

AGENDA



Thursday, February 4, 2010

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

Subject: Approve a resolution authorizing the City Manager to establish and administer a residential solar rebate program and a performance-based solar incentive program for commercial and multi-family facilities.

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

For More Information: Karl R. Rábago, Vice President, Distributed Energy Services, 322-6098.

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

Prior Council Action: May 27, 2004 – Approved Resolution No. 040527-06, establishing the current solar rebate program.

The proposed resolution would authorize Austin Energy to implement a revised solar photovoltaic incentive program that employs rebates for residential customers and long-term performance-based incentive payments for commercial and multi-family customers. Such a program will further current City Council policy to increase the amount of installed solar capacity in the Austin Energy system by encouraging electric customers to purchase and install grid-connected solar energy systems. The proposed resolution also recognizes that the City Council desires that Austin continue its commitment to participate in the solar energy market and remain a leader in the development and use of clean, renewable energy.

Approval of the proposed resolution would supersede Resolution No. 040527-06 in its entirety, replacing the current rebate program with a performance-based incentive program. Issuance of rebates or incentive agreements in excess of the City Manager's administrative authority will still require specific City Council approval. The proposed resolution more accurately describes the future of the Solar Photovoltaic Incentive Program and provides for evaluation procedures to ensure predictability and market appropriateness of rebate levels. The proposed resolution also specifically allows incentives for developers installing solar photovoltaic energy systems during the construction of multi-unit housing developments.