



City of Austin

Recommendation for Action

File #: 25-2044, **Agenda Item #:** 17.

10/23/2025

Posting Language

Authorize a contract for an Industrial Control Systems Technology solution to ensure compliance with upcoming North American Electric Reliability Corporation - Critical Infrastructure Protection regulations and audit readiness for Austin Energy with Freeit Data Solutions Inc., for an initial term of one year with up to four 1-year extension options in an amount not to exceed \$4,105,000. Funding: \$1,300,000 is available in the Capital Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Lead Department

Austin Financial Services.

Client Department(s)

Austin Energy.

Fiscal Note

Funding is available in the Capital Budget of Austin Energy.

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

Procurement Language:

Austin Financial Services issued a Request for Proposals solicitation RFP 1100 PAB3020 for these goods and services. The solicitation published on April 28, 2025, and closed on June 12, 2025. Of the eight offers received, the proposal submitted by the recommended contractor represented best value based on the solicitation's evaluation criteria. A complete solicitation package, including a log of offers received, is available for viewing on the City's website. This information can currently be found at https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=142045.

MBE/WBE:

This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program). For the goods and services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established.

For More Information:

Direct questions regarding this Recommendation for Council Action to Austin Financial Services - Central Procurement at FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

Council Committee, Boards and Commission Action:

October 20, 2025 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

This contract is to provide Austin Energy with an Industrial Control Systems Technology solution-including hardware, software, implementation, training, maintenance, and support-to ensure compliance with upcoming North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection regulations and audit readiness.

The Industrial Control Systems Technology platform will enable detection and monitoring of Austin Energy's substation technology assets. Key functionalities include vulnerability and threat management, monitoring of NERC Critical Infrastructure Protection network baseline traffic, and integration with technologies that observe and monitor traffic within encapsulated containers. These capabilities are critical to ensuring audit readiness and enhancing cybersecurity across operational technology environments.

This is a new contract. Currently, Austin Energy does not have technology that can identify and inventory the required assets, necessitating a manual process, which increases the risk of errors and incomplete data in addition to requiring extensive personnel involvement.

An evaluation team with expertise in this area evaluated the offers and scored Freeit Data Solutions Inc. as the best to provide these services based on project concept and strategy, offeror experience, personnel, price, local business preference and small business preference.

Without this contract, Austin Energy would face challenges in conducting accurate and efficient compliance reporting and audit preparation across all substations and operational technology network assets.

Contract Details:		
Contract Term	Length of Term	Contract Authorization
Initial Term	1 year	\$900,000
Optional Extension 1	1 year	\$870,000
Optional Extension 2	1 year	\$870,000
Optional Extension 3	1 year	\$715,000
Optional Extension 4	1 year	\$750,000
Total	5 years	\$4,105,000

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