



MEMORANDUM

To: Mayor and City Council

Through: Jon Fortune, Deputy City Manager *JF*

From: Stuart Reilly, General Manager, Austin Energy *SR*

Date: July 21, 2026

Subject: **Staff Update Resolution 20260423-041 Austin Energy Residential-Sited Solar and Battery Program Exploration**

The purpose of this memorandum is to provide a preliminary update on Resolution No. [20260423-041](#), regarding Austin Energy's Residential-Sited Solar and Battery Program exploration.

The resolution directed the City Manager to evaluate a potential no-cost residential solar program, including innovative funding options, cost-effectiveness, customer benefits, operational needs, battery feasibility, and risk mitigation. The assessment should also address strategies to maximize participation with priority for low-income and disadvantaged communities and compare the approach to similar programs.

Austin Energy has begun assessing various program concepts that could broaden access to residential solar and battery storage while supporting community goals around equity, resilience, and affordability. This work is in an early phase and continues to evolve as additional information becomes available.

One potential structure under review involves the use of a third-party provider to install and maintain systems, with Austin Energy procuring energy and accessing portions of battery capacity for operational needs. Austin Energy is also evaluating whether incentive-based approaches could help reduce or offset customer costs and support participation among income-qualified households. Additional considerations include resilience benefits and potential alignment with existing customer-assistance offerings.

For third-party entities, the viability of any model would depend on multiple factors, such as federal tax benefits, Austin Energy incentives, and possible customer contributions. Long-term ownership and end-of-term system disposition remain areas of examination.

Date: July 22, 2026
Subject: Staff Update on Residential-Sited Solar and Battery Program Exploration to Resolution 20260423-041

At this stage, all elements of the concepts remain under review, and feasibility will depend on pricing details, financial modeling, and operational analysis still underway. Austin Energy will continue refining this assessment and will provide an update with potential recommendations by the City Council Resolution deadline of December 31, 2026.

If you have questions, please contact Richard Génécé, Vice President, Customer Energy Solutions, at Richard.genece@austinenergy.com or (512) 322-6327.

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