



# City of Austin

## Recommendation for Action

**File #:** 25-1527, **Agenda Item #:** 42.

8/28/2025

### **Posting Language**

Authorize a contract for LM6000 turbine control systems upgrades and support services for Austin Energy with EthosEnergy Power Plant Services, LLC, for an initial term of one year with up to four one-year extension options in an amount not to exceed \$2,775,000. Funding: \$1,920,000 is available in the Capital Budget of Austin Energy, \$28,000 is available in the Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

### **Lead Department**

Financial Services Department.

### **Client Department(s)**

Austin Energy.

### **Fiscal Note**

Funding in the amount of \$1,920,000 is available in the Capital Budget of Austin Energy.

Funding in the amount of \$28,000 is available in the Fiscal Year 2024-2025 Operating Budget of Austin Energy.

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

### **Purchasing Language:**

Sole Source.

### **MBE/WBE:**

Sole source contracts are exempt from the City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program); therefore, no subcontracting goals were established.

### **For More Information:**

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at [FSDCentralProcurementRCAs@austintexas.gov](mailto:FSDCentralProcurementRCAs@austintexas.gov) or 512-974-2500.

### **Council Committee, Boards and Commission Action:**

August 11, 2025 - Recommended by the Electric Utility Commission on an 8-0 vote with Commissioners Alvarez and Reed off the dais and Chair Tuttle absent.

### **Additional Backup Information:**

This contract is to support Austin Energy's LM6000 turbine control systems at Sand Hill Energy Center. It includes ongoing support for the existing EthosEnergy control systems, units 1 - 4, and the upgrade of control systems on units 6 and 7. These systems are essential for monitoring and maintaining the safety, operability, and reliability of the turbines and generators at the facility.

This is a sole source purchase, as EthosEnergy Power Plant Services, LLC is the sole manufacturer authorized to service, support, and provide warranty for these proprietary control systems.

Without this contract, Austin Energy would lack the necessary support to maintain and upgrade the LM6000 turbine control systems, putting the reliability and safe operation of critical generation units at risk. Delays or failures in system performance could directly impact power generation capacity and system stability at Sand Hill Energy Center.

**Contract Details:**

<b>Contract Term</b>	<b>Length of Term</b>	<b>Contract Authorization</b>
Initial Term	1 year	\$1,948,000
Optional Extension 1	1 year	\$680,000
Optional Extension 2	1 year	\$49,000
Optional Extension 3	1 year	\$49,000
Optional Extension 4	1 year	\$49,000
<b>Total</b>	<b>5 years</b>	<b>\$2,775,000</b>

**Note:** Contract Authorization amounts are based on the City's estimated annual usage.