



## Recommendation for Action

**File #:** 20-1528, **Agenda Item #:** 3.

3/12/2020

### **Posting Language**

Authorize reimbursement of costs to Ascension Seton for the purchase and installation of heat exchangers and associated piping required to interconnect the Seton Medical office building to the Mueller District Cooling System, in an amount not to exceed \$713,880.

### **Lead Department**

Austin Energy.

### **Fiscal Note**

Funding is available in the Fiscal Year 2019-20 Capital Budget of Austin Energy

### **For More Information:**

Jeff Vice, Director, Local Government Issues (512) 322-6087; Pat Sweeney, Vice President, Power Production (512) 322-6292; Andy Gallo, Interim Director, District Energy and Cooling, (512) 322-6424.

### **Council Committee, Boards and Commission Action:**

January 13, 2020 - Recommended by the Electric Utility Commission on a 7-0 vote, with Commissioners Hadden and Reed off the dais, and Collier-Brown and Funkhouser absent.

### **Additional Backup Information:**

This item was approved by Council on February 6, 2020; however, due to an administrative error, an incorrect dollar amount (\$682,000) was listed in the RCA. To ensure proper authorization, staff is bringing forward this corrected RCA; no other changes were needed.

The purchase and installation of heat exchangers and related piping is necessary for Austin Energy to provide chilled water service to the Seton Medical office building as specified in a chilled water services agreement between the Austin Energy and Ascension Seton. Austin Energy will recover the cost for these reimbursable items through the chilled water rate specified in the agreement.

This project will interconnect the Seton Medical Office Building to Austin Energy's Mueller District Cooling System. The project is located at the corner of Mueller Blvd. and Philomena Street, within zip code 78723 in Council District 9.

Austin Energy operates several district cooling systems that provide cooling requirements to customer facilities through a network of underground pipes. These systems serve multiple large buildings within a particular service area including Downtown Austin, the Domain and Mueller.

A district cooling plant distributes chilled water to the customer's building through a set of heat

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exchangers located in the customer's mechanical room. A single plant can meet the cooling needs of several buildings. For example, the Mueller Energy Center currently serves the Dell Children's Medical Center of Central Texas, Ronald McDonald House, American Institute for Research, Dell Pediatrics Research Institute, DocReit Medical Office Building, Texas Mutual Insurance and Seton headquarters office building.

By using thermal energy storage, Austin Energy shifts electric load from peak times (3-6 pm) to off-peak times. This shift will assist Austin Energy in meeting its thermal energy storage goal of 30MW by 2030 included in the current Resource, Generation and Climate Protection Plan.

The project will be managed by Austin Energy.

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