



# City of Austin

## Recommendation for Action

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**File #:** 26-1526, **Agenda Item #:** 8.

4/23/2026

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### Posting Language

Authorize negotiation and execution of a battery storage agreement with Base Power, Inc., for up to 40 megawatts of electric power capacity from a distribution-scale battery facility portfolio, in an estimated amount of up to \$4,080,000 per year, for a term up to 10 years, for a total estimated amount of up to \$40,800,000. Funding: \$4,080,000 is available in the 2025-2026 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

### Lead Department

Austin Energy.

### Fiscal Note

Funding in the amount of \$4,080,000 is available in the Fiscal Year 2025-2026 Operating Budget of Austin Energy.

Funding for the remaining term is contingent upon available funding in future budgets.

### For More Information:

Amy Everhart, Director, Local Government Issues (512) 322-6087; Pat Sweeney, Interim Vice President, Market Operations and Resource Planning (512) 322-6183.

### Council Committee, Boards and Commission Action:

April 13, 2026- Recommended by the Electric Utility Commission on a 9-0 vote with Commissioners Alvarez and Blackburn absent.

### Additional Backup Information:

In February 2025, Austin Energy issued a Request for Proposals (RFP) for locally sited battery storage assets. Offers resulting from the solicitation provided Austin Energy with battery tolling proposals and the opportunity to progress toward a local battery storage capacity goal of 125 megawatts (MWs) or more in the Austin Energy Resource, Generation and Climate Protection Plan to 2035. In July 2025, City Council approved a battery storage agreement for a 100 MW, four-hour duration utility scale installation at a single site in the Austin Energy load zone resulting from this RFP.

This battery tolling agreement with Base Power, Inc. is to provide an additional 40 MW of power capacity from a portfolio consisting of individual battery facilities to be installed by Base Power at various residential premises in Austin Energy's service area. The combined batteries will be capable of discharging their full capacity for approximately one and a half hours, or they can discharge lesser amounts over longer periods until fully depleted. Recharging can take place over similar timeframes. The agreement provides Austin Energy operational control over the timing of charging and discharging of the battery assets for the portion reserved for Austin Energy.

The agreement will reserve a 40 MW portion of the installed batteries for a non-escalating fixed price per kilowatt-month (kW-mo) of capacity. At its own cost, Base Power will be responsible for acquiring and contracting with individual residential customers to install and maintain the batteries over the term of a

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contract. The customer-sited installations will provide the individual customers with back-up power capability. The length of individual customer's back-up can range from one to 48 hours depending on their choice of one or two batteries and their level of usage. Base Power's customer contracts are typically structured to include an installation charge followed by monthly fees for the remainder of the contract term. Contract terms including pricing are determined by Base Power and established directly with the customer. Austin Energy will not be a party to the customer contracts. Customers that choose a Base Power installation will not see any difference in their electric service or billing from Austin Energy.

As an aggregated distributed resource within Austin Energy's portfolio, the available capacity provided by the battery installations will grow with each installation over an 18-month period until 40 MW is reached. This agreement and the previously authorized battery agreement will provide wholesale price risk mitigation to the Austin Energy Load Zone.