

A G E N D A



Recommendation for Council Action

Austin City Council		Item ID	33259	Agenda Number	7.
Meeting Date:	6/12/2014			Department:	Austin Energy
Subject					
Authorize negotiation and execution of an agreement with Hanover, to provide a performance-based incentive for the generation of solar energy at its facility located at 809 South Lamar Blvd., Austin, Texas 78704, for an estimated \$21,016 per year, for a total amount not to exceed \$210,160 over a 10-year period.					
Amount and Source of Funding					
Funding in the amount of \$21,016 is available in the Fiscal Year 2013-2014 Operating Budget of Austin Energy.					
Fiscal Note					
There is no unanticipated fiscal impact. A fiscal note is not required.					
Purchasing Language:					
Prior Council Action:					
For More Information:	Jeff Vice, Director, Local Government Issues (512) 322-6087; Danielle Murray, Solar Program Manager (512) 322-6055.				
Boards and Commission Action:	May 19, 2014 – Recommended by the Electric Utility Commission on a vote of 6-0. May 20, 2014 – Recommended by the Resource Management Commission on a vote of 5-0.				
MBE / WBE:					
Related Items:					

Additional Backup Information

Austin Energy requests authorization to enter into an agreement with Hanover, to provide a performance-based incentive (PBI) for an estimated \$21,016 per year, for a total amount not to exceed \$210,160 over the 10-year period for the generation of solar energy at its new construction commercial retail space at 809 S. Lamar Blvd., Austin, Texas 78704.

The total installation cost is \$385,700 and the incentive will cover between 52% and 54% of the cost. The PBI level for this project is \$0.10 per kWh for 10 years. The solar equipment, which meets Austin Energy program requirements, includes a total of 551 solar modules rated at 250 watts and associated inverters rated at 98% efficiency. A total of 106 kW-AC in demand savings is expected.

This energy improvement will save an estimated 200,151 kWh per year—enough to provide electricity to 18 average Austin homes for a year—and produce an estimated 200 Renewable Energy Credits (RECs) per year. These savings are equivalent to the planting of 3,088 trees or 154 acres of forest in Austin's parks or the removal of 269,840 vehicle

miles or 154 cars from Austin roadways. This project will save 132 tons of Carbon Dioxide (CO₂); 167 pounds of Sulfur Dioxide (SO₂); 185 pounds of Nitrogen Oxide (NO_x); and 128 pounds of Carbon Monoxide (CO) from being emitted into the atmosphere, and 90,068 gallons of water at the generation power plant.