

AGENDA



Thursday, November 5, 2009

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

Subject: Approve the issuance of a Letter of Intent for a rebate to Bull Creek Market for the installation of a solar photovoltaic system at 6203 North Capitol of Texas Highway in Austin, Texas, in the amount of \$100,000.

Amount and Source of Funding: Funding is available in the Fiscal Year 2009-2010 Operating Budget of Austin Energy, Conservation Rebates and Incentives Fund.

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

For More Information: Fred Yebra, Director, Energy Efficiency Services, 482-5305; Leslie Libby, Solar Rebate Program Manager, 482-5390.

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

Austin Energy (AE) requests authorization to issue a Letter of Intent to Bull Creek Market in the amount of \$100,000 for the installation of a solar photovoltaic (PV) system at 6203 North Capitol of Texas Highway in Austin, Texas, 78731. The total installed cost is estimated to be \$150,288.22 and the rebate will cover approximately 67% of the cost. The rebate level for this project is \$3,720 per kW. The solar equipment, which meets AE program requirements, includes a total of 160 solar modules rated at 175 watts and associated inverters are rated at 96% efficiency respectively. A total of 23.2 kW in demand savings is expected.

This energy improvement will save an estimated 35,099 kWh per year—enough to provide electricity to four average Austin homes for a year—and produce an estimated 35 Renewable Energy Credits per year. These savings are equivalent to the planting of 778 trees or 39 acres of forest in Austin's parks or the removal of 39,858 vehicle miles or five cars from Austin roadways. This project will save 23 tons of Carbon Dioxide (CO₂); 29 pounds of Sulfur Dioxide (SO₂); 32 pounds of Nitrogen Oxide (NO_x), and 22 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere.

The Commercial Energy Efficiency programs are elements of AE's comprehensive effort to reduce local air pollution through energy conservation, to reduce peak demand, and to assist customers in reducing electric consumption. This effort will provide AE with a constructive market transformation opportunity while adding a value-added service to encourage customer retention.

This rebate is the last commercial rebate to be processed under the previous program guidelines. The Commercial Solar Rebate Program was suspended effective September 24, 2009, and no new commercial, multifamily or nonprofit customer applications will be accepted until the date new program guidelines are effective, no later than January 1, 2010. Pending applications without a signed Letter of Intent from AE will be returned to applicants. The new program guidelines for these customers will be developed with engagement from stakeholders and will be based on a performance and/or production incentive system.