

AGENDA



Thursday, January 31, 2008

**Austin Energy
RECOMMENDATION FOR COUNCIL ACTION****Item No. 2**

Subject: Approve issuance of a rebate in the amount of \$98,655.91 to Hewlett-Packard for the installation of a 500-ton and a 200-ton chiller and an Uninterruptible Power Supply (UPS) system at their newly-constructed data center at 14608 ½ Single Trace, Austin, Texas.

Amount and Source of Funding: Funding is available in the Fiscal Year 2007-2008 Operating Budget of Austin Energy.

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

For More Information: Fred Yebra, P.E., Director, Energy Efficiency Services, 482-5305 or Jerrel Gustafson, Unit Manager, 482-5387.

Boards and Commission Action: Recommended by the Resource Management Commission.

Austin Energy (AE) requests authorization to issue a rebate in the amount of \$98,655.91 for the installation of a 500-ton and a 200-ton chiller and an Uninterruptible Power Supply (UPS) system in accordance with the City of Austin's Commercial New Construction Rebate Program guidelines. This program is one element of AE's comprehensive Energy Resource Plan, approved in December 2003 by City Council, designed to reduce local air pollution through energy conservation, to reduce peak demand, and to assist customers in reducing electric consumption.

Within currently approved budget finding levels for commercial conservation rebates, this effort will provide AE with a constructive market transformation opportunity while adding a value-added service to encourage customer retention.

The Hewlett-Packard Data Center is located at 14608 ½ Single Trace in Austin, Texas. The demand (kW) savings associated with the high efficiency equipment installed in this project is estimated at 403.4 kW, at a program cost of \$245.00 per kilowatt saved. The avoided kWh, estimated at 1,981,888 kWh per year, represents a major benefit to the local environment. These savings are equivalent to an estimated 2,250,627 vehicle miles traveled, the removal of 281 cars from our roadways, or the planting of 43,951 trees or 2,198 acres of forest in Austin's parks. These improvements likewise will prevent 1,282 tons of CO2 from being emitted into the environment.

The City will not exceed the rebate offer of \$98,655.91 should the final installed measures be eligible for a higher rebate at the time of the final inspection due to changes in quantity or efficiency of equipment.