



Thursday, September 28, 2006

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**Austin Energy  
RECOMMENDATION FOR COUNCIL ACTION**

**ITEM No. 3**

**Subject:** Approve issuance of a rebate in the amount of \$70,652 to SAMSUNG ELECTRONICS CO. LTD., Austin, TX, for the installation of variable frequency drives on supply pumps and exhaust fan motors at their facility located at 12100 Samsung Blvd.

**Amount and Source of Funding:** Funding is available in the amount of \$70,652 in the Fiscal Year 2005-2006 Amended Operating Budget of the Conservation Rebates and Incentive Fund of Austin Energy.

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

**Additional Backup  
Material**

(click to open)

**RMC Recommends**

**For More Information:** Fred Yebra, P.E., Director, Demand-Side Management, at 482-5305 or Jerrel Gustafson, Process Manager, at 482-5387.

**Boards and Commission Action:** Recommended by the Resource Management Commission.

Austin Energy requests authorization to issue a rebate in the amount of \$70,652 for the installation of variable frequency drives on supply pumps and exhaust fan motors in accordance with the City of Austin's Commercial Rebate Program guidelines. A variable frequency drive (VFD) is an electronic device which allows pumps and fan motors to ramp up and ramp down based on the load/need of the equipment it serves. The program is one element of Austin Energy's comprehensive Energy Resource Plan approved in December 2003 by the Austin City Council.

Samsung Electronics Co. Ltd. is located at 12100 Samsung Blvd. in Austin, Texas. The demand (kW) savings associated with this project is estimated at 429.39kW at a program cost of \$165 per kW. The variable frequency drives installed as part of this energy efficiency project are estimated to provide yearly energy (kWh) savings of 3,764,013kWh.

The City will not exceed the rebate offer of \$70,652 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 – Samsung – Austin, Texas  
August 15, 2006  
Vote: 0-0-0-0-0

**Motion by:** A. Martinez

**Second by:** J. Beckage

**For:** A. Donoho, K. Strnad, R. Amato, C. Herbert, J. Hoffner, J. Beckage,  
G. Hsieh

**Against:** 0

**Absent:** C. Barron

**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 \$70,652.00 for the installation of Variable Frequency Drives (VFD's) on supply pumps and exhaust fan motors at Samsung in Austin, Texas. The facility is located at 12100 Samsung Blvd. The building is a manufacturing and testing facility associated with the high technology business sector in north Austin.

The demand (kW) savings associated with the high efficiency equipment installed in this project is estimated at 429.39 kW, at a program cost of \$165.00 per kilowatt saved. The avoided kWh, estimated at 3,764,013 kWh per year, represents a major benefit to the local environment. These savings are equivalent to an estimated 4,205,254 vehicle miles traveled, the removal of 525 cars from our roadways, or the planting of 82,122 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. Within currently approved budget funding levels for commercial conservation rebates, this effort will provide Austin Energy with a constructive market transformation opportunity while adding a value-added service to encourage customer retention. Funds for this rebate will come from the existing commercial rebate budget; therefore there is no anticipated fiscal impact.

  
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Approved, Adán Martínez, Chair

August 15, 2006