

FY 2026-2027 BUDGET QUESTION
Response to Request for Information

DEPARTMENT(S): Austin Energy;

CBQ NO.: 8

REQUESTED BY: (District 5) Ryan Alter

DATE REQUESTED: Thursday, July 16, 2026 5:23 PM

DATE POSTED:

REQUEST:

If we wanted to keep a typical resident's bill the same as last year, how would AE propose adjusting its rates (including any changes to commercial rates) to achieve this?

RESPONSE:

Austin Energy's proposed budget results in a \$3.66 increase to the Typical Residential Customer's bill primarily due to the increase in the Regulatory Charge which recovers transmission investments allocated to Austin Energy from across the ERCOT wholesale market.

If Austin Energy were to make reductions to offset the increase, the following cuts would be necessary:

- Vegetation Management: \$30M
- Energy Efficiency rebates, incentives, and conservation advertising: \$18M
- Non-nuclear decommissioning fund: \$6M

Austin Energy does not recommend these reductions. Vegetation management is important for meeting goals identified in Austin Energy's Electric System Resiliency Plan (ESRP) and is critical for reliability and storm preparation. The Energy Efficiency Services (EES) incentives, rebates, and advertising promote our conservation initiatives. Additionally, funding for non-nuclear decommissioning is necessary to meet our future asset retirement obligations. Deferring these costs also shifts expenses to future customers.