

**Commercial Solar Stakeholder Meeting
Wednesday, December 30, 2009
Town Lake Center Assembly Room
Minutes**

Agenda Item 1: Introduction

Leslie Libby, Manager of Austin Energy Solar Programs, opened the meeting at 2:00 p.m. Introductions of all attendees were made.

Agenda Item 2: Review of Meeting Notes

Attendees reviewed meeting notes from the Commercial Stakeholder's meeting held on December 21, 2009, and offered no edits or corrections.

Agenda Item 3: Step Down of Rebate Level

Ms. Libby stated that during the last meeting, the group agreed the Production Based Incentive (PBI) Program at \$0.16/kWh would be a good number to start the new PBI Program. The main item to be finalized during this meeting was to discuss how the rebate program should be stepped down over time. During the last meeting, the Periodic Adjustment Plan developed by the stakeholder's sub-committee was discussed. Ms. Sears distributed copies via email to attendees and hard copies were available in today's handouts.

Ms. Libby introduced Mr. Karl R. Rábago [Vice President, Distributed Energy Services] to discuss the Plan for Periodic adjustments. Mr. Rábago recapped ideas discussed during the last meeting: he said that we would basically set up a fixed annual budget, still following the basic rule that we could only commit Letters of Intent (LOIs) against available budget, and that we might accept additional applications because of the possibility of finding additional funds at the end of the year.

The revised solar program will divide the fiscal year into three (3) four-month "assessment" periods. Assuming the applications and customer interest remain steady, the PBI rate would stay the same. If, however, funds are depleted early into the assessment period, the PBI rate is reduced. If conversely, during an assessment period it is estimated by stakeholders and determined by Austin Energy staff that demand and interest are slow, there would be the option to raise the PBI rate, understanding this would allow for fewer projects. Again, the annual budget is fixed and we are not able to "bust" the budget.

Detailed discussion was held on specifics of the PBI Program. Summary of items were:

- A signed contract between the customer and the contractor will be required *before* an LOI is issued.
- If, after an assessment period, the PBI incentive is changed, the customer must resubmit their application.
- If the incentive is lowered, the customer has 10 working days to reapply.
- If the incentive is increased, the customer may opt to stay at the originally agreed incentive rate, or be taken out of the queue to take advantage of the higher incentive.
- Customer must remain an Austin Energy customer.
- Current net metering tariffs apply.
- The incentive agreement is transferable to a new owner.

**Commercial Solar Stakeholder Meeting
Wednesday, December 30, 2009
Town Lake Center Assembly Room
Minutes**

- New owner must maintain the solar equipment.

Question: Is there a precedent where the City [of Austin] has an obligation to pay and not had the funds?

Mr. Rábago: The 20-year incentive payout is considered an obligation; it is not a debt. There are state and federal laws that tie the City's hands in terms of indebtedness.

Agenda Item 4: REC Purchase Application Form Discussion

Since this is an REC purchase plan, new application, revised guidelines, Letter of Intent, REC agreement, etc., must all be developed and implemented. Draft copies of the new REC Purchase application were distributed. In addition to customary contact and equipment info, the application contains the incentive formula for a 20-year payout estimate, as well as several new paragraphs the customer must initial. The REC Purchase application will be included with Mr. Rábago's memo to Council.

Agenda Item 5: Schedule for Commercial PBI Program Rollout

The following dates in 2010 are planned for the new PBI Program implementation:

January 4	Memo to Council detailing revisions to the solar program
January 19	Commercial PBI Program plan documents to Resource Management Commission
January 25	Commercial PBI Program plan to Electric Utility Commission
February 4	Commercial PBI Program to Council for final approval
February 5	Pending Council's approval, begin taking applications from contractors

Ms. Libby thanked everyone again for attending and for the valuable input and work from everyone. All meeting notes, Mr. Rábago's memos to Council, and supporting documents will be available on the solar website as they are reviewed and approved. The meeting adjourned at 3:35 p.m.