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Austin Council approves largest solar system in the nation, one of largest in the world.

The Austin City Council today approved a proposal that would give the capital city of Texas the largest solar system in the nation and among the 10 largest in the world, when the project goes on line by the end of 2010.

The Council approved an agreement under which the City's municipally-owned electric utility, Austin Energy, will purchase all of the electricity produced over a 25-year term by a 30 megawatt (MW) solar project to be built on city-owned property located about 20 miles from downtown Austin.

Gemini Solar Development Company, LLC, one of 15 companies competing for the massive project, will construct, own and manage the solar facility. The project of photovoltaic solar panels will span approximately 320 acres, producing energy each year sufficient to power about 5,000 homes. Austin Energy will pay about \$10 million per year for the power.

The solar project represents a major step towards fulfilling a Council goal to develop 100 MW of solar capacity for Austin by 2020. The Council also has set a goal that 30 percent of the power delivered to customers by Austin Energy by 2020 will come from renewable resources. Construction on the project is expected to begin in the first quarter of 2010 and completed by the end of that year. The project will result in at least 600 local construction jobs.

"Diversifying our renewable energy portfolio is a key strategy to help insulate our customers from volatility and escalating prices in traditional energy markets," said Austin Mayor Will Wynn. "We want Austin to be ahead of the curve as the nation finally takes on the challenge of global warming and makes the transition to a new energy economy."

The solar system will use Suntech polycrystalline silicon solar panels. The panels will be ground-mounted in groups on single-axis trackers. This means they will rotate east to west throughout the day, following the sun, to maximize power production.

The cost of the project was lowered through federal investment tax credits, the value of which was reflected in the bid to Austin Energy. In addition, Austin Energy and Gemini are also assessing and will apply for any potential funding that might be available through the federal stimulus package.

Austin Energy has led 800 utility sponsored green power programs nationwide in green power sales each year since 2002. The utility's renewables program to date is 99% wind-generated power. In 2004, Austin Energy began a solar rebate program, offering one of the largest solar rebates in the country at \$4.50 per watt. Solar installations through the rebate program total about 2.9 MW and include arrays on or adjoining about 693 homes, 56 businesses, 30 city facilities and 21 schools.

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“Austin Energy has assumed a leadership role in energy efficiency, green building, renewable resources and smart grid development,” said Roger Duncan, Austin Energy General Manager. “These are the components on which a new business model must invariably be developed for electric utilities due to supply and environmental pressures on energy resources and the enormous potential of smart grid technology.”

The City recently announced a project through which the Austin Energy system will serve as a testing ground for new smart grid technology. The “Pecan Street Project,” as it is called, is being led by the City and Environmental Defense with 11 corporate participants that include the University of Texas and a number of high tech companies. A key facet of the project will be to examine the capability of distributed generation resources, such as solar on homes and buildings, to provide a large share of the power required by a community.

About Austin Energy

Austin Energy is the nation’s 9th largest public power utility, serving 397,000 customers and a population of almost one million in Austin and Travis County, Texas. The Utility operates a diverse generation portfolio that includes nuclear, coal, natural gas and renewables, with annual revenues in excess of \$1 billion. Austin Energy electric rates are among the lowest in the state and base electric rates have not been increased since 1994.

Austin Energy is nationally recognized for energy efficiency programs viewed as some of the most progressive and comprehensive in the nation. This includes the nation’s first Green Building program to establish a rating system.

The Utility is also a recognized leader in the deployment of renewable resources. The Austin City Council has established a goal that 30% of the electricity provided by its community-owned electric utility will flow from renewable resources by 2020 through a portfolio that includes at least 100 megawatts of solar capacity.

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