

AGENDA



Thursday, August 30, 2007

**Austin Energy
RECOMMENDATION FOR COUNCIL ACTION****Item No. 5**

Subject: Approve negotiation and execution of a 12-month Interlocal Agreement with the Texas Commission on Environmental Quality for the design and implementation of an ENERGY STAR® Appliance Replacement/Recycling Program for public housing properties owned by the Austin Housing Authority and households occupied by low-income customers in an amount not to exceed \$318,000.

Amount and Source of Funding: Funding is available from Texas Commission on Environmental Quality.

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

For More Information: Jerrel Gustafson, Power Saver Program - Manager 512/482-5387

Boards and Commission Action: Recommended by the Electric Utility Commission.

The contract will provide grant funding from the Texas Commission on Environmental Quality (TCEQ) to for the design and implementation of an ENERGY STAR® Appliance Replacement/Recycling Program for public housing properties and households occupied by low-income customers. Austin Energy proposes a partnership with TCEQ to offer an appliance replacement and recycling primarily targeting low-income public housing and low-income single family residences in Austin, Texas. The purpose of this project is to develop/design 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 300 old, inefficient refrigerators, 330 old, inefficient window air conditioners, 100 old, inefficient dishwashers, and 100 old, inefficient clothes washers. Austin Energy would target public housing managed by the Housing Authority of the City of Austin (AHA) and low-income single family residences within the Austin Energy electric service area.

Austin Energy will solicit a third party vendor for the purchase and delivery of new ENERGY STAR labeled appliances. 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 2,270,678 kWh of energy savings per year and 640 kW of peak demand savings.

The establishment of a partnership between Austin Energy, TCEQ 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, TCEQ will share a joint mission to "to protect our state's human and natural resources consistent with sustainable economic development and a goal of clean air, clean water, and the safe management of waste".