



**Energy Rebate
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 2
AGENDA DATE: Thu 02/09/2006
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SUBJECT: Approve issuance of a rebate in the amount of \$67,120 to FREESCALE SEMICONDUCTOR, Austin, TX, for the installation of high efficiency custom energy technologies at their location at 3501 Ed Bluestein.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$67,120 is available in the Fiscal Year 2005-2006 Amended Operating Budget of the Conservation Rebates and Incentive Budget of Austin Energy.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Austin Energy
DEPARTMENT:

**DIRECTOR'S
AUTHORIZATION:** Juan Garza

FOR MORE INFORMATION CONTACT: Fred Yebra, Director, Demand Side Management / 482-5305; Jon Luden, Program Manager / 482-5378

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: Recommended by the Resource Management Commission.

Austin Energy requests authorization to issue a rebate in the amount of \$67,120 for the installation of custom energy efficient technologies, including variable frequency drives on recirculating fans, a UPS flywheel, and a pressure vessel, all in accordance with the City of Austin's Commercial Rebate Program guidelines. The program is one element of Austin Energy's comprehensive Energy Resource Plan approved in December 2003 by the Austin City Council.

The energy efficient equipment was installed at Freescale's facility located at 3501 Ed Bluestein Blvd. The demand (kW) savings associated with this energy efficiency project are estimated at 287.3 kW. The high efficiency equipment installed as part of this energy efficiency project is estimated to provide yearly energy (kWh) savings of 2,154,552 kWh.

The City will not exceed the rebate offer of \$67,120 should the final installed measures be eligible for a higher rebate at the time of the final inspection due to changes in quantity or efficiency of equipment.



Resource Management Commission
Request for Rebate – Freescale Austin, Texas
January 17, 2006
Vote: 8-0-0-1-0

Motion by: C. Barron
Second by: D. Venhuizen
For: A. Donoho, K. Strnad, R. Amato, A. Martinez, J. Hoffner, G. Hsieh
Against: 0
Absent: J. Beckage
Abstain: 0
Vacant: 0
Motion: Passed

The Resource Management Commission supports the City's Commercial Energy Efficiency Programs and recommends the City Council approve the issuance of a rebate in the amount of \$67,120.00 for the installation of VFDs on recirculating fans, a UPS flywheel, and pressure vessel equipment at Freescale (Ed Bluestein campus) in Austin, Texas. The facility is located at 3501 Ed Bluestein Blvd. The facility is a multi building manufacturing complex with structures of differing sizes and functionalities.

The demand (kW) savings associated with the high efficiency equipment installed in this project is estimated at 287.3 kW, at a program cost of \$234.00 per kilowatt saved. The avoided kWh, estimated at 2,154,552 kWh per year, represents a major benefit to the local environment. These savings are equivalent to an estimated 2,407,122 vehicle miles traveled, the removal of 300 cars from our roadways, or the planting of 47,008 trees.

The Commercial Energy Efficiency programs are elements of Austin Energy'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 Austin Energy with a constructive market transformation opportunity while adding a value-added service to encourage customer retention. This project will be funded within currently approved budget funding levels for commercial conservation rebates. Funds for this rebate will come from the existing commercial rebate budget; therefore, there is no anticipated fiscal impact.



Approved, Adán Martínez, Chair

January 17, 2006

