



## Recommendation for Action

**File #: 22-1537, Agenda Item #: 4.**

**4/7/2022**

### **Posting Language**

Approve issuance of a capacity-based incentive to Austin Presbyterian Theological Seminary for the installation of solar electric systems on their facility located at 106 E. 27th Street, Austin, TX 78712, in an amount not to exceed \$145,920.

### **Lead Department**

Austin Energy.

### **Fiscal Note**

Funding is available in the Fiscal Year 2021-2022 Operating Budget of Austin Energy.

### **For More Information:**

Richard Génécé, Vice President, Customer Energy Solutions (512) 322-6327; Tim Harvey, Solar Program Manager (512) 482-5386.

### **Council Committee, Boards and Commission Action:**

March 21, 2022 - Recommended by the Electric Utility Commission on a vote of 7-0, with Commissioners Bowen, Cardenas, Chapman and Funkhauser absent.

March 22, 2022 - Recommended by the Resource Management Commission on a vote of 9-0, with Commissioner Angoori absent and one vacancy.

### **Additional Backup Information:**

Austin Energy requests approval to issue this capacity-based incentive (CBI) to Austin Presbyterian Theological Seminary (Customer) for the installation of solar electric system(s)\*, detailed in the table below at their facility to produce renewable energy for on-site consumption.

The table below provides a summary of the system sizes, costs, and proposed incentives:

Presbyterian Theological Seminary	
Number of Modules	304
Module Rating (W-DC)	480
Total System Size (kW-DC)	146
Total System Size (kW-AC)	121
Annual Estimated Production (kWh)	202,238
Total System Cost (\$)	\$249,547.81
Total Incentive (\$)	\$145,920

Percent of Cost Covered	58%
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\*All solar equipment meets Austin Energy program requirements

The Austin Presbyterian Theological Seminary prepares students for religious leadership. The Customer is accredited by the Commission on Accrediting of the Association of Theological Schools in the United States and Canada. The school offers a variety of Ministry Masters and Doctorate Degrees. This solar system will offset 72% of the Customer's historic annual energy usage.

According to US Energy Information Administration, based on the [state-wide electricity profile](https://www.eia.gov/electricity/state/texas/), [this system](https://www.eia.gov/electricity/state/texas/) is estimated to prevent the production of the following emissions each year: 95 tons of Carbon Dioxide (CO2); 121 pounds of Sulfur Dioxide (SO2); and 141 pounds of Nitrogen Oxide (NOX). According to the Environmental Protection Agency's Greenhouse Gas Equivalency [Calculator](https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator), [these emissions reductions](https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator) are equivalent to planting 1,425 trees or 106 acres of forest in Austin's parks or the removal of 216,594 vehicle miles or 19 cars from Austin roadways.

According to the updated Austin Energy Resource, Generation and Climate Protection Plan, approved by Austin City Council in March 2020, "Austin Energy will achieve a total of 375 MW of local solar capacity by the end of 2030, of which 200 MW will be customer-sited (when including both in-front-of-meter and behind-the meter installations)." In order to meet these goals, Austin Energy has funded the Solar Photovoltaic (PV) Programs, which are designed to reduce the amount of electricity Austin Energy must purchase from the market and reduce associated greenhouse gas emissions.

The purpose of the Austin Energy Solar PV CBI Program is to expand adoption of solar by nonprofit organizations by helping to offset the capital investment for customers who are unable to benefit from the federal tax credit. Under this program, customers who qualify as nonprofit entities (outlined in Section V.B.iv of the [program guidelines](https://austinenergy.com/wcm/connect/1374fb2d-6dd0-4df7-a499-72970cfdb62e/Commercial-CBI-Guidelines-2021.pdf?MOD=AJPERES&CVID=nPdPUB), [are eligible to receive \\$1.00/W-DC up to \\$482,000](https://austinenergy.com/wcm/connect/1374fb2d-6dd0-4df7-a499-72970cfdb62e/Commercial-CBI-Guidelines-2021.pdf?MOD=AJPERES&CVID=nPdPUB). Per program guidelines, the installation is expected to continue producing for a minimum of 20 years or may be subject to repay the incentive at a pro-rated amount, if it stops producing for any reason short of the stated minimum.

This project will advance the stated goals of expanding locally-sited solar, carbon reduction and resiliency, extend the adoption of solar to entities historically excluded from the investment benefits of solar, and continue to demonstrate the value and importance of renewables as part of the individual and collective generation portfolio in Austin Energy territory.

**Strategic Outcome(s):**

Government that Works for All.