



**City Council
Regular Meeting
March 10, 2026**

Purchased Power Cost Adjustment

Discuss and consider action: Ordinance No. 2026-07: D.
Vaughn

AN ORDINANCE OF THE CITY OF BURNET, TEXAS,
AMENDING CHAPTER 110, ARTICLE IV., SECTION 110-144
(ENTITLED “PURCHASED POWER COST ADJUSTMENT
CLAUSE”) OF THE CODE OF ORDINANCES AND
AUTHORIZING RECOVERY OF CURRENT YEAR FISCAL
LOSSES FROM RATE PAYERS DUE TO ERCOT
ADJUSTMENTS; PROVIDING SEVERABILITY AND OPEN
MEETINGS CLAUSES; AND PROVIDING FOR OTHER
RELATED MATTERS





Purchased Power Cost Adjustment

Current Calculation

- $PPCA = \text{Total wholesale power costs} \div 93.75\%$ of total kWh purchased, which assumes 6.25% system line loss

Proposed Change

- Due to an increase from ERCOT, the adjusted kWh is proposed to change from 93.75% to 92.75%, based on Adjusted Metered Load (AML) in wholesale provider's monthly statement
- Reflects 7.25% system line loss; Better aligns with current system performance





Purchased Power Cost Adjustment

Recovery of Prior Months Power Loss

- A 1% ERCOT transmission loss factor increase took effect July 2025
- Ordinance authorizes a temporary (March – September 2026) monthly billing adjustment of \$3,717
- The adjustment will be added to the City's wholesale power cost and applied before calculating Adjusted kWh Billed





Questions?

Recommendation

- Staff recommends approval of Ordinance No. 2026-07 as presented.

