



City of Austin

Recommendation for Action

File #: 25-1337, **Agenda Item #:** 16.

7/24/2025

Posting Language

Authorize negotiation and execution of a battery tolling agreement with Balcones Ridge Resiliency, LLC, a Jupiter Power subsidiary, for up to 100 megawatts of electricity from a utility-scale battery facility, in an estimated amount not to exceed \$14,400,000 per year, for a term up to 20 years, for a total estimated amount not to exceed \$288,000,000. Funding: \$14,400,000 is available in the Fiscal Year 2026 Operating budget. Funding for the remaining years of the agreement is contingent upon available funding in future budgets.

Lead Department

Austin Energy.

Fiscal Note

Funding in the amount of \$14,400,000 is available in the Fiscal Year 2026 Operating budget. Funding for the remaining years of the agreement is contingent upon available funding in future budgets.

For More Information:

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Council Committee, Boards and Commission Action:

July 17, 2025: To be reviewed by the Electric Utility Commission.

Additional Backup Information:

On February 3, 2025, Austin Energy issued a Request for Proposals (RFP) for a utility-scale battery tolling agreement for locally sited battery assets. The battery tolling agreement recommended in this action resulted from the solicitation and will provide Austin Energy with the opportunity to progress toward its local battery storage capacity goal.

On December 12, 2024, Council approved the Austin Energy Resource, Generation and Climate Protection Plan to 2035, which updated the strategic energy policy for Austin Energy. The updated plan includes a goal of achieving local battery storage capacity of 100 megawatts (MWs) or more to Austin Energy's supply portfolio by 2027. The battery tolling agreement recommended in this action contributes to reaching the 2027 local battery storage capacity goal after the project begins commercial operation in late 2026 (for calendar year 2027) and will increase the utility's local electricity storage capacity to help protect and mitigate wholesale load price risk.

This utility-scale battery tolling agreement will provide for the utilization and dispatch of up to 100 MWs of local battery storage capacity from a project to be constructed in the Electric Reliability Council of Texas (ERCOT) Austin Energy Load Zone. The agreement will not require Austin Energy to invest any funds in the construction, operation, or maintenance of the project. The agreement will provide for a non-escalating fixed price per kilowatt month (kw-mo) of capacity. The structure of the agreement allows Austin Energy to realize benefits from the federal investment tax credit (ITC).

Moving forward with this project is contingent upon successful approvals in the ERCOT interconnection process.