

# LCRA Transmission Services Corporation

## Board Agenda

Tuesday, Dec. 9, 2025

LCRA General Office Complex  
Board Room – Hancock Building

3700 Lake Austin Blvd.

Austin, TX 78703

Earliest start time: 1 p.m.

### Item From the Chair

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### Consent Item

2. Minutes of Prior Meeting ..... 5

### Action Items

3. Approve the LCRA Transmission Services Corporation Transmission Contract Refunding Revenue Bonds Issuance and Fiftieth Supplemental Resolution ..... 9
4. Capital Improvement Projects Approval ..... 12

### Executive Session

1. Legal Advice on Pending and Anticipated Litigation, Claims and Settlements
2. Legal Advice on Legal Matters

The Board may go into executive session on any item listed above, pursuant to Chapter 551 of the Texas Government Code, including, but not limited to, sections 551.071, 551.072, 551.074, 551.076, 551.086, 551.089 and 418.183(f) of the Texas Government Code.

### Legal Notice

Legal notices are available on the Texas secretary of state website 72 hours prior to the meeting at the following link: <https://www.sos.texas.gov/open/index.shtml>

## OVERVIEW OF LCRA TRANSMISSION SERVICES CORPORATION

In connection with the implementation of retail competition in the electric utility industry in the state of Texas, LCRA was required by the Texas Legislature in its amendments to the Public Utility Regulatory Act (enacted in 1999 under state legislation known as Senate Bill 7 and referred to as SB 7) to unbundle its electric generation assets from its electric transmission and distribution assets. LCRA conveyed, effective Jan. 1, 2002, all of its existing electric transmission and transformation assets (collectively, the Transferred Transmission Assets) to the LCRA Transmission Services Corporation (LCRA TSC) pursuant to the terms of an Electric Transmission Facilities Contract (the Initial Contractual Commitment), dated Oct. 1, 2001.

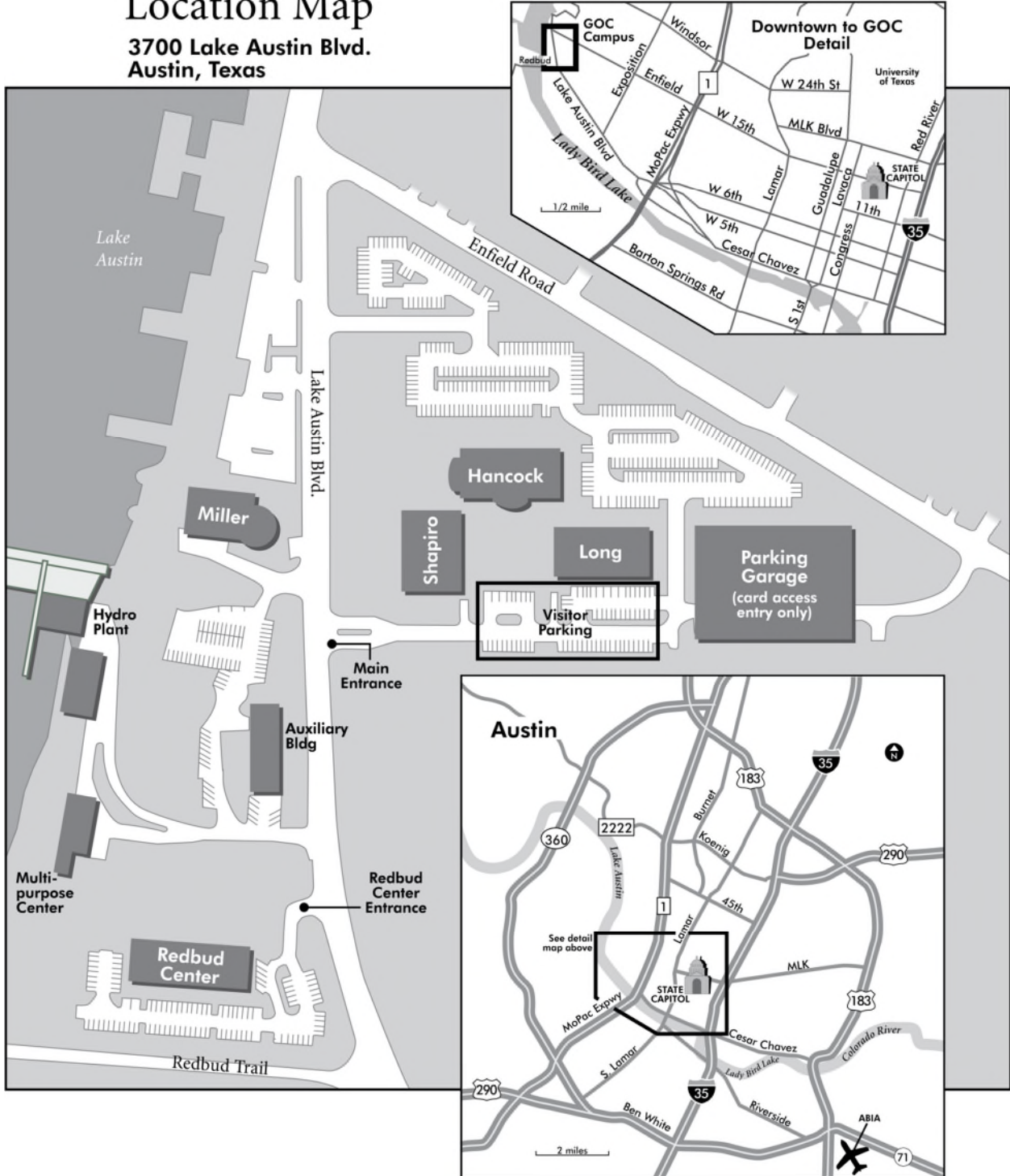
LCRA TSC is a nonprofit corporation created by LCRA to act on LCRA's behalf pursuant to Chapter 152, Texas Water Code, as amended. After Jan. 1, 2002, LCRA TSC engaged in the electric transmission and transformation activities previously carried out by LCRA and assumed LCRA's obligation to provide, and the right to collect revenues for, electric transmission and transformation services. LCRA TSC is an electric transmission service provider (a TSP) under the state's open-access electric transmission regulatory scheme within the approximately 85% area of the state covered by the Electric Reliability Council of Texas (ERCOT). In such capacity, LCRA TSC is entitled to receive compensation from all electric distribution service providers using the electric transmission system within ERCOT. As a TSP in the ERCOT region of the state, the rates that LCRA TSC will charge for transmission services are regulated by the Public Utility Commission of Texas (PUC) and determined pursuant to transmission cost of service rate proceedings filed with and approved by the PUC.

Within the framework of SB 7, LCRA TSC implements the electric transmission business of LCRA, including the expansion of electric transmission services outside of LCRA's traditional electric service territory. LCRA personnel are responsible for performing all of LCRA TSC's activities pursuant to a services agreement between LCRA TSC and LCRA. This includes procuring goods and services on behalf of LCRA TSC and is reflected in the LCRA Board agenda contracts.

Under the LCRA Master Resolution, defined as the LCRA Board resolution governing LCRA's outstanding debt, and certain provisions of state law, the LCRA Board is required to exercise control over all operations of LCRA TSC. This control includes approval of LCRA TSC's business plan and of the sale or disposition of any significant assets of LCRA TSC. The Board of Directors of LCRA TSC (LCRA TSC Board) is appointed by and serves at the will of the LCRA Board. The current membership of LCRA TSC Board is made up entirely of the existing LCRA Board.

# LCRA General Office Complex Location Map

3700 Lake Austin Blvd.  
Austin, Texas



# 1. Comments From the Public

## Summary

This part of the meeting is intended for comments from the public on topics under LCRA Transmission Services Corporation's jurisdiction but not related to an item on the Board of Directors agenda. No responses or action may be taken by the Board during public comments.

In order to address the Board, a member of the public is required to sign and complete the registration form at the entrance to the meeting room.

Any member of the public wishing to comment on an item listed on this agenda will be called to make comments at the appropriate time.

**FOR ACTION (CONSENT)**

## **2. Minutes of Prior Meeting**

**Proposed Motion**

Approve the minutes of the Nov. 12, 2025, LCRA Transmission Services Corporation Board of Directors meeting.

**Board Consideration**

Section 4.06 of the LCRA TSC bylaws requires the secretary to keep minutes of all meetings of the Board.

**Budget Status and Fiscal Impact**

Approval of this item will have no budgetary or fiscal impact.

**Summary**

Staff presents the minutes of each meeting to the Board for approval.

**Exhibit(s)**

A – Minutes of Nov. 12, 2025, LCRA TSC Board meeting

## **EXHIBIT A**

LCRA Transmission Services Corporation Board of Directors  
Minutes Digest  
Nov. 12, 2025

- 25-42 Approval of the minutes of the Oct. 21, 2025, LCRA TSC Board meeting.
- 25-43 Approval of the Capital Improvement Project Authorization Request for the following projects and associated lifetime budgets: Big Hill to Twin Buttes Transmission Line Overhaul; Blewett Circuit Breaker Addition; Colton to Elroy Transmission Line Overhaul; Lockhart to Mendoza Easement Enhancement System Upgrade; Protective Relaying – FY 2025 System Upgrade; Georgetown South Power Transformer Addition; Glasscock Power Transformer Upgrade; Hornsby Load Power Transformer Addition; and Jack Furman Power Transformer Addition.
- 25-44 Adoption of a resolution authorizing the use of the power of eminent domain in Bastrop County to acquire rights in the properties described in Exhibit 1 to the resolution for the acquisition of easement rights for the Elgin to Elgin Tap Transmission Line Overhaul project to provide for the continued safe and reliable transmission of electric energy and, on behalf of LCRA and at LCRA's expense, to provide for communications and to facilitate broadband services on the Elgin to Elgin Tap (T728) transmission line.

MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF  
LCRA TRANSMISSION SERVICES CORPORATION  
Austin, Texas  
Nov. 12, 2025

Pursuant to notice posted in accordance with the Texas Open Meetings Act, the Board of Directors (Board) of LCRA Transmission Services Corporation (LCRA TSC) convened in a regular meeting at 1:17 p.m. Wednesday, Nov. 12, 2025, in the Board Room of the Hancock Building, at the principal office of LCRA, 3700 Lake Austin Blvd., Austin, Travis County, Texas. The following directors were present, constituting a quorum:

Stephen F. Cooper, Chair  
Martha Leigh M. Whitten, Vice Chair  
Matthew L. "Matt" Arthur  
Melissa K. Blanding  
Joseph M. "Joe" Crane  
Curtis E. Ford  
Carol Freeman  
Thomas L. "Tom" Kelley  
Robert "Bobby" Lewis  
Mark Mayo  
Margaret D. "Meg" Voelter  
David R. Willmann  
Nancy Eckert Yeary

Absent: Aden Lasseter

Chair Cooper convened the meeting at 1:17 p.m.

There were no comments from the public during the meeting [Agenda Item 1]

Vice President and Chief Operating Officer Kristian Koellner gave an update on Transmission's Continuous Process Improvement Program.

The Board next took action on the consent agenda.

25-42 Upon motion by Director Voelter, seconded by Director Arthur, the Board unanimously approved the minutes of the Oct. 21, 2025, LCRA TSC Board meeting [Consent Item 2] by a vote of 13 to 0.

25-43 Senior Vice President of Transmission Asset Optimization Joshua Cole presented for consideration a staff recommendation, described in Agenda Item 3 [attached hereto as Exhibit A], that the Board approve the Capital Improvement Project Authorization Request for the following projects and associated lifetime budgets: Big Hill

to Twin Buttes Transmission Line Overhaul; Blewett Circuit Breaker Addition; Colton to Elroy Transmission Line Overhaul; Lockhart to Mendoza Easement Enhancement System Upgrade; Protective Relaying – FY 2025 System Upgrade; Georgetown South Power Transformer Addition; Glasscock Power Transformer Upgrade; Hornsby Load Power Transformer Addition; and Jack Furman Power Transformer Addition. Upon motion by Director Ford, seconded by Director Freeman, the recommendation was unanimously approved by a vote of 13 to 0.

25-44 Vice President of Real Estate Services Mark Sumrall presented for consideration a staff recommendation, described in Agenda Item 4 – Acquisition of Interests in Real Property – Use of Eminent Domain in Bastrop County [attached hereto as Exhibit B]. Director Yeary moved, seconded by Vice Chair Whitten, that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the properties described in Exhibit 1 to the resolution for the acquisition of easement rights for the Elgin to Elgin Tap Transmission Line Overhaul project to provide for the continued safe and reliable transmission of electric energy and, on behalf of LCRA and at LCRA's expense, to provide for communications and to facilitate broadband services on the Elgin to Elgin Tap (T728) transmission line; and that the first record vote apply to all units of property to be condemned. The Board unanimously approved the motion by a record vote of 12 to 0. [Director Crane was absent for voting on this item.]

Chair Cooper declared the meeting to be in executive session at 1:32 p.m. pursuant to sections 551.071, 551.072, 551.074, 551.076, 551.086, 551.089 and 418.183(f) of the Texas Government Code. Executive session ended, and Chair Cooper declared the meeting to be in public session at 1:57 p.m.

There being no further business to come before the Board, the meeting was adjourned at 1:58 p.m.

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Leigh Sebastian  
Secretary  
LCRA Transmission Services Corporation

Approved: Dec. 9, 2025

**FOR ACTION**

**3. Approve the LCRA Transmission Services Corporation Transmission Contract Refunding Revenue Bonds Issuance and Fiftieth Supplemental Resolution**

**Proposed Motion**

Staff recommends the Board of Directors approve the adoption of the Fiftieth Supplemental Resolution (Fiftieth Supplement) to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program (Controlling Resolution) authorizing the issuance of Transmission Contract Refunding Revenue Bonds (LCRA Transmission Services Corporation Project) in one or more series (Series of Bonds) in an aggregate amount not to exceed \$700 million for the following purposes: (i) current refunding of certain LCRA Transmission Contract Revenue Commercial Paper Notes (LCRA Transmission Services Corporation Project) Tax-Exempt Series and any series of LCRA Transmission Contract Revenue Revolving Notes (LCRA Transmission Services Corporation Project); (ii) current refunding of certain long-term Transmission Contract Debt (bonds); (iii) funding certain capital projects of LCRA TSC, if necessary; (iv) funding debt service reserve funds for any Series of Bonds; and (v) paying for issuance costs.

This motion also will:

1. Approve related documents in substantially final form, including, if required, an escrow agreement, a paying agent/registrar agreement, a preliminary and final official statement, and a Transmission Contract Revenue Debt Installment Payment Agreement Supplement related to the Series of Bonds (Installment Payment Agreement Supplement). If the Bonds are determined to also fund capital projects of LCRA TSC, the Fiftieth Supplement authorizes “and Improvement” to be added to the name of the Bonds. Bond counsel has prepared or reviewed all documents.
2. Delegate authority to the president and chief executive officer and/or the treasurer and chief financial officer to:
  - a. Select all or a portion of LCRA TSC’s outstanding short-term debt to be refunded by the particular Series of Bonds and provide for appropriate notices of redemption/prepayment/defeasance;
  - b. Approve any final changes to said documents necessary to facilitate proper issuance of such Series of Bonds;
  - c. Establish the terms of each Series of Bonds as provided in the Fiftieth Supplement (including issuing such bonds in one or more separate Series of Bonds, issuing the Series of Bonds as tax-exempt or taxable, principal amounts, maturity schedules, interest rates, redemption provisions and terms of any reserve funds);

- d. Determine whether to fund certain capital projects of LCRA TSC with a Series of the Bonds in an amount not to exceed \$200 million; and
- e. Approve the terms of the sale of each Series of Bonds to an underwriting team and execute a bond purchase agreement for such Series of Bonds.

### **Board Consideration**

In 2003, the LCRA Board, at the request of LCRA TSC, adopted an amended and restated Controlling Resolution establishing a contract revenue financing program whereby LCRA issues debt on behalf of LCRA TSC that is secured by a lien on and a pledge of revenues paid by LCRA TSC to LCRA. The amended and restated Controlling Resolution requires the Board to deliver a resolution to LCRA approving the Bonds.

### **Budget Status and Fiscal Impact**

The fiscal year 2026 LCRA TSC business plan anticipates the refunding of all or a portion of the LCRA TSC Series 2015 bonds, the LCRA TSC Series 2016 bonds and LCRA TSC's short-term obligations. Based on current market conditions, the refunding will be advantageous, increase flexibility on the timing of future financings, and provide low-cost and long-term funds. The FY 2026 LCRA TSC business plan anticipates the issuance of about \$1.25 billion of short-term obligations to fund LCRA TSC's ongoing capital plan in FY 2026. The issuance of up to \$200 million of Bonds for capital projects of LCRA TSC will avoid the issuance of short-term debt for such projects.

### **Summary**

With this action, the Board will approve one or more Series of Bonds issued for the purpose of current refunding of certain LCRA TSC commercial paper, revolving notes and bonds in an amount not to exceed \$700 million; funding certain capital projects of LCRA TSC, if necessary; establishing one or more debt service reserve funds for a particular Series of Bonds, and paying for the issuance costs related to such bonds. The Board also will approve the execution of documents necessary for the sale of each Series of Bonds further described below.

### **Background**

The Fiftieth Supplement is a supplemental resolution to the Controlling Resolution adopted by the Board in 2001 and readopted in 2003. The Fiftieth Supplement authorizes the bonds to be issued in one or more Series of Bonds, approves the forms of the ancillary agreements relating to such bonds, and delegates to the president and chief executive officer and/or the treasurer and chief financial officer authority to set the specific terms of each such Series of Bonds (including obligations to be refunded, maturity, amortization, interest rates, redemption provisions, etc.), according to parameters set forth in the Fiftieth Supplement. State law authorized the Fiftieth Supplement to delegate authority to sell and deliver multiple Series of Bonds within the parameters set forth in such supplement at different times during a 12-month period. The Fiftieth Supplement also requires an officer of LCRA TSC to agree to the specific terms of each Series of Bonds. The Controlling Resolution, the Fiftieth Supplement, and the relevant pricing certificate of the LCRA officer and the LCRA TSC officer establishing the terms of the particular Series of Bonds together constitute the authorization of such Series of Bonds.

The Installment Payment Agreement Supplement is a supplemental agreement to the Transmission Installment Payment Agreement between LCRA and LCRA TSC executed in 2003 and provides for the arms' length obligation of LCRA TSC to pay LCRA the debt service associated with the Series of Bonds and LCRA TSC's ownership of the projects financed or refinanced with the proceeds of the Series of Bonds.

A bond purchase agreement is the contract among LCRA, LCRA TSC and the underwriters of the Series of Bonds that establishes the terms of the sale and delivery of such Series of Bonds from LCRA and LCRA TSC to such underwriters. This agreement provides for the conditions for closing on the Series of Bonds, including required legal opinions, and provides for certain limited events that may terminate LCRA's obligation to deliver and/or the underwriters' obligation to accept the Series of Bonds at closing.

The paying agent/registrar agreement is the contract between LCRA and a company to be chosen at the discretion of LCRA, setting forth the rights, duties and obligations of the parties under which such bank will act as the paying agent and registrar for the particular Series of Bonds. The bank will provide paying agent and transfer agent services, maintain registration books, and facilitate providing certain notices for the Series of Bonds, among other services.

A preliminary and final official statement is the document that provides disclosure to prospective investors regarding the terms of a Series of Bonds, security, risk factors, and financing and operating information of LCRA TSC.

### **Use of Proceeds**

Proceeds from each Series of Bonds will be used to refund certain LCRA TSC commercial paper notes and revolving notes; fund certain capital projects of LCRA TSC, if necessary; establish a debt service reserve fund for the particular Series of Bonds; and pay for issuance costs.

LCRA and LCRA TSC have authorized the issuance of commercial paper and revolving notes under programs backed by four separate credit facilities. Periodically, staff recommends refunding short-term, variable-rate debt with long-term, fixed-rate debt when market conditions are favorable and the short-term debt credit facilities approach their maximum capacity. In addition, staff periodically recommends refunding existing long-term debt with new long-term debt to capture interest rate savings and/or adjust the debt structure to benefit LCRA TSC customers.

Staff currently expects the bonds to be sold and delivered in a Series of Bonds in the spring of 2026, subject to the approving opinions of the Office of the Attorney General and bond counsel.

### **Presenter(s)**

Jim Travis

Treasurer and Chief Financial Officer

## **FOR ACTION**

# **4. Capital Improvement Projects Approval**

### **Proposed Motion**

Approve the Capital Improvement Project Authorization Request for the projects and associated lifetime budgets as described in exhibits A and B.

### **Board Consideration**

LCRA Transmission Services Corporation Board Policy T301 – Finance requires LCRA TSC Board of Directors approval for any project exceeding \$1.5 million.

### **Budget Status and Fiscal Impact**

- All projected fiscal year 2026 expenditures for these projects are within the total annual budget approved in the FY 2026 capital plan.
- Staff will monitor the FY 2026 forecast and will request a fiscal year budget increase if needed.
- The treasurer and chief financial officer will release funds as needed.
- Project costs will be funded through LCRA TSC regulated rates, subject to approval by the Public Utility Commission of Texas.

### **Summary**

Staff recommends approval of the service reliability and system capacity projects described in exhibits A and B. These projects meet legal requirements in the Public Utility Regulatory Act and PUC rules.

Project funds will pay for activities, including but not limited to project management, engineering, materials acquisition, construction and acquisition of necessary land rights. LCRA TSC representatives will perform all necessary regulatory, real estate, environmental and cultural due diligence activities.

### **Presenter(s)**

Joshua Cole  
Senior Vice President, Transmission Asset Optimization

### **Exhibit(s)**

A – Project Cost Estimates and Cash Flow  
B – Project Details

## **EXHIBIT A**

### **Project Cost Estimates and Cash Flow**

*Dollars in millions*

<b>Project Name</b>	<b>FY 2025 and Prior</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>Lifetime</b>
<b>Service Reliability Projects</b>						
Big Hill to Kendall Transmission Line Storm Hardening	0.0	8.7	17.3	8.7	-	34.7
Dalchau Service Center Building J Facilities Upgrade	0.5	13.0	20.4	-	-	33.9
Obsolete Network Interface Telecommunications Upgrade	0.0	1.0	0.9	-	-	1.9
Piney Creek to Plum Fiber Upgrade	0.1	4.9	-	-	-	5.0
<b>System Capacity Projects</b>						
Aviation Substation Property Acquisition	-	8.7	-	-	-	8.7
Euclid Substation Property Expansion	-	13.4	-	-	-	13.4
<b>Total</b>	<b>0.6</b>	<b>49.7</b>	<b>38.6</b>	<b>8.7</b>	<b>0.0</b>	<b>97.6</b>

## **EXHIBIT B**

### **Project Details**

**Project Name:** Big Hill to Kendall Transmission Line Storm Hardening

**Project Number:** 1033104

**Lifetime Budget:** \$34.7 million

**Description:** The project will perform storm hardening on the 139-mile Big Hill to Kendall 345-kilovolt transmission line in Schleicher, Sutton, Kimble, Kerr, Gillespie and Kendall counties. The project scope includes replacing static peaks and damaged components, addressing structure bolts, and installing locking fasteners. The recommended project completion date is Jan. 15, 2028.

**Project Name:** Dalchau Service Center Building J Facilities Upgrade

**Project Number:** 1031630

**Lifetime Budget:** \$33.9 million

**Description:** The project will support transmission service operations by providing adequate workspace, mobile substation storage and supporting infrastructure to meet system growth demands. The scope of work includes constructing a 56,856-square-foot multiuse building and related improvements on the Dalchau Service Center campus in Travis County. The recommended project completion date is June 30, 2027.

**Project Name:** Obsolete Network Interface Telecommunications Upgrade

**Project Number:** 1032871

**Lifetime Budget:** \$1.9 million

**Description:** The project will increase the reliability of the LCRA TSC telecommunications transport network by replacing obsolete network equipment at various sites across the LCRA TSC service area. The project scope includes replacing the service aggregation routers and ethernet adapters and installing the latest software at each of the sites. The recommended project completion date is June 30, 2027.

**Project Name:** Piney Creek to Plum Fiber Upgrade

**Project Number:** 1031122

**Lifetime Budget:** \$5 million

**Description:** The project will increase the reliability and capability of the fiber network by upgrading 5.9 miles of optical ground wire between Piney Creek and Plum substations in Fayette County. The project scope includes replacing the 48-count fiber with 144-count fiber, installing new splice enclosures, replacing dead-end structures and installing connecting equipment at both substations. The recommended project completion date is May 15, 2026.

**Project Name:** Aviation Substation Property Acquisition

**Project Number:** 1034459

**Lifetime Budget:** \$8.7 million

**Description:** The project's purpose is the acquisition of property interests and related activities in Williamson County. The scope of work includes due diligence, survey work, property acquisition and related permitting. LCRA TSC Board Policy T401 – Land Resources requires Board authorization for land rights acquisitions with a purchase price exceeding \$1.5 million per parcel. Based on available information, staff expects the acquisition price for the necessary property rights to exceed \$1.5 million per parcel and seeks approval to proceed with the acquisition. The recommended project completion date is June 30, 2026.

**Project Name:** Euclid Substation Property Expansion

**Project Number:** 1034648

**Lifetime Budget:** \$13.4 million

**Description:** The project's purpose is the acquisition of property interests and related activities in Caldwell County. The scope of work includes due diligence, survey work, property acquisition and related permitting. LCRA TSC Board Policy T401 – Land Resources requires Board authorization for land rights acquisitions with a purchase price exceeding \$1.5 million per parcel. Based on available information, staff expects the acquisition price for the necessary property rights to exceed \$1.5 million per parcel and seeks approval to proceed with the acquisition. The recommended project completion date is June 30, 2026.

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