

## A G E N D A



## Recommendation for Council Action

Austin City Council		Item ID	22468	Agenda Number	9.
Meeting Date:	3/7/2013			Department:	Austin Energy
Subject					
Authorize negotiation and execution of a two-year interlocal agreement with the Alamo Area Council of Governments for assistance in establishing the Central Texas Fuel Independence Project to reduce barriers to the widespread use of cleaner, domestic, and more secure alternative fuels and renewable fuel vehicles in the Austin and San Antonio region, for a total amount not to exceed \$180,000.					
Amount and Source of Funding					
Funding is available in the Fiscal Year 2012-2013 Operating Budget Special Revenue Fund of Austin Energy using previously approved grant funding from the Department of Energy. The project period is from February 2, 2013 to January 31, 2014.					
Fiscal Note					
There is no unanticipated fiscal impact. A fiscal note is not required.					
Purchasing Language:					
Prior Council Action:	September 11, 2012 – Approved Ordinance 20120910-001 adopting the Operating Budget for Fiscal Year 2012-2013 including \$500,000 in grant funds from the Department of Energy.				
For More Information:	Jeff Vice 322-6087; Debbie Kimberly 322-6327; Richard Morgan 482-5309; Karl Popham 505-3714.				
Boards and Commission Action:	Recommended by the Resource Management Commission and the Electric Utility Commission.				
MBE / WBE:					
Related Items:					

## Additional Backup Information

The proposed two-year interlocal agreement will authorize Austin Energy to appropriate \$180,000 in funds to the Alamo Area Council of Governments (AACOG) for assistance in establishing the Central Texas Fuel Independence Project to reduce barriers to the widespread use of cleaner, domestic, and more secure alternative fuels and renewable fuel-vehicles in the Austin and San Antonio region. In 2012, Austin Energy received a \$500,000 grant from the Department of Energy's National Renewable Energy Laboratory for implementation initiatives to advance the alternative fuels market. City Council approved acceptance of the grant during the Fiscal Year 2012-2013 Budget adoption process.

The proposed agreement with AACOG will provide alternative fueling infrastructure procurement options, safety training for electricity and natural gas vehicles, workshops to educate potential alternative-fuel fleet users, and training seminars for multi-family housing and workplace charging.

Primary benefits of this project include:

1. Continuation, implementation and expansion of the Texas River Cities (TRC) Electric Vehicle Initiative, on

which City Council received a staff briefing on January 17, 2013;

2. Creation of a centralized consumer, government, utility, and business information resource on a regional alternative-fuel infrastructure including status reports, meeting activities, and expenditures along with shared lessons learned in a final report at the completion of the project to be available on the Austin Energy website;
3. Supporting activities of the Alamo Area Clean Cities Organization, enabling them to better execute on their mission as the primary vehicle for training and education supporting a transition away from oil as the primary transportation fuel source;
4. Supporting local climate protection plans, such as our own Resource, Generation and Climate Protection Plan to 2020 and the San Antonio Mission Verde Plan, and lower emissions in the Fuel Independence Project region, a region on the verge of falling into clean air non-attainment;
5. Sharing expertise and resources with the Alamo Area Clean Cities Organization in order to efficiently provide power and vehicle services to the Austin/San Antonio area.

AACOG in partnership with Alamo Area Clean Cities Coalition has extensive experience working with fleets, fuel providers, vehicle manufacturers, utilities, city officials, and the public to promote alternative fuels, introduce petroleum displacement strategies, and educate the community on safer, cleaner burning fuel. AACOG will dedicate staff time to execute deliverables related to safety trainings, dealership trainings, shared infrastructure trainings, and outreach initiatives related to natural gas vehicles. They will also dedicate a portion of the Clean Cities coordinator staff time for project oversight, staff management, and development of materials. In addition, AACOG will dedicate staff time to run events and outreach. Their staff will work with the Clean Cities Coordinator and other Clean Cities partners to achieve the deliverables of the project. AACOG will execute Clean Cities trainings and events throughout the project region as needed. Austin Energy plans to hire a full-time temporary staff person for the duration of the project to serve as the primary contact for the Fuel Independence Project, conducting a great amount of active outreach. Austin Energy will coordinate the effort, support training and outreach and marketing, and ensure the project stays on schedule.

In addition, AACOG will leverage existing Clean Cities strategies and resources to include: hosting alternative-fuel vehicle specific workshops, facilitating first-responder training, promoting the use of these vehicles, and building key partnerships in the community. All efforts outlined in the grant align with the overall goal of the Clean Cities program to reduce petroleum consumption and increase energy security. The Clean Cities program will have the opportunity to increase their effectiveness in the Central Texas region by being able to reach out to a broader audience, develop new collaborations with future stakeholders and foster existing ones, and increase the awareness of alternative fuels and vehicles in Texas.

The Central Texas Fuel Independence Project region, which includes nearly four million people, is uniquely positioned in Texas for its commitment to innovative electric and natural gas utilities, and enjoys abundant natural gas and renewable electricity resources. Utilities in this region are well-situated to sustainably harvest these resources and facilitate provision of alternative fuel supplies and infrastructure to support the commercialization of alternative-fuel vehicles. These utilities, in direct collaboration with local governments, Clean Cities organizations, and industry advisors, will facilitate a clear path to market for alternative-fuel vehicle infrastructure.