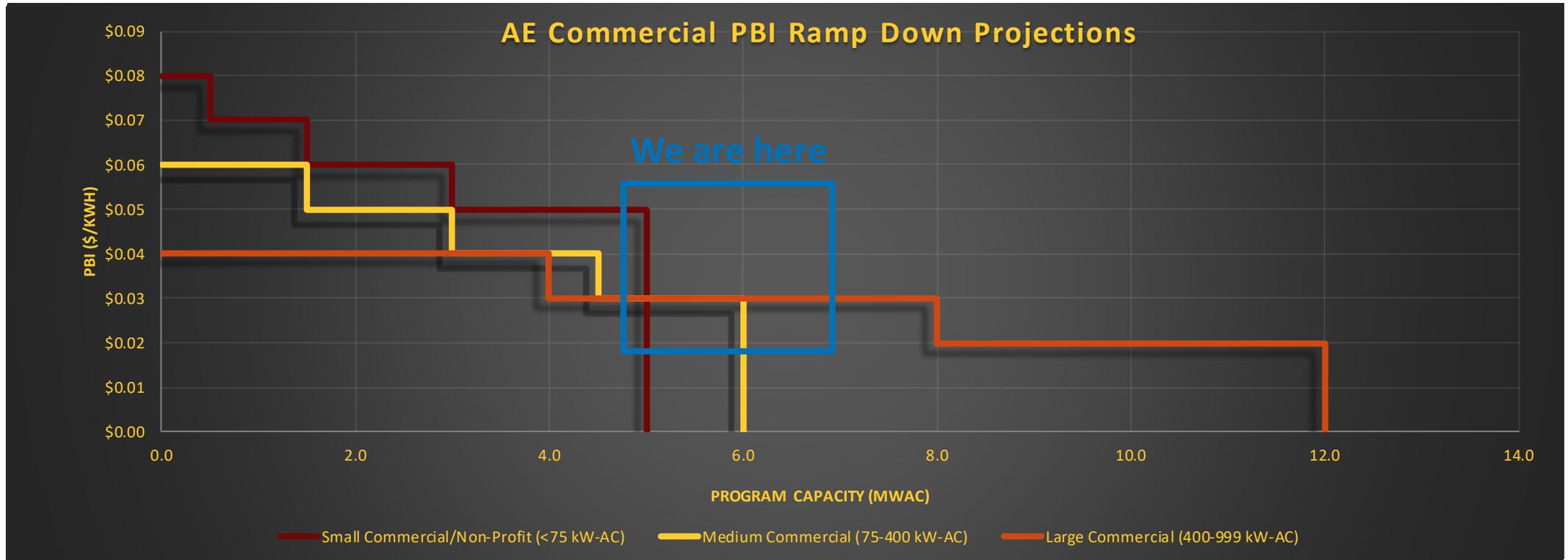


Commercial Program History

- Program began in 2004
- Started as a CBI @ \$5/W
- In 2009 we had a run on the Residential program
- Shifted to 10 yr. PBI to decrease annual budget impacts
- In 2016 migrated program into EECP, increased caps, created several tiers, introduced ramp down schedule.



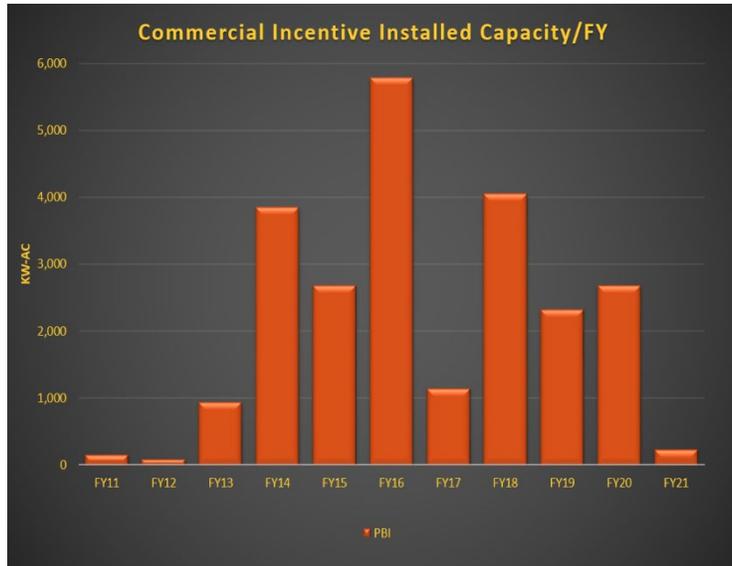
Current Program Outline



- We are very close to having only \$0.03/kwh and \$0.02/kwh available
- Program installed 160 project for 15.5 MW
- Adjustments needed to hit annual targets for achieving 2030 goals



Opportunity Statement



Current Program

Our current Commercial PBI offering, designed to meet the customer sited goal of 100MW by 2025 in tandem with Residential, has been successful and that goal will be achieved ahead of schedule. As designed the PBI is scaling back.



Community Benefit

Having customer friendly commercial solar incentives helps to make Austin an attractive place to do business.

Future Planning

Supports 2030 Generation Goals: 375 MW Local Solar & 200 MW Customer-Sited

Stakeholder Engagement

- Commercial Customer Stakeholder Meeting
- Commercial Contractor Stakeholders Meeting
- Commercial Customer Survey
- Solar Austin Customer Survey
- Internal Program Lead Feedback Session



Proposed Program - CBI

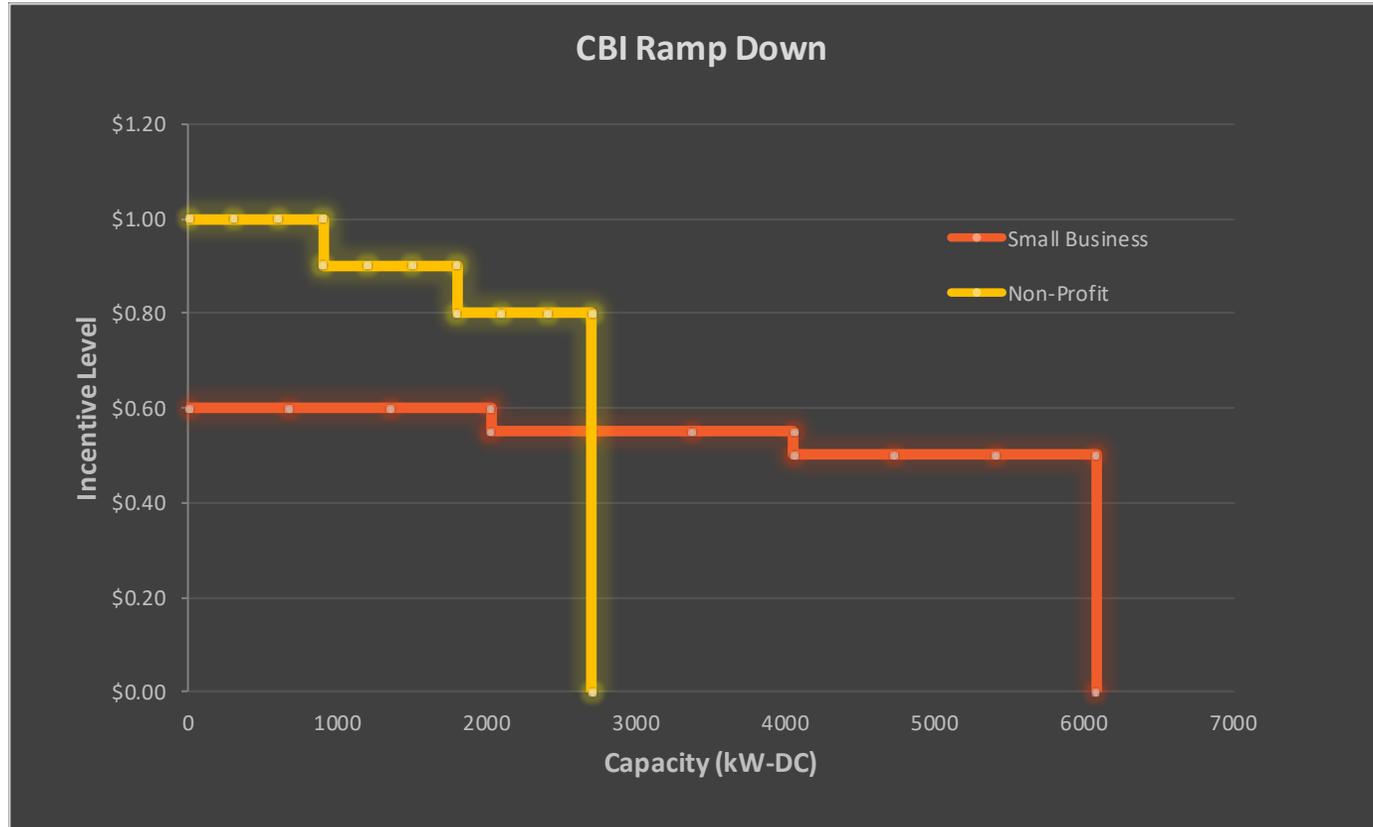
- Small Businesses are historically hard to reach through our current PBI program
- Feedback indicates that **capital** is the biggest hurdle for Small Business and non-profits

	Small Business <75 kW-AC		Non Profits <400 kW-AC	
	<i>Current (PBI)</i>	<i>Proposed</i>	<i>Current(PBI)</i>	<i>Proposed</i>
Duration	10 years	NA	10 years	NA
PBI vs. CBI	\$0.05/kwh	\$0.60/W	\$0.05/kwh	\$1.00/W

- No customer caps for non-profits
- Ramp down: Total Program Engagement (every 3 MW)
 - Small Business: Step down \$0.05/W
 - Non-profit: Step down \$0.10/W



Proposed Program – CBI Ramp Down



- Ramp Down every 3 MW (Total Program Capacity)
 - \$0.05/W for Small Business
 - \$0.10/W for Non-Profit
- Estimated Program Impact:
 - Installed Capacity: 9 MW
 - # of Projects: 60 - 80
 - AE Expenditure: \$5,771,250



Proposed Program - PBI

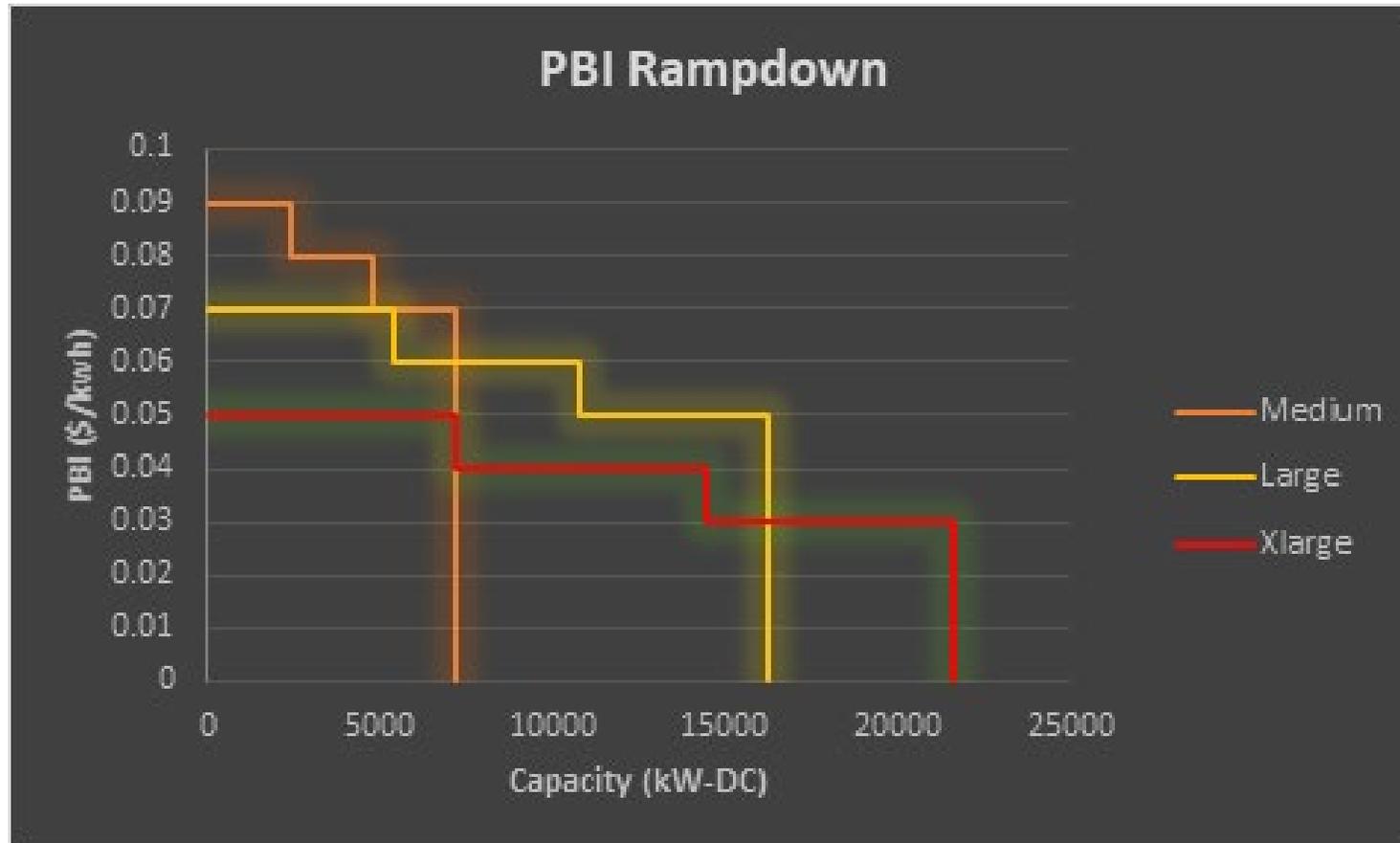
- Use PBI to satisfy projects > 75kW-AC, everything under
- Transition from 10 year PBI → 5 year PBI

	Medium 75-399 kW-AC		Large 400-999 kW-AC		Xlarge >1MW-AC	
	<i>Current</i>	<i>Proposed</i>	<i>Current</i>	<i>Proposed</i>	<i>Current</i>	<i>Proposed</i>
Duration	10 years	5 years	10 years	5 years	No offering available	5 years
PBI	\$0.04/kwh	\$0.09/kwh	\$0.03/kwh	\$0.07/kwh		\$0.05/kwh

- Ramp down based on total program engagement (every 15 MW)
- No Customer Caps



Proposed Program – PBI Ramp Down



- All tiers ramp down by \$0.01/kwh for every 15 MW (Total Program Capacity)
- Estimated 9 years to hit capacity goals
- Est. Program Impact:
 - Installed Capacity = 45MW
 - # Projects = 80 - 120



Resources Requirements

- **Planned Marketing Push**
 - Case studies for website
 - Update website content
 - Paid and internally sourced advertising
- **Program will utilize two modules in EECP**
 - Existing PBI with minimal reconfiguration
 - Existing CBI with minimal reconfiguration
- **No New Staff Requirements**
- **No CC&B Enhancements or Configuration**
- **No Process Changes**



Improvements/Suggestions?



Shared Solar Overview and History

- **Problem:**
Homestead Oaks - 2015
 - 144 individual solar installations tied into individual tenant meters
 - Conduit and metering challenge
 - ~30% increase in costs
 - LMI customers



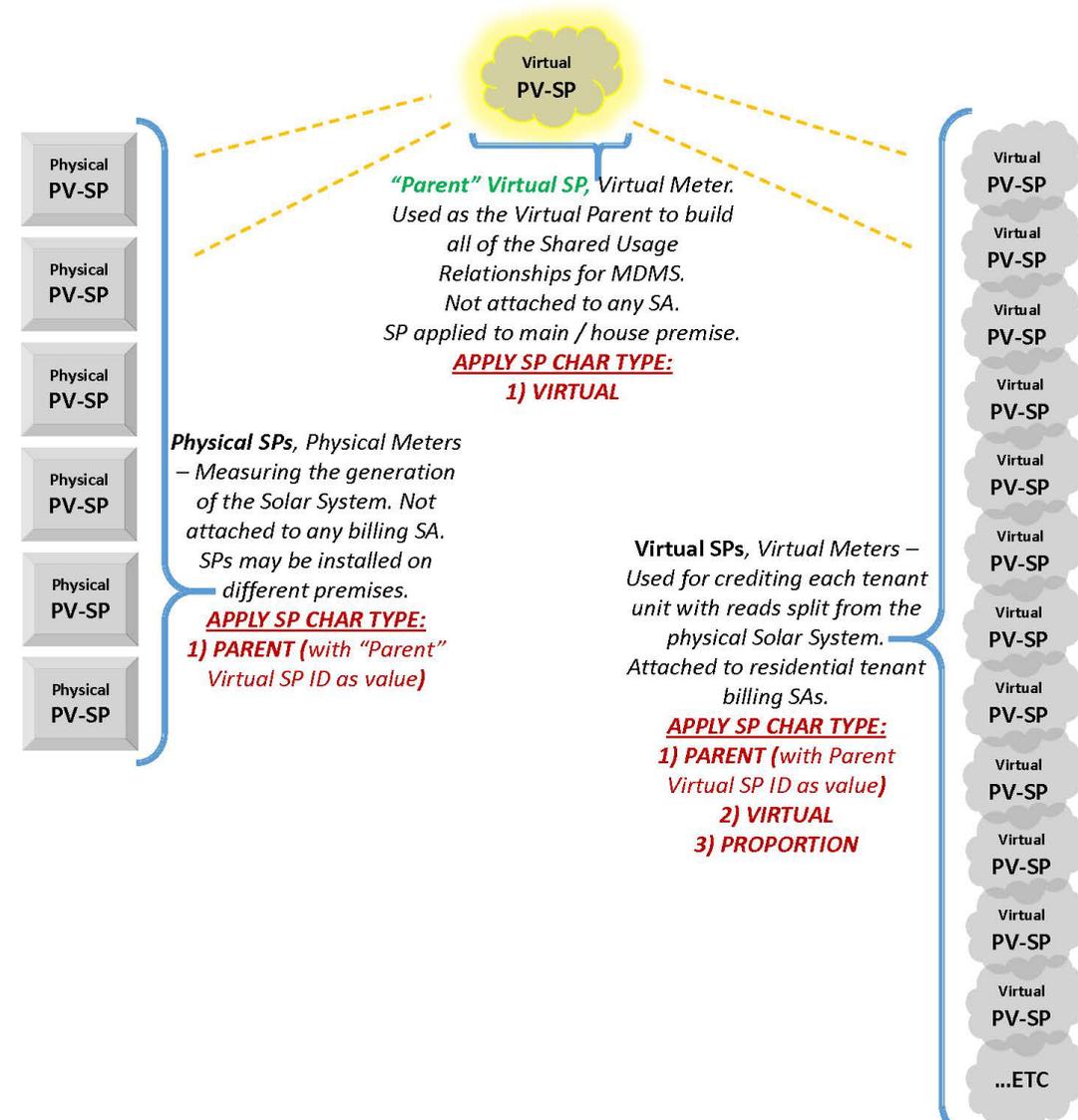
Shared Solar Overview and History

• What is Shared Solar?

- Solar generation from a single solar installation on a multifamily building is virtually allocated across individually metered tenants' bills

• Automated Proportional Solar Credits

- Cross-functional MDMS and CC&B solution



Shared Solar Overview and History

- **Shared Solar Benefits**

- Enables multifamily tenants to access solar and reduce electric bills
- Reduces installed cost and complexity
- Enables a variety of ownership and financing models

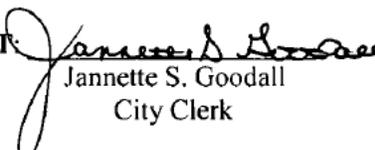
- **City Council Resolution No. 20171005-033**

BE IT FURTHER RESOLVED:

The City Manager is directed to provide regular updates to the Austin Energy Utility Oversight Committee of the City Council, the Electric Utility Commission, and the Resource Management Commission on the implementation of an Austin Energy “Shared Solar” pilot program, which participants should be able to start by September 2018.

ADOPTED: October 5, 2017

ATTEST:


Jannette S. Goodall
City Clerk



Shared Solar Overview and History

- **Shared Solar Pilot - 2018**

- Incentive: \$1/Watt with \$0.8/Watt adder for net-zero energy capable
- Participants procured through RFP
 - 100% of units reserved for households earning less than 80% of HUD MFI
 - Min. 5 units
 - Individually metered
 - >1.5kW/unit
- **AE has been manually applying solar credits to each tenant since the pilot's inception**
- **User acceptance testing has concluded, and Shared Solar Projects are being migrated to the billing system**



Shared Solar Overview and History

- **Housing Authority of the City of Austin (HACA)**

- Chalmers South
 - 1638 E 2nd St
 - 86 units
- Goodrich
 - 2126 Goodrich Ave
 - 120 units
- Chalmers East
 - 300 Chicon St
 - 156 units

- **Guadalupe Neighborhood Development Corporation (GNDC)**

- La Vista
 - 813 East 8th St
 - 22 units
- Jeremiah
 - 1200 Paul Teresa Saldana St
 - 35 units

- **Foundation Communities**

- Cardinal Point (Four Points)
 - 11015 Four Points Dr
 - 11017 Four Points Dr
 - 120 units



GNDC La Vista



Shared Solar Program Launch

- **Program development**

- Program planned launch in Jan 2022 with limited program eligibility for first 6 Months/6 projects
 - Income Qualified Multifamily – following commercial efficiency
- Program Guidelines are in draft form
- Application Review Checklist, Forms, and Templates
 - Need to be finalized

- **Communications**

- Tenant communication to go with Bill Explainer
- Marketing and Outreach



Proposed Solar Inspection Fees for FY22

- Current: Splitting DSD's Electric Permit fee 80% to AE and 20% to DSD
- Proposed: Cost based individually by department

Residential

Current Fee	Proposed Fee
0 - 1000 sq ft	0 - 1000 sq ft
\$300.77	\$181.40
1000 - 2000 sq ft	1000 - 2000 sq ft
\$300.77	\$181.40
2000 - 3000 sq ft	2000 - 3000 sq ft
\$327.78	\$197.69
3000 - 4000 sq ft	3000 - 4000 sq ft
\$404.63	\$244.04
4000 - 5000 sq ft	4000 - 5000 sq ft
\$435.79	\$262.83
5000+ sq ft	5000+ sq ft
\$525.11	\$316.70

Commercial

Current Fee	Proposed Fee
0 - 1000 sq ft	0 - 1000 sq ft
\$256.10	\$181.40
1000 - 5000 sq ft	1000 - 5000 sq ft
\$256.10	\$181.40
5000 - 10000 sq ft	5000 - 10000 sq ft
\$334.70	\$237.07
10000 - 25000 sq ft	10000 - 25000 sq ft
\$491.91	\$348.43
25000 - 50000 sq ft	25000 - 50000 sq ft
\$727.71	\$515.45
50000+ sq ft	50000+ sq ft
\$884.92	\$626.80



Proposed Solar Meter Fees

- **To be Recovered Through Permit fee (line item).**
 - ~\$227 for residential solar PV meter
 - ~\$237 for commercial
 - ~\$517 for CT meters
- **Fee will be covered by Solar Incentive Program**
 - No out-of-pocket costs for customers
 - Will be done through a general fund transfer





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