



Recommendation for Action

File #: 20-3306, **Agenda Item #:** 2.

10/29/2020

Posting Language

Authorize reimbursement of costs to GBD Properties Inc. for the engineering, purchase and installation of a service pipe connection to interconnect the second phase of the Shoal Creek Walk building to the Austin Energy Downtown District Cooling System, in an amount not to exceed \$175,616.

Lead Department

Austin Energy

Fiscal Note

Funding is available in the Austin Energy Fiscal Year 2020-2021 Capital Budget.

For More Information:

Pat Sweeney, Vice President, Power Production, 512-322-6292; Andrew Gallo, Interim Director, District Energy Cooling, 512-322-6424

Council Committee, Boards and Commission Action:

October 12, 2020- Recommended by the Electric Utility Commission unanimously on a 7-0 vote, with Commissioner Hadden off the dais and Commissioner Funkhouser, Stone and Wray absent.

Additional Backup Information:

Austin Energy (AE) operates several district cooling systems providing chilled water to customer buildings through a network of underground pipes. These systems serve multiple large buildings within a particular service area including Downtown Austin, the Domain, the Mueller Redevelopment Zone and, soon, Austin Community College Highland Campus.

A district cooling plant distributes chilled water to the customer's building through a set of heat exchangers located in the building's mechanical room. A single district cooling plant can meet the cooling needs of many buildings. For example, the Downtown District Cooling System currently serves 47 customers, including City Hall, the main library, Austin Convention Center, Whole Foods, Ballet Austin, hotels, residential buildings and office towers.

Additionally, by using thermal energy storage, AE shifts electric load from peak times (3:00 p.m. to 6:00 p.m.) to off-peak times, helping AE meet the Council-approved thermal energy storage goal of 40MW by 2030.

Adding chilled water customers increases the load to AE's District Cooling System and thereby increases the amount of potential electrical demand shifted from on-peak to off-peak hours.

This project will connect the Shoal Creek Walk building #2 at the corner of 5th and Bowie Streets to the Downtown District Cooling System. The piping will provide chilled water service to the existing mechanical room as specified in a Chilled Water Services Agreement between AE and GBD Properties Inc. AE recovers the cost for reimbursable items through the chilled water rate specified in the agreement. The customer is purchasing the materials for reimbursement due to the short timeframe until construction will begin. Delay of this project would delay building construction.

This project is located in zip code 78703 and Council District 9. AE will manage the project.

Strategic Outcome(s):

Government That Works for All