

AGENDA



Thursday, November 6, 2008

**Austin Energy
RECOMMENDATION FOR COUNCIL ACTION****Item No. 8**

Subject: Authorize negotiation and execution of an Interlocal Agreement between the State of Texas Energy Conservation Office (SECO) and Austin Energy for grant funding in the amount of \$95,000 to develop Best Practices for Data Center Energy Efficiency.

Amount and Source of Funding: Funding in the amount of \$95,000 is available from the State of Texas Energy Conservation Office (SECO). Austin Energy will fund an in-kind match in the amount of \$74,200, available in the Fiscal Year 2008-2009 Austin Energy Operating Budget Special Revenue Fund.

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; Terry Moore, Commercial Program Manager, 482-5378; Michelle Noriega, Project Manager, 482-5371.

Boards and Commission Action: Recommended by the Electric Utility Commission. Related to Item #6.

If approved, this Interlocal Agreement will provide funding from the State Energy Conservation Office (SECO) to Austin Energy (AE) to develop a Best Practices Manual on Data Center Energy Efficiency to be distributed throughout Texas.

Data centers are an important and growing industry in that they consumed 1.5% of all electricity in the U.S. in 2006 and their power demand is growing about 12% per year. The energy density with these specialized facilities has also increased, sometimes reaching as much as 100 watts per square foot. The increasing demand of servers, in response to business growth, has also lead to increased cooling demands and additional power infrastructure needed to sustain these facilities. In some areas, data centers are facing problems of having no physical space or electrical capacity available for growth or improvement. With all this infrastructure and equipment, there are opportunities within the data center to reduce demand and increase efficiency. In Texas, the history of trying to identify such opportunities in the data center is very short and there is a lack of study of data centers.

As specified in the Interlocal Agreement, AE will accomplish the following tasks by August 31, 2009:

1. Hold a workshop to provide current Best Practices and identify study participants.
2. Provide funding for proposed improvements and metering and verification (M&V) equipment in chosen studies.
3. Evaluate study findings for energy and demand savings opportunities.
4. Develop Best Practices Manual on Energy Efficiency of Texas Data Centers.
5. Promote State and National Education through conference travel and electronic distribution of the Best Practices manual.

Through the implementation of the Interlocal Agreement, SECO and AE share a joint mission to maximize energy efficiency while protecting the environment. This project also serves to carry out part of AE's strategic plan to promote and encourage involvement in energy conservation through innovative energy efficiency projects.