

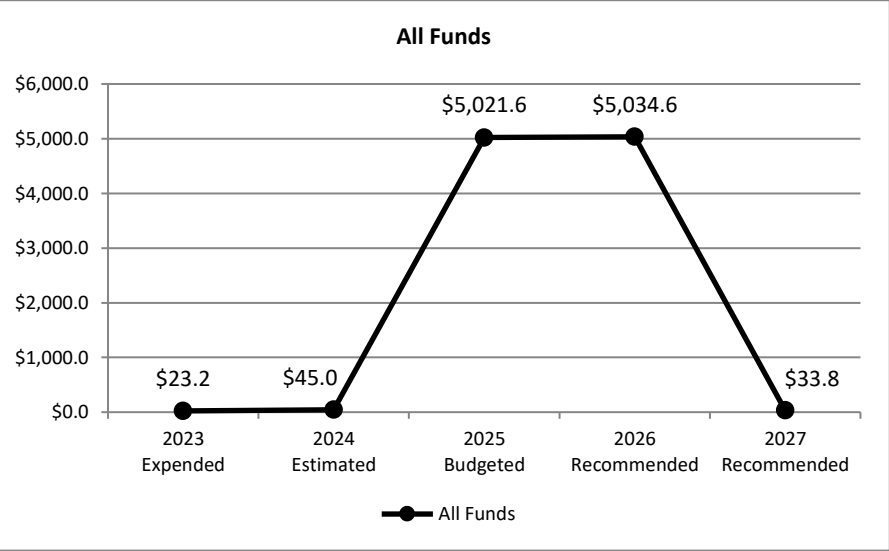
**Public Utility Commission of Texas  
Summary of Budget Recommendations - House**

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 Connie Corona, Executive Director  
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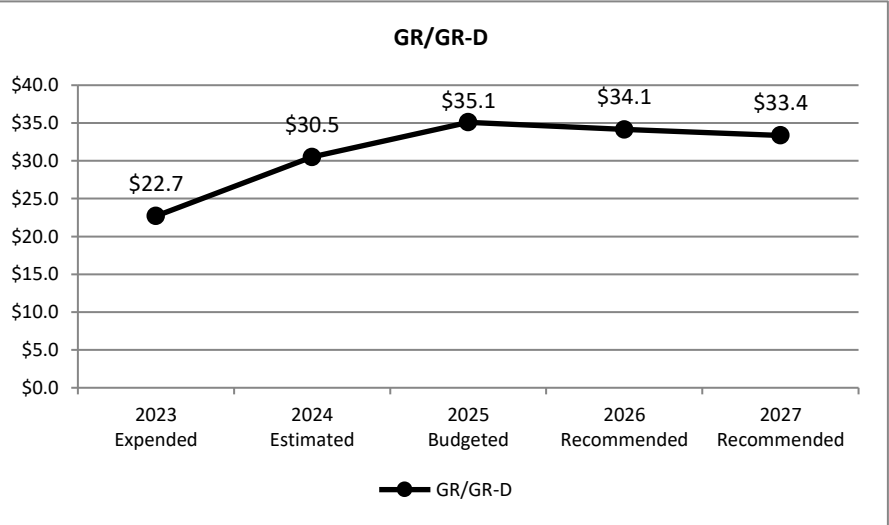
<b>Method of Financing</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change (\$)</b>	<b>Biennial Change (%)</b>
General Revenue Funds	\$55,692,399	\$57,536,293	\$1,843,894	3.3%
GR Dedicated Funds	\$9,907,690	\$9,969,836	\$62,146	0.6%
<i>Total GR-Related Funds</i>	<i>\$65,600,089</i>	<i>\$67,506,129</i>	<i>\$1,906,040</i>	<i>2.9%</i>
Federal Funds	\$0	\$0	\$0	0.0%
Other	\$5,000,950,000	\$5,000,950,000	\$0	0.0%
<b>All Funds</b>	<b>\$5,066,550,089</b>	<b>\$5,068,456,129</b>	<b>\$1,906,040</b>	<b>0.0%</b>

	<b>FY 2025 Budgeted</b>	<b>FY 2027 Recommended</b>	<b>Biennial Change</b>	<b>Percent Change</b>
FTEs	283.0	293.0	10.0	3.5%

**Historical Funding Levels (Millions)**



**Historical GR/ GR-D Funding Levels (Millions)**



The bill pattern for this agency (2026-27 Recommended) represents an estimated 100.0% of the agency's estimated total available funds for the 2026-27 biennium.

**Public Utility Commission of Texas**  
**Summary of Funding Changes and Recommendations - House**

Funding Changes and Recommendations for the 2026-27 Biennium compared to the 2024-25 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
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<i><b>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</b></i>
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A)	Maintain Texas Energy Fund appropriations at the 2024-25 appropriated level.	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	A.4.1
B)	Increase in General Revenue for additional FTEs to meet increased demand for the Texas Energy Fund programs.	\$0.8	\$0.0	\$0.0	\$0.0	\$0.8	A.4.1
C)	Increase Data Center Consolidation capital budget for estimated cost to maintain current obligations.	\$0.4	\$0.0	\$0.0	\$0.0	\$0.4	C.1.2
D)	Removal of one-time funding in the 2024-25 biennium provided for Office Redesign and Laptop purchases.	(\$1.2)	\$0.0	\$0.0	\$0.0	(\$1.2)	Several Strategies

<i><b>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</b></i>
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E)	Increase in funding to biennialize the statewide salary adjustments included in the 2024-25 appropriations.	\$1.8	\$0.0	\$0.0	\$0.0	\$1.8	[Strategy #]
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<b>TOTAL SIGNIFICANT &amp; OTHER Funding Changes and Recommendations (in millions)</b>		<b>\$1.8</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$1.8</b>	As Listed
<i>SIGNIFICANT &amp; OTHER Funding Increases</i>		\$3.0	\$0.0	\$0.0	\$0.0	\$3.0	As Listed
<i>SIGNIFICANT &amp; OTHER Funding Decreases</i>		(\$1.2)	\$0.0	\$0.0	\$0.0	(\$1.2)	As Listed

NOTE: Totals may not sum due to rounding.

**Public Utility Commission of Texas  
Selected Fiscal and Policy Issues - House**

1. **Texas Energy Fund (TEF).** Recommendations include \$5.0 billion in Texas Energy Fund No. 176 (Other Funds) funding for providing loans and grants to finance or incentivize the construction, maintenance, modernization, and operation of electric generating facilities, including associated infrastructure, necessary to ensure the reliability or adequacy of an electric power grid in the state and the addition of three new performance measures to report the quantity of power production expected to be generated through awards funded, number of grants and low-interest loans awards and the total amount of funds obligated to awardees. Recommendations also include \$0.8 million in General Revenue for 4.0 additional FTEs to support the TEF programs and a new rider that directs a General Revenue fund transfer of \$5.0 billion to the TEF by the Comptroller of Public Accounts (CPA), instructs the CPA office to consult with the Public Utility Commission of Texas (PUC) on coordinating the timing of the fund transfer, and provides PUC with unexpended balance authority from the 2024–25 biennium to the 2026–27 biennium and within the 2026–27 biennium for all TEF fund appropriated to the agency.

Enactment of Senate Bill 2627, Eighty-eighth Legislature, Regular Session, 2023 established the Powering Texas Forward Act that directed PUC to administer the TEF programs. Senate Joint Resolution 93, also enacted from passed legislation of the Eighty-eighth Legislature, passed by voters in November 2023 established the Texas Energy Fund as an Other Fund. The Texas Treasury Safekeeping Trust Company is required to hold and invest the fund for PUC and must provide an annual written report to both PUC and Texas Energy Fund Advisory Committee detailing investments made by the Trust. The 2024–25 GAA directed CPA to transfer \$5.0 billion in General Revenue to the TEF. Those funds were subsequently appropriated to PUC in its bill pattern for electric generation projects—both inside and outside of the Electric Reliability Council of Texas (ERCOT) power region.

The Powering Texas Forward Act consists of four separate programs with grants and loans distributed by PUC based on an application process and award system with an investment of \$10.0 billion for the Fund (see table on page 4). In February 2024, PUC signed a four-year contract worth \$72.3 million with Deloitte & Touche LLP to serve as the contractor for all four programs within the TEF. After receiving 125 Notices of Intent (NOIs) at the end of May 2024, PUC and Deloitte agreed to amend the contract's value to \$107.4 million to account for an anticipated large volume of applications. Of the 125 NOIs, 72 entities applied for an In-ERCOT Generation Loan with 17 projects being selected by PUC's Commissioners to move on to the due diligence stage for review and preparation of loan agreements. Those 17 projects represented a total of 9,781 megawatts of proposed new dispatchable power generation with a total requested loan amount of \$5.38 billion.

On September 4, 2024, PUC denied the NextEra and Aegle Power application from selection to undergo due diligence. The application was submitted on false pretenses which Deloitte failed to identify during their first round of application review. As a result, PUC sought to pursue a 10 percent reduction in the contract payment owed, or \$7.3 million, to Deloitte, who agreed to the terms on October 8, 2024. In December 2024 and January 2025, PUC's Commissioners approved 3 new projects to undergo due diligence while also removing one project from the process that was withdrawn by the applicant, bringing the total number of projects in the portfolio undergoing due diligence to 18 projects. These projects represent 9,791 in megawatts of potential capacity and \$5.32 billion in loan requests. As of February 2025, PUC has spent approximately \$21.9 million of the appropriated amount in the TEF to meet contractual costs to Deloitte and fee payments to the Texas Treasury Safekeeping Trust Company.

Texas Energy Fund Programs			
Program	Description	Statutory Citation	Maximum Amount per Statute (Utilities Code Sec. 34.0106)
In-ERCOT Loan Program	<ul style="list-style-type: none"> <li>Qualifying entities build new or expand existing dispatchable electric generation facilities and must add a minimum of 100 MW of new capacity to the grid.</li> <li>3% interest loans, with a 20-year term.</li> <li>Loan may finance up to 60% of the cost of the project</li> <li>No more than 10,000 MW (in combination with the Completion Bonus Grants Program) may be funded.</li> <li>Notice of Intent (NOIs) were required for all applicants and a total of 125 NOIs were submitted</li> <li>72 applications were submitted worth \$24.0B in loan request and generating 38,000 MW of potential capacity.</li> <li>As of February 1, 2025, PUC Commissioners have selected 18 projects to enter due diligence review totaling 9,791 MW of potential capacity and a total loan amount of \$5.32B.</li> </ul>	Utilities Code Sec. 34.0104	\$7.2 Billion in combination
Completion Bonus Grants Program	<ul style="list-style-type: none"> <li>Qualifying entities build new dispatchable electric generation facilities and must add a minimum of 100 MW of new capacity to the grid before June 1, 2029.</li> <li>Maximum of 10,000 MW (in combination with In-ERCOT Loan Program).</li> <li>10 annual installments, subject to performance requirements                             <ul style="list-style-type: none"> <li>\$120,000 per MW of capacity provided by a facility that is interconnected in the ERCOT power region before June 1, 2026; or</li> <li>\$80,000 per MW of capacity on or after June 1, 2026, and before June 1, 2029.</li> </ul> </li> </ul>	Utilities Code Sec. 34.0105	
Outside ERCOT Grants	<ul style="list-style-type: none"> <li>Used for transmission and distribution infrastructure or electric generating facilities in Texas outside of the ERCOT power region.</li> <li>Grants can be used for:                             <ul style="list-style-type: none"> <li>Modernization of infrastructure,</li> <li>Weatherization,</li> <li>Reliability and resiliency enhancements, and</li> <li>Vegetation management.</li> </ul> </li> </ul>	Utilities Code Sec. 34.0103	\$1.0 Billion
Backup Power Package	<ul style="list-style-type: none"> <li>Qualifying entities design, procure, or install backup power packages at facilities necessary to support community health, safety, and well-being.</li> <li>A backup power package is a stand-alone, behind-the-meter, multiday back up power source.</li> <li>On January 14, 2024, PUC named nine members to the Backup Power Package Advisory Committee.</li> <li>The Advisory Committee will submit a recommendation report to PUC by October 1, 2024.</li> </ul>	Utilities Code Sec. 34.0204	\$1.8 Billion

Source: Public Utilities Commission of Texas

Texas Energy Fund Timeline		
Date	TEF Program	Event
June 9, 2023	Texas Energy Fund	Senate Bill 2627 & Senate Joint Resolution 93 signed into law.
November 7, 2023	Texas Energy Fund	Senate Joint Resolution 93 passed by Voters.
February 4, 2024	Texas Energy Fund	Deloitte & Touche LLP selected as contractor for all Texas Energy Fund programs
March 21, 2024	In-ERCOT Generation Loan Program	PUC adopts rules implementing the In-ERCOT Generation Loan Program.
April 25, 2024	Completion Bonus Grant Program	PUC adopts rules implementing the Completion Bonus Grant Program.
May 1, 2024	In-ERCOT Generation Loan Program	PUC began accepting Notices of Intents (NOIs) to apply for the Loan Program.
May 31, 2024	In-ERCOT Generation Loan Program	NOIs submission period ended; PUC received 125 NOIs.
June 1, 2024	In-ERCOT Generation Loan Program	PUC began accepting loan applications.
July 27, 2024	In-ERCOT Generation Loan Program	Application submission period ended; PUC received 72 loan applications worth \$24.0B in loan request and generating 38,000 MW of potential capacity.
July 29, 2024	In-ERCOT Generation Loan Program	PUC staff reviewed applications and recommended portfolio of projects to commissioners to advance to due diligence.
August 29, 2024	In-ERCOT Generation Loan Program	PUC's commissioners voted to advance 17 project portfolios to due diligence totaling 9,781 megawatts of potential capacity with a total loan amount of \$5.38 billion.
September 4, 2024	In-ERCOT Generation Loan Program	PUC denied NextEra and Aegle Power loan application due to fraudulent submission and requested a 10.0% reduction in contract payment to Deloitte.
October 8, 2024	In-ERCOT Generation Loan Program	Deloitte agrees to a 10.0% credit to the Texas Energy Fund (TEF) contract of \$7.3 million.
December 12, 2024	In-ERCOT Generation Loan Program	PUC's commissioners voted to advance 2 project portfolios to due diligence to replace the NextEra and Aegle Power application, totaling 1,231 megawatts of potential capacity with a total loan amount of \$805.0 million.
January 1, 2025	Completion Bonus Grant Program	PUC will begin accepting grant applications.
January 16, 2025	In-ERCOT Generation Loan Program	PUC's commissioners voted to advance one project portfolio to due diligence totaling 342 megawatts of potential capacity with a total loan amount of \$200.0 million and removed one project from the process that was withdrawn by the applicant.
December 31, 2025	In-ERCOT Generation Loan Program	Last day PUC will make initial disbursements for approved loans.
May 31, 2026	Completion Bonus Grant Program	Interconnection date cutoff for a Completion Bonus of \$120,000 per MW.
June 1, 2026 – June 1, 2029	Completion Bonus Grant Program	Interconnection date range for a Completion Bonus of \$80,000 per MW.
December 1, 2040	Completion Bonus Grant Program	Program Expires.
September 1, 2050	In-ERCOT Generation Loan Program	Program Expires.

Source: Public Utilities Commission of Texas

**2. 88R Exceptional Items Funding Overview.** Recommendation includes maintaining \$19.9 million in General Revenue and General Revenue-Dedicated Water Resource Management No. 153 funding for all exceptional items funded by the 88<sup>th</sup> Legislature which includes, but is not limited to, the following.

- \$9.0 million in General Revenue and GR-Dedicated Water Resource Management No. 153 funding to provide additional funding for existing vacancies and authority for an additional 23.0 FTEs to meet increased demand for agency services totaling 51.0 FTEs.
- \$2.4 million in General Revenue funding for a 5 percent salary increase for all agency staff and a 10 percent salary increase for Attorneys and other licensed professionals to reduce staff turnover rates.
- \$0.5 million in General Revenue and GR-Dedicated Water Resource Management No. 153 funding with authority for an additional 3.0 FTEs to establish a new Office of Public Participation to assist the agency with public outreach and education. Recommendations also include the addition of two new performance measures to report the number of presentations or meetings conducted by the Office of Public Engagement and the number of responses to calls and emails by the Office of Public Engagement.
- \$1.9 million in General Revenue funding for a Data Analysis team within the Market Analysis division that includes the following:
  - \$910,000 with authority for 4.0 additional FTEs that includes 1.0 FTE for an economist position (\$95,000) and 3.0 FTEs for data analyst positions (1 Data Analyst Manager at \$130,000 and 2 Data Analysts at \$115,000 each) to analyze market data, identify trends and events that may impact the utility market, create reports for Commissioners and agency staff, and assist in the oversight of ERCOT.
  - \$1,000,000 to build out the technical infrastructure to support the gathering, storage, and analysis of market data.
  - A reporting requirement rider to submit to the Legislative Budget Board, the Sunset Advisory Commission, and the Legislature on an annual basis by December 1 of each year the activities and findings of the agency's enhanced analytic capabilities provided by the Data Analysis team.
- \$1.35 million in General Revenue funding for Office Redesign and Laptop purchases.
  - \$950,000 to replace cubicles and redesign workspaces to accommodate current and additional staff.
  - \$400,000 (\$200,000 per year) to purchase laptops and cover other operational costs for staff.

See Appendix B for a full listing of all previously adopted exceptional items from the 88<sup>th</sup> Legislative Session that recommendations maintain for the 2026–27 biennium with an implementation status update for each item.

**3. Data Center Services (DCS).** Recommendations include an additional \$0.4 million in General Revenue Funds for the 2026–27 biennium to align agency funding for Shared Technology Services with the Department of Information Resources' (DIR) estimate to maintain current obligations.

**4. Texas Nuclear Energy Fund and Texas Nuclear Energy Supply Chain Fund.** The Texas Advanced Nuclear Reactor Workgroup released their required report in November 2024 for the 89<sup>th</sup> Legislative Session as instructed by Governor Abbot in August 2023. The report listed two recommendations that the Workgroup would like for the Legislature to adopt that involve the creation of two new funds:

- **Texas Nuclear Energy Fund:** an appropriation to a fund, modelled after the existing Texas Energy Fund, explicitly for the advanced nuclear power to overcome the funding challenge project developers face in Texas.
- **Texas Nuclear Energy and Supply Chain Fund:** a direct grant cost-sharing program to incentivize early development and site placement, and support supply chain and manufacturing capacity readiness.

**Public Utility Commission of Texas  
Rider Highlights - House**

**New Riders**

5. **Texas Energy Fund.** Recommendations add a rider including the following (See also, Selected Fiscal and Policy Issues #1):
- Directs the Comptroller of Public Accounts to transfer \$5.0 billion from General Revenue Fund to the TEF.
  - Directs CPA to consult with PUC to coordinate the timing of the transfers to the TEF.
  - Grants Unexpended Balance appropriation to PUC for within-the-biennium and across the biennium for the TEF.

**Deleted Riders**

4. **Sunset Contingency.** Recommendations delete the rider as House Bill 1500, Eighty-eight Legislature, 2023 was enacted, continuing the agency until September 1, 2029.
6. **Contingency for House Bill 2555.** Recommendations delete the rider which made appropriations to a transmission and distribution system resiliency planning by and cost recovery for electric utilities contingent upon the enactment of House Bill 2555, Eighty-eight Legislature, 2023. The purpose of the rider has been fulfilled.
7. **Contingency for Senate Bill 2627.** Recommendations delete the rider which made appropriations to develop a funding mechanism to support the construction, maintenance, and modernization of dispatchable electric generating facilities contingent upon the enactment of Senate Bill 2627, Eighty-eight Legislature, 2023. The purpose of the rider has been fulfilled.

**Public Utility Commission of Texas  
Items Not Included in Recommendations - House**

	2026-27 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2028-29
	GR & GR-D	All Funds	FTEs			

**Agency Exceptional Items Not Included (in agency priority order)**

1)	<p>Additional Staff General Revenue appropriations to provide funding and authority for additional staff to meet increased demand for agency services such as: 1) increased number of cost-recovery proceedings; 2) streamline filings in the form of System Improvement Charge filing for water cases; 3) rate-related cases involving issues such as storm-hardening, resiliency, mobile generation, and vegetation management costs; 4) additional steps in rate case proceedings; and 5) future filings in response to recent weather events.</p>	\$7,467,500	\$7,467,500	35.0	Yes	No	\$7,467,500
2)	<p>Case Management System a) \$2,400,000 in General Revenue appropriations to provide funding for the development of a case management system to streamline and improve contested case processes and improve case processing data collections and tools as recommendation by the Sunset Commission Report in the 88th Legislature. b) \$1,551,400 in General Revenue appropriations to provide funding and authority for additional staff to implement the case management system. 6.0 FTES include: 2.0 Project Manager III-V (\$145,00 per year) 3.0 Engineering Specialist IV-V or Engineer III-V (\$130,000 per year) 1.0 Attorney I-IV (131,000 per year) 1.0 Program Specialist III-V (\$82,000 per year)</p>	\$3,951,400	\$3,951,400	6.0	Yes	Yes	\$1,551,400



**Public Utility Commission of Texas  
Items Not Included in Recommendations - House**

		2026-27 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2028-29
		GR & GR-D	All Funds	FTEs			
3)	<p>Information Technology</p> <p>a) \$2,061,200 in General Revenue appropriations to provide funding and authority for additional staff to review an anticipated increase in the number of contested cases and Certificates of Convenience and Necessity applications.</p> <p>b) \$700,000 in General Revenue appropriations to develop an enhanced system to report utilities outage information during State Operations Center activation events.</p> <p>8.0 FTES include:</p> <p>2.0 Project Manager III-V (\$145,00 per year)</p> <p>3.0 Engineering Specialist IV-V or Engineer III-V (\$130,000 per year)</p> <p>1.0 Attorney I-IV (131,000 per year)</p> <p>1.0 Program Specialist III-V (\$82,000 per year)</p> <p>1.0 Financial Examiner III-V (\$110,000 per year)</p>	\$2,761,200	\$2,761,200	8.0	Yes	Yes	\$2,061,200
4)	<p>Texas Energy Fund Programs</p> <p>General Revenue appropriations to provide funding and authority for additional staff to meet increased demand for the Texas Energy Fund programs and ensure all the projects within each of the four programs in the Fund are monitored appropriately.</p> <p>6.0 FTES include:</p> <p>1.0 Engineering Specialist II – V or Engineer II-V (\$133,450 per year)</p> <p>1.0 Project Manager III-V (\$156,000 per year)</p> <p>1.0 Compliance Analyst IV (\$108,450 per year)</p> <p>1.0 Project Manager II-IV (\$129,000 per year)</p> <p>1.0 Quality Assurance Specialist II-IV (\$91,250 per year)</p> <p>1.0 Program Specialist IV-V (\$87,000 per year)</p>	\$1,410,700	\$1,410,700	6.0	Yes	No	\$1,410,700

**Public Utility Commission of Texas  
Items Not Included in Recommendations - House**

		2026-27 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2028-29
		GR & GR-D	All Funds	FTEs			
5)	General Revenue appropriations to provide one-time funding to update and modernize the agency's electricity rate comparison tool, Power to Choose.	\$500,000	\$500,000	0.0	Yes	Yes	\$0

<b>TOTAL Items Not Included in Recommendations</b>		<b>\$16,090,800</b>	<b>\$16,090,800</b>	<b>55.0</b>			<b>\$12,490,800</b>
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**Public Utility Commission of Texas  
Appendices - House**

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**Public Utility Commission of Texas  
Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

<b>Strategy/Goal</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
MARKET COMPETITION A.1.1	\$23,961,792	\$23,599,928	(\$361,864)	(1.5%)	Recommendations reflect the following General Revenue changes: 1) An increase of \$602,136 to biennialize the statewide salary adjustments included in the 2024-25 appropriations. 2) A decrease of \$900,000 to reallocate 4.0 FTEs to Strategy A.1.4, Texas Energy Fund. 3) A decrease of \$64,000 for laptops.
UTILITY REGULATION A.2.1	\$20,471,021	\$21,021,727	\$550,706	2.7%	Recommendations reflect the following General Revenue and General Revenue-Dedicated Water Resource Management Fund. No. 153 changes: 1) An increase of \$622,706 to biennialize the statewide salary adjustments included in the 2024-25 appropriations. 2) A decrease of \$72,000 for laptops.
INVESTIGATION AND ENFORCEMENT A.3.1	\$9,376,526	\$9,644,621	\$268,095	2.9%	Recommendations reflect the following General Revenue and General Revenue-Dedicated Water Resource Management Fund. No. 153 changes: 1) An increase of \$294,095 to biennialize the statewide salary adjustments included in the 2024-25 appropriations. 2) A decrease of \$26,000 for laptops.
TEXAS ENERGY FUND A.4.1	\$5,000,000,000	\$5,001,713,600	\$1,713,600	0.0%	Recommendations reflect the following General Revenue changes: 1) An increase of \$900,000 to reallocate 4.0 FTEs from Strategy A.1.1, Market Competition. 2) An increase of \$813,600 to provide for 4.0 FTEs to meet increased demand for the Texas Energy Fund programs.
<b>Total, Goal A, COMPETITION/CHOICE/RATES/SERVICE</b>	<b>\$5,053,809,339</b>	<b>\$5,055,979,876</b>	<b>\$2,170,537</b>	<b>0.0%</b>	
INFORMATION AND EDUCATION EFFORTS B.1.1	\$2,852,096	\$2,923,401	\$71,305	2.5%	Recommendations reflect the following General Revenue changes: 1) An increase of \$85,305 to biennialize the statewide salary adjustments included in the 2024-25 appropriations. 2) A decrease of \$14,000 for laptops.

**Public Utility Commission of Texas  
Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

<b>Strategy/Goal</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
ASSIST CUSTOMERS B.2.1	\$2,945,426	\$3,020,145	\$74,719	2.5%	Recommendations reflect the following General Revenue and General Revenue-Dedicated Water Resource Management Fund. No. 153 changes: 1 )An increase of \$86,719 to biennialize the statewide salary adjustments included in the 2024-25 appropriations. 2) A decrease of \$12,000 for laptops.
<b>Total, Goal B, EDUCATION AND CUSTOMER ASSISTANCE</b>	<b>\$5,797,522</b>	<b>\$5,943,546</b>	<b>\$146,024</b>	<b>2.5%</b>	
CENTRAL ADMINISTRATION C.1.1	\$4,251,159	\$3,387,957	(\$863,202)	(20.3%)	Recommendations reflect the following General Revenue and General Revenue-Dedicated Water Resource Management Fund. No. 153 changes: 1) An increase of \$44,798 to biennialize the statewide salary adjustments included in the 2024-25 appropriations. 2) A decrease of \$900,000 for cubicles. 3) A decrease of \$8,000 for laptops.
INFORMATION RESOURCES C.1.2	\$2,575,762	\$3,027,807	\$452,045	17.5%	Recommendations reflect the following General Revenue changes: 1) An increase of \$45,498 to biennialize the statewide salary adjustments included in the 2024-25 appropriations. 2) An increase of \$408,547 for Data Center Consolidation capital budget for estimated cost to maintain current obligations. 3) A decrease of \$2,000 for laptops.
OTHER SUPPORT SERVICES C.1.3	\$116,307	\$116,943	\$636	0.5%	Recommendations reflect the following General Revenue changes: 1) An increase of \$2,636 to biennialize the statewide salary adjustments included in the 2024-25 appropriations. 2) A decrease of \$2,000 for laptops.
<b>Total, Goal C, INDIRECT ADMINISTRATION</b>	<b>\$6,943,228</b>	<b>\$6,532,707</b>	<b>(\$410,521)</b>	<b>(5.9%)</b>	
<b>Grand Total, All Strategies</b>	<b>\$5,066,550,089</b>	<b>\$5,068,456,129</b>	<b>\$1,906,040</b>	<b>0.0%</b>	

88R Exceptional Item Overview

Item	Appropriation	FTE	Description	Implementation Status
FTE Increase	\$9,016,000	51.0	General Revenue and GR-Dedicated funding to provide additional funding for existing vacancies and authority for an additional 23.0 FTEs to meet increased demand for agency services.	Current FTE count is 257, and 3 positions are currently posted. The agency is 23 FTEs below the FTE cap and is continuing to post and fill positions. The agency may not reach the full cap in fiscal year 25, as some positions have been filled at a higher salary than originally estimated for the LAR; however, they expect to expend the full budget.
Salary Increases	\$2,419,992	0.0	General Revenue funding for a 5 percent salary increase for all agency staff and a 10 percent salary increase for Attorneys and other licensed professionals to reduce staff turnover rates	Complete.
Software/Hardware Enhancements	\$1,024,000	0.0	General Revenue funding for the implementation of five planned projects related to replacement and modernization of legacy applications, information technology security enhancements, Docusign, a Learning Management System for training, tracking, and reporting to the agency, and general software and hardware for cybersecurity.	Complete. Learning Management System 365 was implemented in early fiscal year 24. PUC chose Mendix as the low-code development platform, and it was implemented in FY24. Agency firewall upgrade complete. Security Information Event Manager implemented. Numerous cybersecurity tools have been purchased and implemented. PUC purchased Adobe Acrobat Pro instead of Docusign, and the agency is currently implementing it.
Contracting for Services	\$2,281,250	0.0	<p>General Revenue and GR-Dedicated funding for contracts to:</p> <ol style="list-style-type: none"> <li>1. Support the agency in reviewing electric utility power supply plans, reliability issues, and weatherization of entities outside of ERCOT.</li> <li>2. Digitize and update electric service area maps and capture all approved changes to the electric service area boundaries.</li> <li>3. Provide the most recent aerial imagery of the state of Texas at higher resolution than is currently available to the agency's mapping staff to better see infrastructure to support emergency management activities, and for routing of electric transmission lines for power line safety oversight.</li> <li>4. Digitize water utility records for ease of access to the information</li> </ol>	<ol style="list-style-type: none"> <li>1. PUC is still working through requirements for this procurement. The agency expects to award in fiscal year 25 and may split this into 2 procurements.</li> <li>2. PUC is working on 2 procurements for this: a scanning vendor and a QC vendor.</li> <li>3. Complete.</li> <li>4. PUC is entering into an IAC with Texas State Library and Archives Commission for this scanning project, which is scheduled to begin in fiscal year 25.</li> </ol>

Item	Appropriation	FTE	Description	Implementation Status
Training Travel Laptop Facility	\$1,350,000	0.0	<p>General Revenue funding for the following:</p> <p>1) \$950,000 to replace cubicles and redesign workspaces to accommodate current and additional requested staff</p> <p>2) \$200,000 per year for additional operational costs associated with staff increases</p>	<p>1. Complete.</p> <p>2. Fiscal year 24 complete, training and travel costs are continuing in fiscal year 25.</p> <p>Note: Funding for these one-time costs was removed from the General Revenue Limit.</p>
Office of Public Participation	\$ 510,000	3.0	<p>General Revenue and GR-Dedicated funding with authority for an additional 3.0 FTEs to establish a new Office of Public Participation to assist the agency with public outreach and education. The agency anticipates 1.0 FTE will be the director (\$100,000 each year) and 2.0 FTEs will be program specialists (Program Specialist III at \$65,000 and Program Specialist IV at \$90,000 each year respectively).</p>	<p>Complete.</p>
Data Analysis Team	\$ 1,910,000	4.0	<p>General Revenue funding for a Data Analysis team within the Market Analysis division that includes the following:</p> <p>1). \$910,000 with authority for 4.0 additional FTEs that includes 1.0 FTE for an economist position (\$95,000) and 3.0 FTEs for data analyst positions (1 Data Analyst Manager at \$130,000 and 2 Data Analysts at \$115,000 each) to analyze market data, identify trends and events that may impact the utility market, create reports for Commissioners and agency staff, and assist in the oversight of ERCOT.</p> <p>2). \$1,000,000 to build out the technical infrastructure to support the gathering, storage, and analysis of market data</p>	<p>1. Staffing complete.</p> <p>2. The agency has procured several data analysis tools and programs to support this function totaling roughly \$125,000 and are continuing to analyze additional needs for fiscal year 25.</p>
Energy Efficiency Plan	\$ 495,000	3.0	<p>General Revenue funding for an Energy Efficiency Plan and Outreach team that includes the following:</p> <p>1). \$230,000 each fiscal year with authority for 3.0 additional FTEs that includes 1.0 FTE for an engineering specialist (\$75,000) and 2.0 FTEs for a management analyst or program specialist (\$65,000 for Management Analyst I or Program Specialist III and \$90,000 for Management Analyst IV or Program Specialist VIII) to develop a State Energy Efficiency Plan for Texas by creating a State Energy Efficiency Assessment.</p> <p>2). \$35,000 for a vehicle to support statewide travel to promote and support the program (In SB30)</p>	<p>1. The agency currently has 2 of 3 positions filled, with the 3rd position being posted in September 2024.</p> <p>2. Vehicle purchased.</p>

Item	Appropriation	FTE	Description	Implementation Status
Sunset Commission Management Action	\$890,000	6.0	General Revenue funding to support implementation of Sunset Commission management action recommendations with authority for an additional 6.0 FTEs.	Staffing is complete, but the agency is still working on completion of all the Sunset recommendations.
Contingency funding and positions for SB 1002	\$244,525	3.0	Enactment of SB 1002, 88th Legislature, Regular Session, relating to the operation of public electric vehicle charging stations, resulting in increase of \$244,525 out of General Revenue and 3.0 FTEs each fiscal year of the biennium.	The agency currently has 2 of 3 positions filled.
Contingency funding and positions for SB 2627	\$557,025	7.0	Enactment of SB 2627, 88th Legislature, Regular Session, relating to the funding mechanisms to support the construction, maintenance, and modernization of dispatchable electric generating facilities, resulting in increase of \$5,000,000,000 in FY 2024 out of the Texas Energy Fund No. 0176 and increase of \$557,025 out of General Revenue each fiscal year of the biennium, affecting several strategies. In addition, incorporates 7.0 FTEs in each fiscal year of the biennium.	Staffing is complete, and PUC is working on implementation (See also, Selected Fiscal and Policy Issues #1). 4.0 additional FTEs have been requested for the 2026–27 biennium.



**Public Utility Commission of Texas  
FTE Highlights - House**

<b>Full-Time-Equivalent Positions</b>	<b>Expended 2023</b>	<b>Estimated 2024</b>	<b>Budgeted 2025</b>	<b>Recommended 2026</b>	<b>Recommended 2027</b>
Cap	234.0	283.0	283.0	293.0	293.0
Actual/Budgeted	201.8	233.3	283.0	NA	NA

<b>Schedule of Exempt Positions (Cap)</b>					
Executive Director, Group 7	\$203,520	\$245,579	\$257,858	\$257,858	\$257,858
Commissioner (4), Group 7	\$201,000	\$225,000	\$230,000	\$230,000	\$230,000
Commission Chairman, Group 7	\$201,000	\$225,000	\$230,000	\$230,000	\$230,000

Notes:

- a) PUC sent an RTE to increase Exempt Salaries for all exempt positions in February 2024, the request was granted in March 2024.
- b) The State Auditor's Office Report, Executive Compensation at State Agencies (Report 25-702, October 2024), indicates an average market salary of \$212,157 for the Executive Director position at the Public Utility Commission of Texas and Salary Group 7. The agency is not requesting any changes to its exempt position.