

## A G E N D A



## Recommendation for Council Action

Austin City Council		Item ID	33761	Agenda Number	6.
Meeting Date:	8/7/2014			Department:	Austin Energy
Subject					
Approve a resolution to increase the commercial customer annual rebate payment limit from \$200,000 to \$300,000 for the implementation of energy efficiency measures.					
Amount and Source of Funding					
Funding 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:	January 11, 2007 - Approved Resolution No. 20070111-002; November 16, 1995 - Approved Resolution No. 95116-68; February 24, 1994 - Approved Resolution No. 940224-13; April 30, 1992 - Approved Resolution No. 920430-12.				
For More Information:	Jeff Vice, Director, Local Government Issues (512) 322-6087; Denise Kuehn, Director, Energy Efficiency Services (512) 322-6138.				
Boards and Commission Action:	June 16, 2014 - Recommended by the Electric Utility Commission on a vote of 6-0; June 17, 2014 - Recommended by the Resource Management Commission on a vote of 4-1 with Commissioner Biedrzycki voting against.				
MBE / WBE:					
Related Items:					
Additional Backup Information					
<p>Austin Energy requests approval to raise the funding cap for commercial customer rebates to \$300,000 per fiscal year. Currently, the annual cap is \$200,000 per customer which was approved by Council in January of 2007. The cap has not been adjusted since.</p> <p>The current cap of \$200,000 has limited the program's ability to promote technologies such as Thermal Energy Storage (TES) because of the large up-front capital costs involved. TES systems deliver relatively large amounts of peak demand savings at a much lower cost per unit of energy saved than other technologies, and are thus of great benefit to the utility. The new rebate cap may encourage customers to install more of these systems.</p> <p>Austin Energy's strategic goal, as approved by Council, is to achieve 15% energy efficiency and 800 MW of peak demand reduction by the year 2020. The utility has determined that a higher maximum rebate aggregate is necessary to achieve these goals because larger energy efficiency projects have a lower cost per unit of energy saved than smaller projects, and it will allow the utility to reach a broader market as it seeks to meet the 800 MW goal.</p>					