



Recommendation for Action

File #: 23-1848, Agenda Item #: 1.

5/18/2023

Posting Language

Authorize reimbursement of costs to DW CAL 308 Guadalupe, LLC, for the service pipe connection to interconnect the Republic office building to the Austin Energy downtown district cooling system in an amount not to exceed \$1,412,870.

Lead Department

Austin Energy.

Fiscal Note

Funding is available in the Fiscal Year 2022-2023 Capital Budget of Austin Energy.

For More Information:

Amy Everhart, Director, Local Government Issues (512) 322-6087; Pat Sweeney, Vice President, Power Production, (512) 322-6292; James Kassim, Director, District Energy and Cooling, (512) 322-6424.

Council Committee, Boards and Commission Action:

To be reviewed by the Electric Utility Commission on May 8, 2023.

Additional Backup Information:

Austin Energy (AE) operates several district cooling systems providing chilled water to customer buildings through a network of underground pipes. These systems serve multiple large buildings within a particular service area including Downtown Austin, the Domain, the Mueller Redevelopment Zone, and Austin Community College Highland Campus.

A district cooling plant distributes chilled water to the customer's building through a set of heat exchangers located in the building's mechanical room. A single district cooling plant can meet the cooling needs of many buildings. For example, the Downtown District Cooling System currently serves forty-seven customers, including City Hall, the main library, Austin Convention Center, Whole Foods, Ballet Austin, hotels, residential buildings, and office towers.

Additionally, by using thermal energy storage, AE shifts electric load from peak times (3:00 p.m. to 6:00 p.m.) to off-peak times, helping AE meet council's thermal energy storage goal of 40 MW by 2030. Adding chilled water customers increases the load to AE's District Cooling System and thereby increases the amount of potential electrical demand shifted from on-peak to off-peak hours. This project will connect the Republic Office Building at the northwest corner of Guadalupe and 3rd Street.

The piping will provide chilled water service to the existing mechanical room as specified in a Chilled Water Services Agreement between AE and DW CAL 308 Guadalupe, LLC. AE recovers the cost for reimbursable items through the chilled water rate specified in the agreement.

This project is located in zip code 78701 and Council District 9. AE will manage the project.