



City of Austin

Recommendation for Action

File #: 25-1661, **Agenda Item #:** 71.

8/28/2025

Posting Language

Authorize negotiation and execution of a legal services agreement with Jackson Walker, LLP for representation in a comprehensive transmission cost of service rate review proceeding at the Public Utility Commission of Texas, or other proceedings as appropriate, in the amount of \$750,000. Funding: Funding is available in the Fiscal Year 2025-2026 Austin Energy Operating Budget.

Lead Department

Law Department.

Fiscal Note

Funding is available in the Fiscal Year 2025-2026 Austin Energy Operating Budget.

For More Information:

Division Chief, Don Ballard 512-974-2691; Assistant City Attorney, Ariane Arth (512) 974-3454.

Additional Backup Information:

This representation relates to Austin Energy's (AE) comprehensive transmission cost of service (TCOS) rate review at the Public Utility Commission of Texas (PUCT). As a transmission service provider in the Electric Reliability Council of Texas (ERCOT) region, AE is subject to the PUCT's jurisdiction regarding its wholesale transmission rates. AE's transmission cost of service establishes the rate of return Austin Energy is allowed to recover from ERCOT ratepayers for AE's approved invested transmission infrastructure and capital. Austin Energy's last TCOS comprehensive review was in 2006. The rate review is required by 16 Texas Administrative Code §§ 25.192(g) and 25.247(d). Pursuant to Texas Utilities Code § 36.061 and 16 Texas Administrative Code § 25.245, reasonable costs of participating in a ratemaking proceeding are generally reimbursable through a final order by the PUCT.