

**ORDINANCE NO. 2026-07**

**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**

**WHEREAS**, the City provides, or causes to be provided electrical services to all residences and businesses within the City; and

**WHEREAS**, in July of 2025, ERCOT increased the transmission loss factor by 1%, which resulted in an revenue loss to the City of approximately \$26,019.00; and

**WHEREAS**, it is necessary to amend Section 110-144 of the Code of Ordinances to allow for adjustments in the energy charges based on the actual power costs incurred by the City, including accounting for power loss.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS, THAT:**

**Section One. Findings.** The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.

**Section Two. Amendment.** Section 110-144 of the Code of Ordinances of the City of Burnet shall be amended and replaced in its entirety as follows:

**ARTICLE IV. SECTION 110-144 PURCHASED POWER COST ADJUSTMENT CLAUSE:**

**Sec. 110-144. Purchased power cost adjustment clause.**

- (a) *Purchased power cost adjustment:* The energy charge per kilowatt-hour (kWh) shall be adjusted upward or downward each month in accordance with the provisions set forth below:
- (1) The City Manager, and/or his/her designee, shall have the authority to adjust the Purchased Power Cost Adjustment (PPCA) as needed to reflect changes in the electricity supplier's generation, transmission, ERCOT, line losses and other related expenses charged by the City's wholesale provider(s), hereafter referred to as "power costs", and may not change the City's revenues other than the amount necessary to pay the City's power costs from wholesale provider(s). Prior to each billing cycle, the City Manager, or designee, shall determine the PPCA to be billed for that cycle by combining all power costs from wholesale provider(s) and divide said amount by the Adjusted kWh Billed during said billing cycle. In order to account for lost power, the Adjusted kWh Billed shall be equal to 92.75% of the total Adjusted Metered Load (AML), purchased during said billing cycle, as indicated on the wholesale provider's monthly statement.

- (2) In the event the City is unable to calculate the exact PPCA for a specific billing cycle, the City staff shall prepare an estimate of the PPCA per kWh for said cycle to be billed and shall adjust the next billing cycle to reflect any over/under collections from the estimated PPCA. The adjustment to the estimate will reflect variances in the estimated and actual power costs billed by the City's wholesale supplier(s) by the City.

**Section Three. Recovery of Prior Months Power Loss.** The City Manager is hereby authorized to add a monthly billing adjust in the aggregate amount of \$3,717 per month to the months of March, April, May, June, July, August and September of 2026 to adjust for lost revenue due to the 1% increase in the ERCOT transmission loss factor, which directly impacts the Adjusted Meter Load listed on the City's wholesale provider bill that went into effect in July of 2025. Said adjustment shall be added to the monthly power cost from the City's wholesale provider prior to calculating the Adjusted kWh Billed as provided for in Section 110-44 of the City of Burnet Code of Ordinances.

**Section Four. Severability.** If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City hereby declares that this Ordinance would have been enacted without such invalid provision.

**Section Five. Open Meeting.** City Council, finds, determines, and declares that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given as required by Chapter 551 of the Texas Government Code.

**Section Six. Publication.** The publishers of the City Code are authorized to amend said Code to reflect the changes adopted herein and to correct typographical errors and to format and number paragraphs to conform to the existing Code.

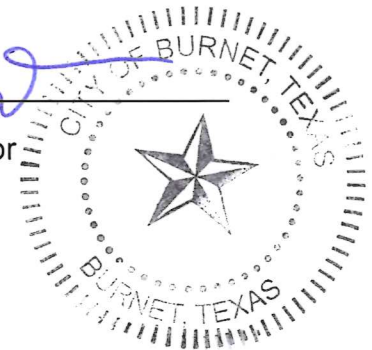
**Section Seven. Effective Date.** This Ordinance shall be effective upon the date of adoption hereof.

**PASSED, APPROVED, AND ADOPTED** on this 10th day of March 2026.

**CITY OF BURNET, TEXAS**



Gary Wideman, Mayor



**ATTEST:**



Maria Gonzales, City Secretary