

## AGENDA



Thursday, June 21, 2007

**Austin Energy  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 3**

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**Subject:** Authorize negotiation and execution of a 24-month Interlocal Agreement between the City and the State of Texas Energy Conservation Office (SECO) for grant funding in an amount not to exceed \$190,000 to Austin Energy for the design and implementation of an ENERGY STAR® Appliance Replacement/Recycling Program for public housing properties owned and managed by the Austin Housing Authority.

**Amount and Source of Funding:** Through the Interlocal Agreement, SECO will fund up to \$190,000 over twenty four months and Austin Energy will fund an in-kind match; \$95,000 is available in the Fiscal Year 2006-2007 Operating Budget of the Conservation Rebates and Incentive Budget of Austin Energy. Funding for the remaining in-kind match is contingent upon available funding in future budgets.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Jerrel Gustafson, Manager, Power Saver Program / 482-5387.

**Boards and Commission Action:** Recommended by the Electric Utility Commission and the Resource Management Commission.

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The Interlocal Agreement will enable funding from the State Energy Conservation Office (SECO) to Austin Energy for the design and implementation of an ENERGY STAR® Appliance Replacement/Recycling Program for public housing properties. Austin Energy will partner with SECO to offer an Appliance Replacement Partnership Program primarily targeting low-income public housing in Austin, Texas. The purpose of this project is to develop a program that can be utilized and duplicated by other utilities within the State of Texas. The emphasis of the program would be the replacement/recycling of approximately 329 old, inefficient refrigerators. Austin Energy would target public housing managed by the Austin Housing Authority (AHA) within the Austin Energy service area.

Austin Energy will solicit a third party vendor for the purchase and delivery of new ENERGY STAR labeled refrigerators. All replaced appliances would be completely recycled under an existing third-party vendor contract. The recycling of all appliances replaced by the program would assure an estimated 239,512 kWh of energy savings per year and 32.57 kW of peak demand savings.

The establishment of a partnership between Austin Energy, SECO and the Austin Housing Authority to offer ENERGY STAR® labeled appliances to program participants, would promote the efficient use of energy in low -income housing and encourage residential involvement in energy conservation efforts. Through the implementation of this interlocal agreement Austin Energy, SECO and Austin Housing Authority will share a joint mission to “maximize energy efficiency while protecting the environment”.