



Recommendation for Action

File #: 21-1971, **Agenda Item #:** 3.

6/3/2021

Posting Language

Approve issuance of capacity-based incentives to the Housing Authority of the City of Austin for the installation of solar electric systems on the new multifamily affordable housing community, Pathways at Chalmers Courts East, located at 300 Chicon St., in an amount not to exceed \$323,360.

Lead Department

Austin Energy

Fiscal Note

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

For More Information:

Jeff Vice, Director, Local Government Issues (512) 322-6087; Tim Harvey, Customer Renewable Solutions Manager (512) 482-5386.

Council Committee, Boards and Commission Action:

May 13, 2021- Recommended unanimously by the Electric Utility Commission on an 8-0 vote, with Commissioners Ferchill, Funkhouser, and Wray absent.

May 18, 2021- Recommended by the Resource Management Commission on a 7-0 vote with Commissioners Babyak, Chavarria, and Fralin absent, and one vacancy.

Additional Backup Information:

Austin Energy requests approval to issue a total of \$323,360 in capacity-based incentives to the Housing Authority of the City of Austin (HACA) for the installation of solar electric systems at its multifamily affordable housing community, Pathways at Chalmers Courts East, located at 300 Chicon St., 78702.

The proposed 323.36 kW-DC solar installation includes 752 solar modules, each with a rating of 430 watts, and is expected to produce approximately 447,482 kilowatt hours (kWh) per year. This installation will serve all 156 units at the property which is designated for tenants with a median family income (MFI) of 60% or lower. The total estimated installation cost is \$572,922.11 and the incentive will cover approximately 56% of the cost.

The purpose of the installation is to provide affordable, renewable energy to underserved populations and leverage the Value of Solar (VoS) Rate benefit to reduce electric bills for the occupants of the multifamily affordable housing properties. In order to provide these benefits to tenants of the property, this project will be included in Austin Energy's Shared Solar Program, the purpose of which is to enable more cost-effective solar installations on individually-metered, multi-tenant properties for low-to-moderate-income customers. This additional functionality will allow Austin Energy and HACA to distribute the benefit of the solar installation across all tenants on each property, effectively reducing their energy bills.

According to the Austin Energy Resource, Generation and Climate Protection Plan, "Austin Energy must be

financially sound, the cost of electric service must be affordable for all classes of customers (with particular attention to the low income and underserved customers), and rates must be competitive to ensure the retention and attraction of businesses for a strong local economy.” In the service of satisfying the requirement to provide affordable and clean energy to low-income and underserved customers, Austin Energy launched a rebate and incentive program to facilitate the installation of solar for Multi-Family Affordable Housing (MFAH) customers in January of 2018.

This solar project will generate an estimated 447,482 kWh per year and is estimated to prevent the emission of 317 tons of Carbon Dioxide (CO₂) each year. These emissions reductions are equivalent to planting 5,244 trees or 389 acres of forest in Austin's parks or the removal of 796,992 vehicle miles or 69 cars from Austin roadways.

Austin Energy’s solar program helps meet the 2030 goals of 200MW of customer sited solar and 375MW of local solar as set forth in the Austin Energy Resource, Generation, and Climate Protection Plan to 2030. The solar program is designed to reduce the amount of electricity Austin Energy must purchase from the market and reduce associated greenhouse gas emissions.

Strategic Outcome(s):

Government That Works for All.