



Fiscal Year 2025 Business and Capital Plans

—
Lower Colorado River Authority



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The Board of Directors is composed of 15 members appointed to six-year terms by the governor with the advice and consent of the Texas Senate. At time of publication, the Board had one open position. Directors represent counties in LCRA’s electric and water service areas. The Board meets regularly to set strategic corporate direction for the general manager and staff, to approve projects and large expenditures, and to review progress on major activities and issues.

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Madhava Utagir, EVP of Resilience and Technology



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These business and capital plans present a long-term vision and summary of operational plans for LCRA and its nonprofit corporations. The business and capital plans should not be used as a basis for making a financial decision regarding LCRA or any of its securities or other obligations. These business and capital plans are intended to satisfy the official intent requirements set forth in IRS Treasury Regulations Section 1.150-2. For more complete information on LCRA and its obligations, refer to LCRA's annual financial report, the official statements relating to LCRA's bonds, and the annual and material event disclosures filed by LCRA with nationally recognized municipal securities information repositories and the State Information Depository pursuant to Rule 15c2-12 of the U.S. Securities and Exchange Commission. The information in this report and within each of the documents referenced applies only as of the report's date. The business and capital plans include forecasts based on current assumptions used for planning purposes only and are subject to change. Copies of the documents referenced in this report may be obtained from Dawn Reed, senior vice president of Financial Planning and Analysis, LCRA, 3700 Lake Austin Blvd., Austin, TX 78703.



OUR *Mission*

To enhance the quality of life of the Texans we serve through water stewardship, energy and community service.

An aerial photograph of a winding asphalt road through a hilly, arid landscape. The terrain is covered with sparse green and yellow vegetation. Several high-voltage power lines and towers are visible, stretching across the hills. The sky is clear and bright, suggesting a sunny day. The overall scene conveys a sense of infrastructure in a natural, rugged environment.

OUR *Vision*

We will be the public utility
that sets the standard for excellence.

Supporting a Growing Region

The Lower Colorado River Authority is honored to have been a part of the growth story of Texas since Gov. Miriam A. “Ma” Ferguson signed the legislation enabling LCRA’s creation 90 years ago in 1934. We electrified the Hill Country in the 1930s and ’40s, and we now are taking a lead role in investing in dispatchable generation that can be called upon quickly when needed. We’re building a new natural-gas fired peaker power plant, named Timmerman Power Plant in honor of longtime LCRA Board of Directors Chair Timothy Timmerman. The new plant, located near Maxwell in Caldwell County, will be able to ramp up and shut down in minutes when the need for power in the Electric Reliability Council of Texas market approaches or exceeds what is available from other generation. We also continue to invest in transmission infrastructure to move electricity where it needs to go. We expect to invest more than \$3.9 billion over the next five years to build new transmission facilities and improve existing ones.

LCRA also is working to help light up the information age in our service area. We’re investing about \$146 million over the next five years to greatly increase the amount of data that can be sent over our radio system to facilitate smart technologies. We’re also using our fiber capacity as the middle mile – the highway to which last-mile providers can connect – to help provide broadband services that are essential to the continued success of communities in our region.

To help meet the lower Colorado River basin’s future water needs, our Water business plans to invest about \$190 million over the next five years for development of new water supply projects, including the Arbuckle Reservoir in Wharton County. We also plan to invest about \$38 million in dam rehabilitation projects (excluding projects strictly for hydroelectric power facilities) over the next five years for the continued safe and effective operation of our dams.

While LCRA’s services have evolved over the past 90 years, we continue to help Texans respond to significant population growth by staying true to our mission, vision, strategic goals and values. We look forward to continuing to serve the people of Texas and supporting the growth of our region for many years to come.

Our mission

To enhance the quality of life of the Texans we serve through water stewardship, energy and community service.

Our vision

We will be the public utility that sets the standard for excellence.

Our strategic goals

- **Run an effective, cost-aware business.**
- **Manage and develop water.**
- **Implement digital tools and use data effectively.**
- **Build today’s workforce for the future.**

Our values

- **Focus on safety.**
- **Operate with integrity.**
- **Show respect.**
- **Take initiative.**
- **Focus on service.**





A photograph of three people walking down a set of stairs outdoors. On the left, a woman with glasses and a dark blue long-sleeved shirt is smiling. In the center, a woman with long, wavy brown hair is wearing a black dress. On the right, a man in a dark blue button-down shirt and black pants is looking towards the women. They are all walking down the stairs, which have a metal railing. The background shows a paved path and some greenery.

TOGETHER.

LCRA Financial Summary

- Approval of this business plan authorizes LCRA to spend \$576.8 million for operations in fiscal year 2025.

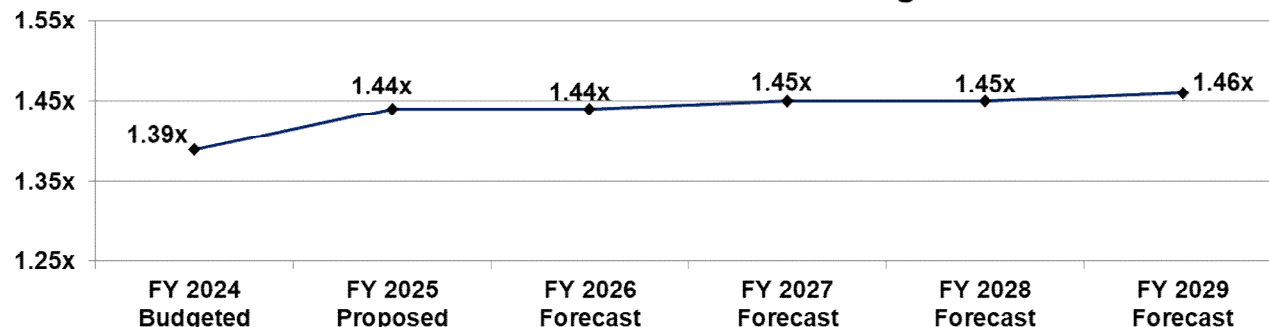
- Debt service coverage, a widely used measure of financial performance, is forecast to be 1.44x in FY 2025.

- Debt service coverage is projected to remain between 1.44x and 1.46x over the five-year planning horizon.

- Stable debt service coverage reflects LCRA's commitment to manage costs and grow LCRA's business to support growth in Texas.

Note: Totals throughout this document may not equal the sum of numbers shown due to rounding.

LCRA Debt Service Coverage



(Dollars in millions)

		Budgeted	Proposed	Forecast			
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues ¹	\$	1,426.3	1,582.5	1,681.6	1,740.2	1,833.6	1,923.9
Expenses ¹		878.9	903.1	933.2	893.9	921.9	961.9
Net Operating Margin		547.4	679.4	748.4	846.3	911.7	962.0
Less: GenTex Funds ²		(8.1)	(1.4)	(6.1)	(1.2)	(0.4)	(6.1)
Net Margin for Debt Service, Adjusted		539.3	678.0	742.3	845.0	911.4	955.9
Debt Service	\$	389.0	471.6	515.3	581.2	627.0	655.0
Debt Service Coverage		1.39x	1.44x	1.44x	1.45x	1.45x	1.46x

¹ Revenues and expenses are net of intracompany transfers. Revenues include interest income. Expenses exclude the LCRA Transmission Services Corporation capital charge, which is a capital expense for LCRA consolidated.

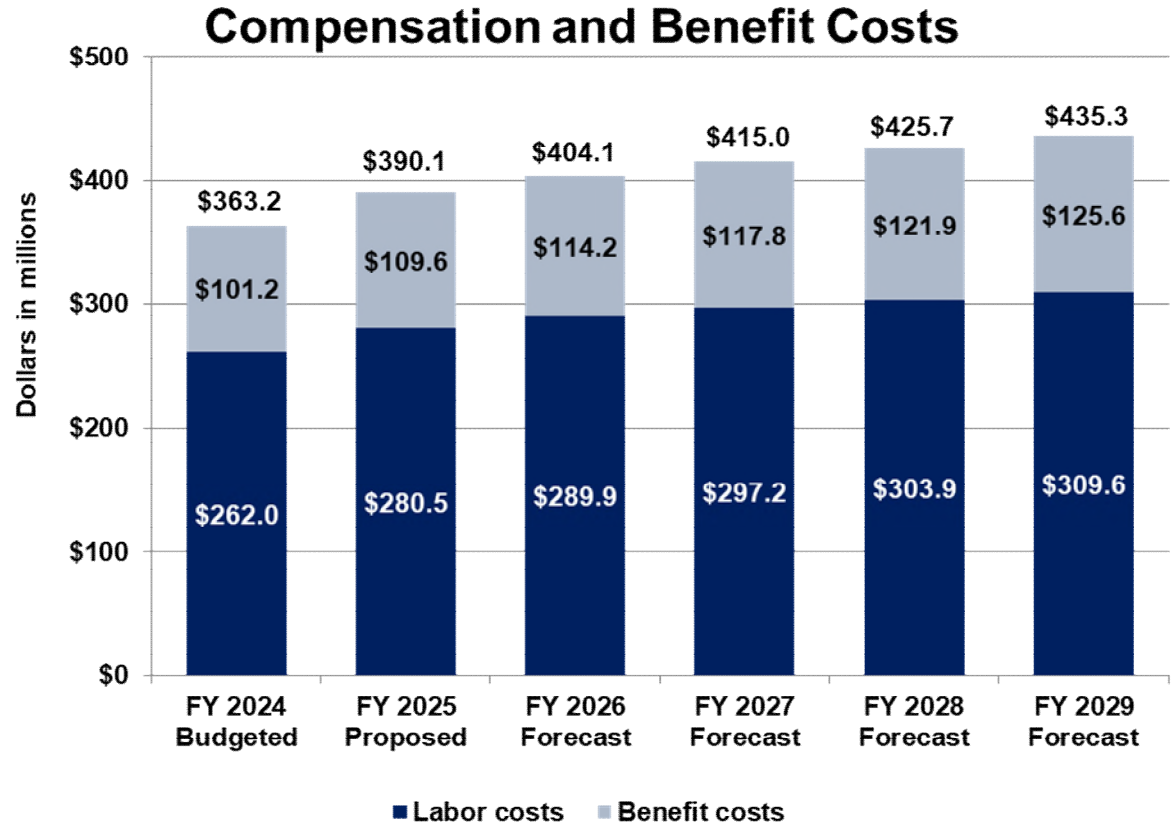
² Includes adjustments related to GenTex Power Corporation capital funding and reserve funding.

Compensation and Benefits

Compensation and benefits are key drivers of LCRA's budget.

- Budgeted positions for FY 2025 are 2,460¹, which is an increase of 87 positions (4%) from the FY 2024 budget.
 - These new positions are to support LCRA business areas as they meet sustained growth in Texas.
 - About half of the new positions will support the expanding Transmission business, while the rest will support all other areas of LCRA.
- FY 2025 compensation and benefit costs will increase by \$26.9 million, reflecting:
 - Position increases discussed above.
 - Base pay increases planned in FY 2025.
 - Maintaining competitive pay in key areas.

¹ Excludes seasonal workers.



- 1.5% base pay increases are planned in FY 2026 through FY 2029.
- LCRA continues to manage benefit costs, which range from 40% to 41.5% of labor costs for the next five years.

Wholesale Power – Financial Summary

Wholesale Power shows continued financial strength.

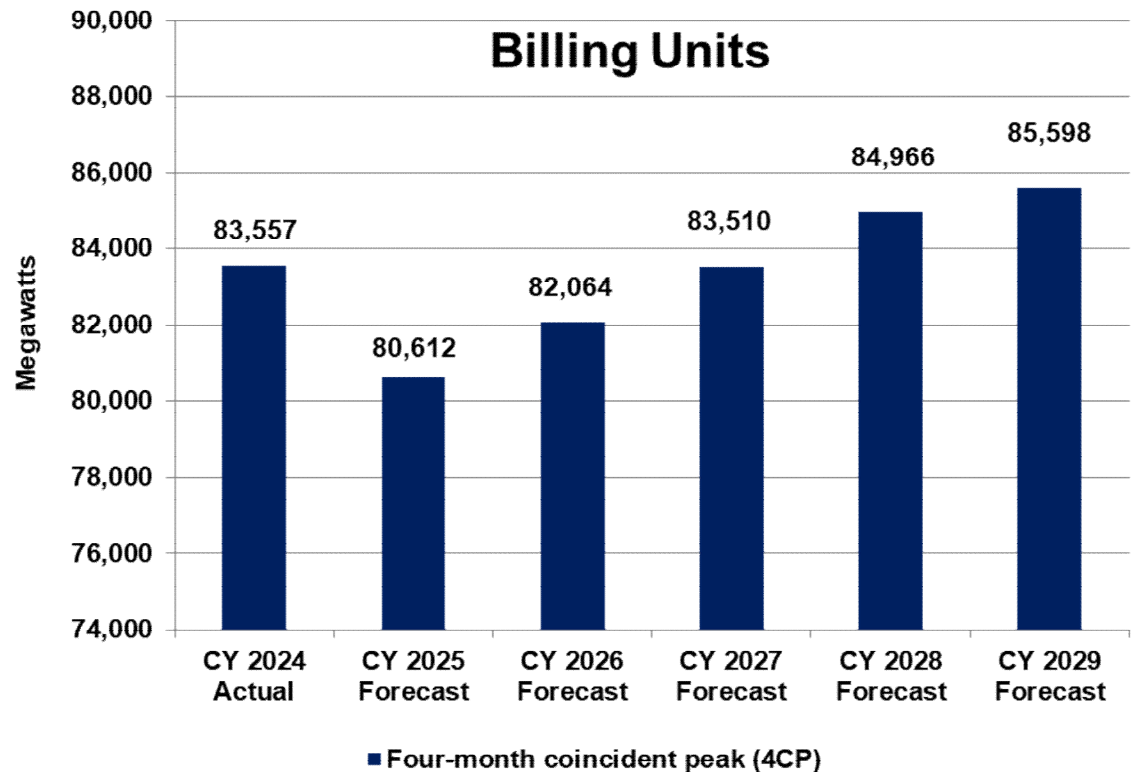
- Debt service coverage is projected to range between 1.28x and 1.36x over the five-year planning horizon.
- Financials remain strong and support our strategic goal to run an effective, cost-aware business.

Confidential competitive electric information has been removed from this version of the document.

LCRA Transmission Services Corporation – Billing Units

LCRA TSC’s billing unit is the four-month coincident peak in the Electric Reliability Council of Texas market.

- 4CP is the average of the peak ERCOT electrical demands (measured in kilowatts) during the months of June, July, August and September of the previous calendar year.
- The Public Utility Commission of Texas approves the average of these four ERCOT system peaks each year to establish a 4CP for the following calendar year.
- 4CP is forecast to grow about 1% to 1.8% per year between calendar years 2025 and 2029 across ERCOT.



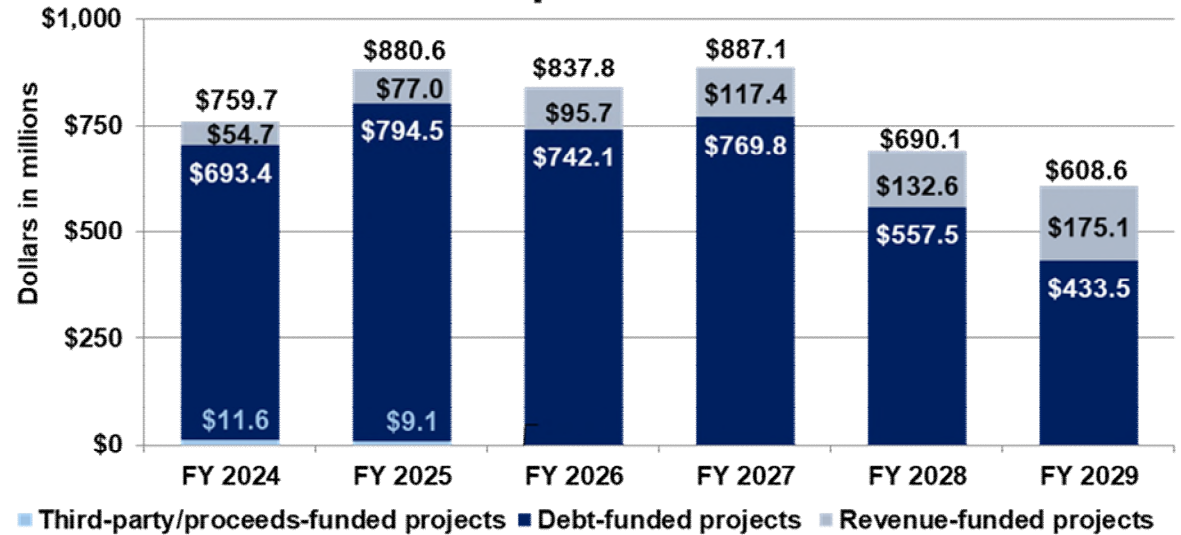
Note: One megawatt equals 1,000 kilowatts.

LCRA TSC – Capital and Rates

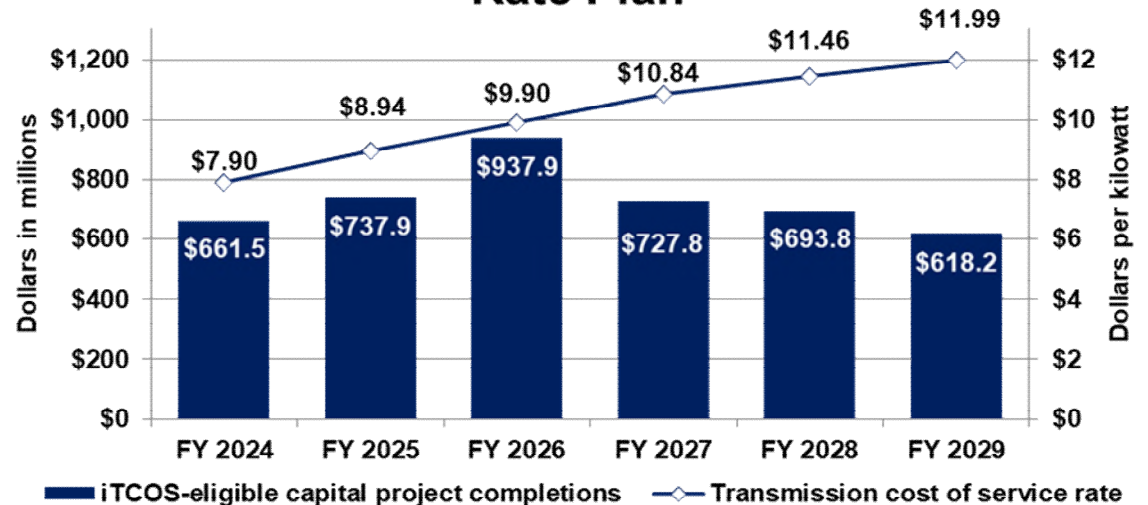
We're growing the transmission system to meet customer needs:

- LCRA TSC plans to invest about \$3.9 billion in capital projects over the five-year planning period to support the needs of the ERCOT and LCRA TSC systems.
- LCRA TSC plans to recover its investment in capital costs for projects that are completed and energized through interim transmission cost of service filings in FY 2025 through FY 2029. Additionally, LCRA TSC filed a TCOS rate case using an FY 2023 test year with new rates going into effect in FY 2025.
- LCRA TSC will continue to recover costs associated with additional projects beyond FY 2025 after they are completed and energized.

Capital Plan



Rate Plan



iTCOS: interim transmission cost of service

LCRA TSC – Financial Summary

- LCRA continues to expand the Transmission organization, adding staff and equipment needed to increase its current capacity to operate and construct facilities for LCRA TSC and provide customer services.

(Dollars in millions)

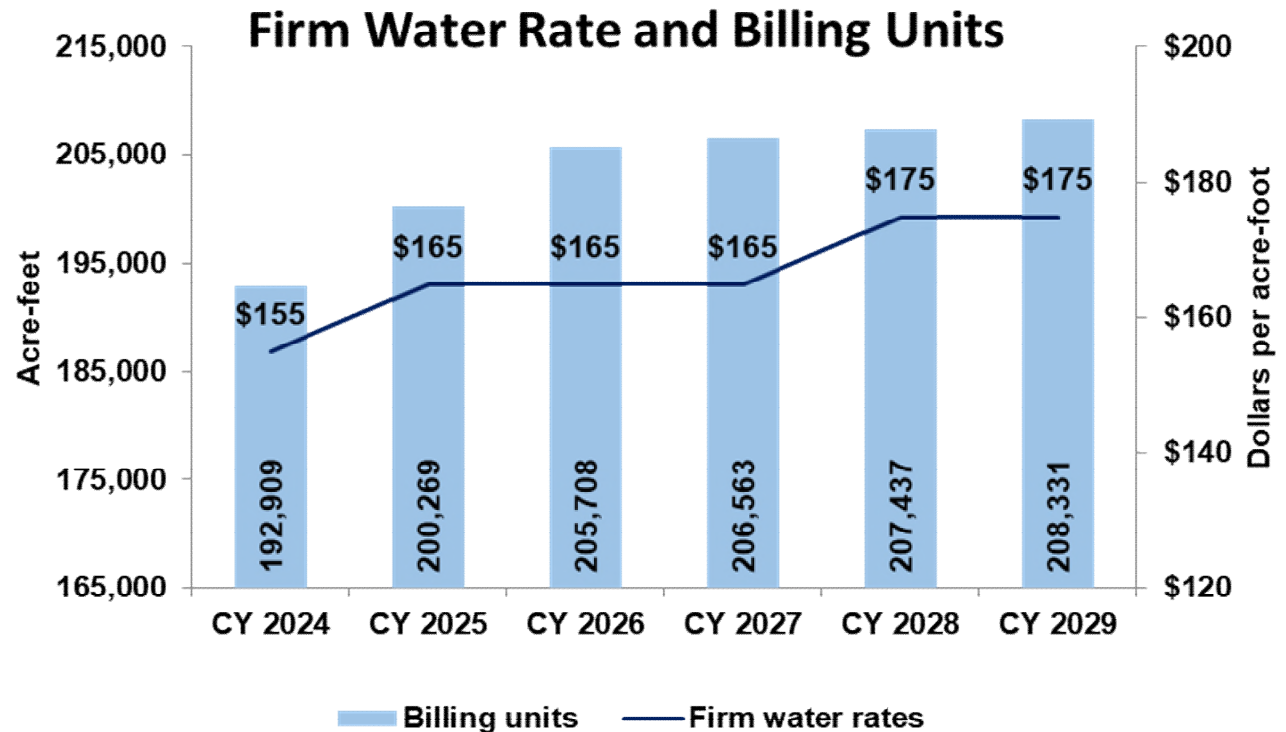
	Budgeted	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$ 622.5	738.3	804.5	896.9	972.2	1,031.7
Operations and Maintenance	156.4	158.7	171.5	179.0	190.3	198.5
Net Operating Margin	466.1	579.6	633.0	717.9	781.9	833.2
Plus: Interest Income	7.0	9.1	9.6	8.4	9.1	9.3
Less: Assigned Enterprise Expense	65.3	78.4	80.5	86.6	92.2	102.0
Public Service Fund	18.7	22.1	24.1	26.9	29.2	31.0
Resource Development Fund	12.4	14.8	16.1	17.9	19.4	20.6
Net Margin Available for Debt Service	376.7	473.4	521.8	594.8	650.3	688.9
Debt Service	\$ 290.6	346.5	385.0	429.2	470.9	495.7
Debt Service Coverage	1.30x	1.37x	1.36x	1.39x	1.38x	1.39x

- LCRA TSC plans to manage costs to maintain its debt service coverage ratios between 1.36x and 1.39x.

Water – Firm Billing Units and Rates

LCRA projects increasing the firm water rate in calendar years 2025 and 2028.

- Billing units are forecast to increase in each calendar year of the five-year planning period.
- The firm water rate is projected to increase from \$155 per acre-foot to \$165 per acre-foot in the January 2025 billing period.
- The firm water rate is projected to increase from \$165 per acre-foot to \$175 per acre-foot in the January 2028 billing period.

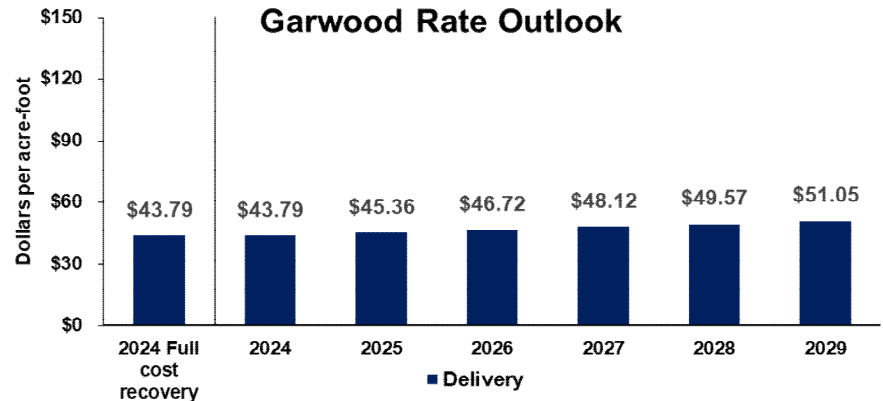
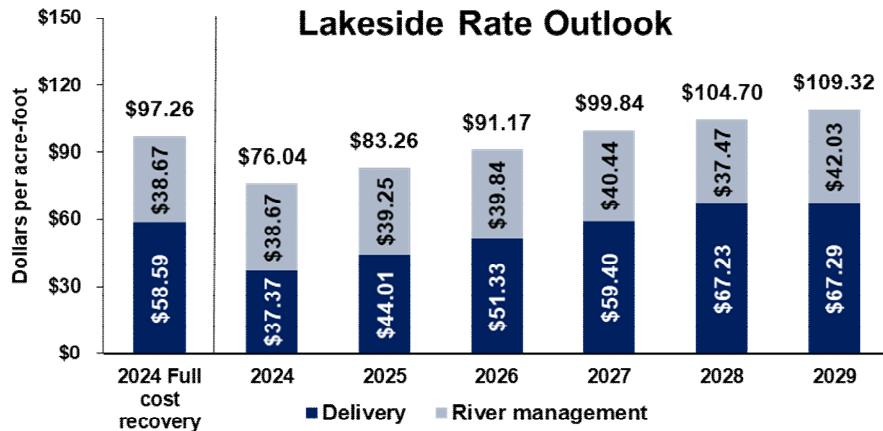
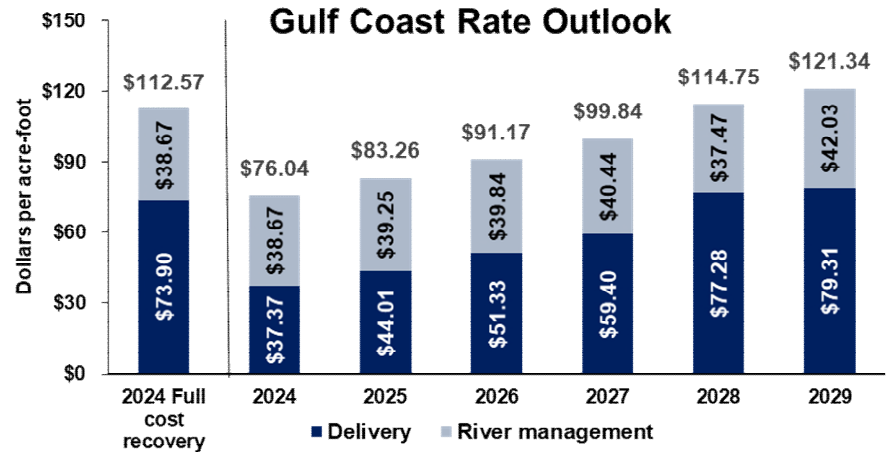


Note: Water supplies managed by LCRA are divided into firm and interruptible water. Firm water is available even during a severe drought. During drought or times of shortage, interruptible water is cut back or cut off. All rates for 2025 and beyond, including firm and interruptible rates, are subject to change based on actual and projected costs and billing units.

Water – Interruptible Rates

Full cost recovery assumes a gradual approach.

- Gulf Coast and Lakeside agricultural divisions are cut off for water deliveries in calendar year 2024. Full water availability is assumed to resume in CY 2025.
- Rates for Gulf Coast and Lakeside are projected to increase to gradually recover the divisions' costs, including river management costs, assuming full water availability. The Garwood Agricultural Division is not subject to river management costs.
- The rates for Gulf Coast and Lakeside for 2025 through 2027 reflect an annual contribution from the Agriculture Reserve Fund. The fund is projected to be depleted by the end of CY 2027. The rate impact of the contributions are reflected in the delivery component of the rate.



Water – Capital

Dam rehabilitation projects:

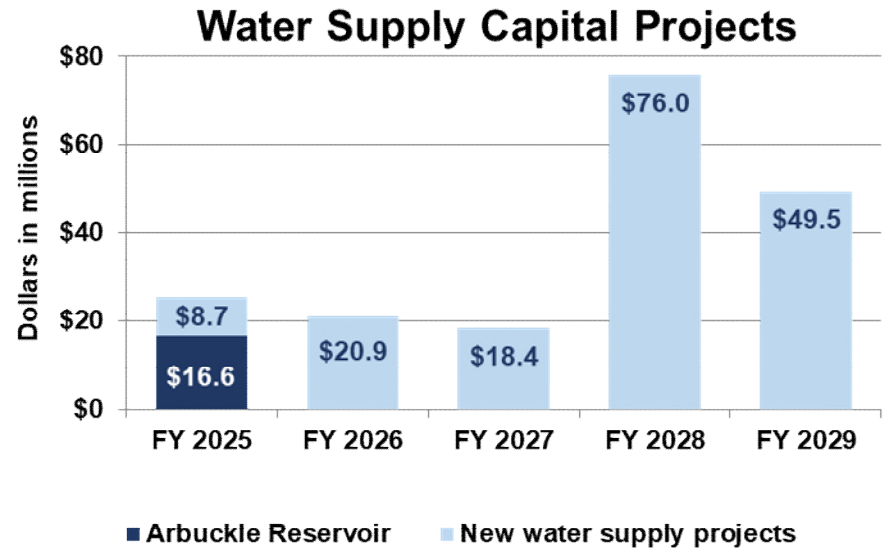
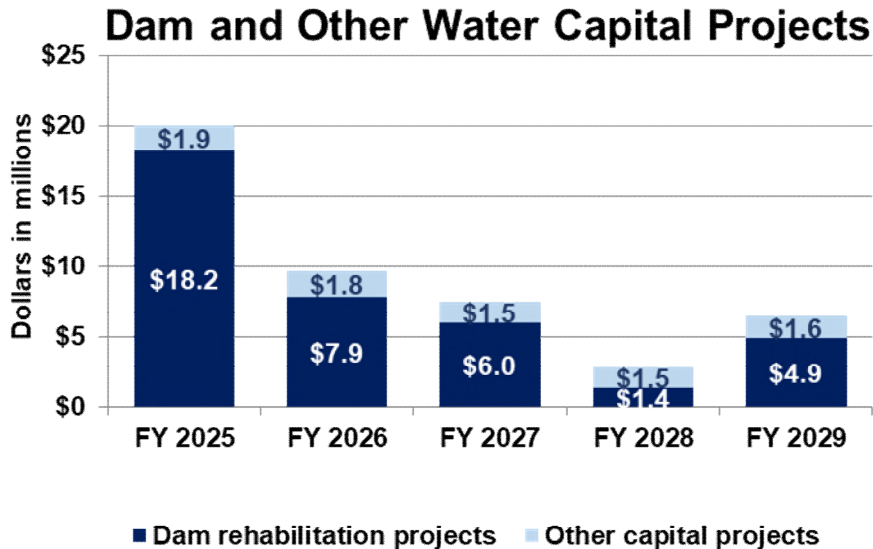
- LCRA plans to invest about \$38 million in dam rehabilitation projects (excluding projects strictly for hydroelectric power facilities) over the next five years for the continued safe and effective operation of the dams. As the projects continue, the costs to rehabilitate the dams could increase. LCRA primarily will issue debt to pay for these projects and recover the costs in the firm water rate.

Other capital projects:

- Other capital projects include capital for irrigation and minor capital needs for Water.

New water supply capital projects:

- Capital spending for Arbuckle Reservoir will continue through fiscal year 2025.
- In addition to investing more than \$16 million in Arbuckle Reservoir in FY 2025, LCRA plans to invest about \$174 million over the next five years for other new water supply projects. LCRA expects to pay for these projects with existing funds or by issuing debt and recovering the costs in the firm water rate.
- LCRA continues to evaluate the timing and funding for the construction phases of future projects.



Water – Financial Summary

We are providing long-term water supply at a low rate.

- The firm rate is projected to increase in the January 2025 and January 2028 billing periods.
- The Gulf Coast and Lakeside agricultural divisions are cut off in calendar year 2024. Full water availability is assumed to resume in CY 2025.
- During FY 2025, Rate Stabilization funds are used to help mitigate the revenue loss from the CY 2024 Gulf Coast and Lakeside cutoff.
- Annual debt service includes the Texas Water Development Board Arbuckle Reservoir debt paid from the Resource Development Fund.

(Dollars in millions)

Revenues

Firm Water
Agriculture
Other

Total Revenues

Operations and Maintenance

Net Operating Margin

Plus: Interest Income
Less: Assigned Enterprise Expense
Public Service Fund
Resource Development Fund

Net Margin Available for Debt Service

Debt Service

Debt Service Coverage

Plus: Resource Development Funding

Debt Service Coverage, Adjusted

	Budgeted	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
\$						
Firm Water	29.5	35.1	34.5	35.0	35.1	35.3
Agriculture	10.5	8.2	11.9	12.7	13.6	14.3
Other	2.1	2.9	3.1	2.9	2.5	2.2
Total Revenues	42.1	46.2	49.4	50.6	51.3	51.8
Operations and Maintenance	19.1	20.7	21.4	20.9	20.8	20.8
Net Operating Margin	23.0	25.5	28.0	29.8	30.4	30.9
Plus: Interest Income	2.3	2.5	2.5	2.0	1.8	1.9
Less: Assigned Enterprise Expense	5.5	7.9	8.4	8.8	6.7	7.8
Public Service Fund	1.2	1.3	1.4	1.4	1.5	1.5
Resource Development Fund	0.6	0.7	0.7	0.7	0.7	0.7
Net Margin Available for Debt Service	17.9	18.1	20.0	20.9	23.5	22.8
Debt Service	\$ 25.9	26.4	26.0	28.4	29.1	30.8
Debt Service Coverage	0.69x	0.69x	0.77x	0.74x	0.81x	0.74x
Plus: Resource Development Funding	\$ 19.0	19.1	18.4	18.4	18.6	18.8
Debt Service Coverage, Adjusted	1.43x	1.41x	1.48x	1.39x	1.44x	1.35x

Public Service Fund

LCRA uses the Public Service Fund on statutory programs that do not fully recover their costs.

- FY 2025 Public Service Fund operating fund requirements include:
 - \$11.7 million for parks.
 - \$6 million for water quality programs.
 - \$3.6 million for natural resource protection.
 - About \$900,000 for water surface management.
- These services provide some revenue but require annual support to cover the costs of operations, Enterprise Support and capital.
- The PSF grants include \$2.1 million annually for the Community Development Partnership Program; \$500,000 annually for the Colorado River Land Trust through FY 2027; and \$250,000 annually for the Colorado River Land Trust for FY 2028-FY 2029.
- Fund sources include contributions from budgeted nonfuel Wholesale Power costs; budgeted LCRA WSC Energy and WSC Energy II net margin; and budgeted revenue from GenTex Power Corporation, LCRA TSC, Water and Strategic Services.

(Dollars in millions)

	Budgeted	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	\$ 6.6	6.5	6.9	7.1	7.3	7.6
Total Operating Expense	27.2	29.1	29.2	30.1	31.2	31.3
Operating Fund Requirement	20.5	22.6	22.3	23.0	23.9	23.7
Capital Spending	2.3	2.7	3.0	2.4	2.1	4.4
Assigned Enterprise Capital	0.4	0.8	0.7	0.8	0.9	0.3
Reserves	0.7	0.5	0.1	0.2	0.3	0.1
Grants	2.6	2.6	2.6	2.6	2.4	2.4
Total Funding Requirement	\$ 26.5	29.2	28.6	29.1	29.5	30.9

(Dollars in millions)

	Budgeted	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Sources						
Public Service Fund						
Wholesale Power	\$ 7.8	8.4	9.2	10.7	10.4	10.5
GenTex Power Corporation	2.0	1.5	2.2	2.1	2.0	2.1
LCRA WSC Energy	0.1	0.1	0.1	0.0	0.0	0.0
WSC Energy II	0.0	0.0	0.0	0.0	0.0	0.0
LCRA TSC	18.7	22.1	24.1	26.9	29.2	31.0
Water	1.2	1.3	1.4	1.4	1.5	1.5
Strategic Services	0.6	0.6	0.6	0.6	0.6	0.7
Subtotal	30.4	34.1	37.6	41.7	43.7	45.7
Uses						
Public Service Activities	26.5	29.2	28.6	29.1	29.5	30.9
Resource Development Fund	1.0	1.0	1.0	1.0	1.0	1.0
Infrastructure Reserve	3.0	4.0	4.0	4.0	4.0	4.0
Strategic Reserve Fund	0.0	0.0	3.9	7.7	9.1	9.8
Subtotal	30.4	34.1	37.6	41.7	43.7	45.7
Remaining in PSF	\$ 0.0	0.0	0.0	0.0	0.0	0.0

Strategic Services

Strategic Services includes external services that people pay LCRA to provide.

- Strategic Services primarily includes:
 - Telecommunications radio sales.
 - Transmission customer service.
 - LCRA Environmental Laboratory Services.

(Dollars in millions)

	Budgeted	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$ 20.4	19.1	21.6	21.5	21.6	22.0
Operations and Maintenance	17.5	14.8	15.0	15.2	15.5	14.9
Net Operating Margin	2.9	4.3	6.5	6.3	6.0	7.1
Less: Assigned Enterprise Expense	3.3	3.4	3.7	3.8	3.8	4.0
Public Service Fund	0.6	0.6	0.6	0.6	0.6	0.7
Resource Development Fund	0.4	0.4	0.4	0.4	0.4	0.4
Net Margin Available	\$ (1.5)	(0.1)	1.8	1.4	1.1	2.1

Enterprise Support

Enterprise Support costs consist of essential functions that support business operations across LCRA.

- Enterprise Support includes: (Dollars in millions)

- Cybersecurity.
- Digital Services.
- Facilities.
- Finance.
- Legal.
- Public Safety.
- Regulatory.
- Telecommunications.
- Others.

Net Enterprise Costs

Cost Assignment

Wholesale Power and Nonprofit Corporations
 LCRA TSC
 Water
 Public Service Fund Activities
 Strategic Services
 Capital/Other

Total

Capital Expenditures

Debt-Funded
 Revenue-Funded
 Third Party or Proceeds-Funded

Total Capital

	Budgeted	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Net Enterprise Costs	\$ 160.5	172.3	183.1	191.3	195.6	202.7
Cost Assignment						
Wholesale Power and Nonprofit Corporations	34.2	36.2	39.5	41.8	42.4	42.3
LCRA TSC	65.3	78.4	80.5	86.6	92.2	102.0
Water	5.5	7.9	8.4	8.8	6.7	7.8
Public Service Fund Activities	4.9	5.4	5.7	5.9	6.0	6.1
Strategic Services	3.3	3.4	3.7	3.8	3.8	4.0
Capital/Other	47.3	41.0	45.3	44.5	44.7	40.5
Total	160.5	172.3	183.1	191.3	195.6	202.7
Capital Expenditures						
Debt-Funded	25.0	9.4	0.0	0.0	0.0	0.0
Revenue-Funded	38.6	55.8	48.7	57.7	61.6	33.0
Third Party or Proceeds-Funded	0.0	5.0	0.0	0.0	0.0	0.0
Total Capital	\$ 63.6	70.1	48.7	57.7	61.6	33.0

- Some costs are direct-charged when specific services are performed for a product line.

- Most other costs are assigned based on a three-factor formula of assets, labor hours and revenue.

LCRA Capital Plan – by Status

- Approval of this capital plan authorizes the initiation of all recommended projects at their individually stated lifetime budgets as shown in the plan.
- Staff may bring future projects individually to the Board for approval after scope and cost estimates have been further refined, and staff includes future projects in this document for financial planning purposes.
- Board approval of this plan also authorizes the proposed \$434.6 million budget for FY 2025 capital spending, which includes \$77.1 million for recommended projects and \$357.5 million for projects the Board approved previously.

FY 2025-FY 2029 Capital Spending for Recommended, Approved and Future Projects

LCRA Total (Excluding LCRA TSC and Including Austin Energy's Share and the City of San Marcos' Share)

(Dollars in millions)

	Budgeted Proposed		Forecast					Five-Year	
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total	Lifetime	
Recommended Projects	\$ 77.1	2.9	0.0	0.0	0.0	0.0	80.0	80.0	
Approved Projects		357.5	145.9	40.7	0.0	0.0	544.1	1,395.3	
Subtotal Recommended and Approved		434.6	148.9	40.7	0.0	0.0	624.1	1,475.3	
Future Projects		0.0	89.2	108.5	177.0	135.1	509.9	546.5	
Total FY 2025 Capital Plan		434.6	238.0	149.2	177.0	135.1	1,134.0	2,021.8	
Less: Co-owners' Shares		4.8	2.2	3.2	7.4	3.9	21.4	21.4	
LCRA's Share		429.8	235.9	146.1	169.6	131.2	1,112.6	2,000.4	

Comparison With Previous Plan

Total FY 2024 Capital Plan (With Co-owners)	413.7	211.1	130.8	108.5	136.5	0.0	1,000.6	1,579.1
Difference*	\$ n/a	223.5	107.2	40.7	40.5	135.1	133.4	442.7

*Difference for five-year total is based on a rolling five-year comparison, i.e., FY 2025-FY 2029 spending from the current plan compared with FY 2024-FY 2028 from the plan the Board approved in May 2023.

LCRA TSC Capital Plan – by Status

- Board approval of this plan authorizes the proposed \$880.6 million budget for FY 2025 capital spending, which includes \$418.9 million for projects the Board approved previously and \$461.7 million of potential future projects.
- Staff will bring future projects individually to the Board or the CEO for approval after scope and cost estimates have been further refined and the budget has been established. Staff includes future projects in this document for financial planning purposes.

FY 2025 Capital Spending for Approved and Future Projects LCRA Transmission Services Corporation

(Dollars in millions)

	Budgeted	Proposed	Forecast				Five-Year Total
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
Approved Projects	\$	418.9	175.0	1.4	0.0	0.0	595.4
Future Projects		461.7	662.8	885.7	690.1	608.6	3,308.9
Total FY 2025 Capital Plan		880.6	837.8	887.1	690.1	608.6	3,904.3

Comparison With Previous Plan

Total FY 2024 Capital Plan	\$	759.7	693.8	580.7	453.0	506.0	0.0	2,993.2
Difference*		n/a	186.7	257.2	434.1	184.1	n/a	911.0

*Difference for five-year total is based on a rolling five-year comparison, i.e., FY 2025-FY 2029 spending from the current plan compared with FY 2024-FY 2028 from the plan the Board approved in May 2023.

LCRA Capital Plan – by Business

- LCRA’s share of the total FY 2025 capital budget for recommended, approved and future projects is \$1.31 billion. About 16% of that amount will be revenue-funded or third-party or proceeds-funded.

(Dollars in millions)

LCRA Capital Expenditures

Revenue-Funded

	Budgeted FY 2024	Proposed FY 2025	Forecast			
			FY 2026	FY 2027	FY 2028	FY 2029
Wholesale Power and Nonprofit Corporations	\$ 26.6	26.4	20.7	24.9	24.2	35.3
LCRA TSC	54.7	77.0	95.7	117.4	132.6	175.1
Water	9.8	8.3	11.2	8.9	9.6	8.0
Enterprise Support	38.6	55.8	48.7	57.7	61.6	33.0
Public Services	2.3	2.7	3.0	2.4	2.1	4.4
Strategic Services	0.0	0.6	0.7	0.8	0.6	0.7
	132.0	170.7	180.1	212.1	230.7	256.6

Debt-Funded

Wholesale Power and Nonprofit Corporations	188.6	261.6	129.4	32.7	-	-
LCRA TSC	693.4	794.5	742.1	769.8	557.5	433.5
Water	87.4	37.0	19.0	16.7	69.0	47.7
Enterprise Support	25.0	9.4	-	-	-	-
Strategic Services	0.3	-	-	-	-	-
	994.6	1,102.4	890.6	819.1	626.5	481.2

Third-Party/Proceeds-Funded

Wholesale Power and Nonprofit Corporations	30.5	21.3	2.3	-	-	-
LCRA TSC	11.6	9.1	-	-	-	-
Water	0.1	-	0.3	0.3	0.3	0.3
Enterprise Support	-	5.0	-	-	-	-
Public Services	2.2	1.4	0.3	1.5	2.0	1.6
Strategic Services	-	0.4	0.2	0.2	0.2	0.2
	44.4	37.2	3.1	2.0	2.5	2.1

Total LCRA Capital

	\$ 1,171.0	1,310.3	1,073.7	1,033.2	859.7	739.8
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- LCRA is using previously reserved funds to fund and accelerate certain critical infrastructure capital projects throughout the organization.

LCRA Capital Plan – Approach

Capital Planning Approach

LCRA includes projects in the capital plan with the goal of ensuring LCRA can continue to offer its customers energy, water and public services in a reliable, competitively priced, environmentally responsible and safe manner. Each project undergoes a thorough review by LCRA's Asset Management work group and other staff members who separate the projects into three categories: recommended (projects management has reviewed and recommended for Board approval); approved (projects the Board approved previously); and future (projects staff may recommend implementing within the next five years).

Staff does not submit future projects for Board approval until scope and cost estimates have been further refined, but includes them in this document for financial planning purposes. The cost and timing of future projects presented in this document could change. For this reason, LCRA continues planning activities throughout the year and updates the plan as necessary.

Determining Need and Financial Analysis

Capital plan projects must support the goals of the business plan within financial parameters established by LCRA's Board and chief financial officer.

LCRA includes projects based on multiple factors, such as current and anticipated demand for LCRA's services and the need to maintain or build facilities or infrastructure to meet those demands. Other factors include compliance with applicable state and federal regulations, safety and security needs, the potential for increased revenues, and better management and protection of natural resources.

Staff has reviewed and analyzed the recommended projects and the projects for which LCRA plans to seek approval during the fiscal year. The project criteria may vary, but typically will involve either a payback period test, net present value analysis or other analyses to ensure the project is the most cost-effective approach. Executive management reviews each project to ensure the project warrants funding and inclusion in the capital plan. When appropriate, affected customers and stakeholders have the opportunity to review and comment on the proposed project scope and budget.

LCRA Capital Plan – Approach (Continued)

Developing Project Estimates

LCRA staff develops project cost estimates. An estimate's accuracy is based on identifying the work and resources necessary to complete the project objectives. Cost estimates are revised and become more accurate as more information regarding the scope and deliverables is available.

The capital planning cycle involves these steps:

- Developing and refining a list of business needs based on planning criteria and asset owner input.
- Defining the scope and approach necessary to address those needs.
- Obtaining cost estimates and performing business analyses to establish a proposed project budget and to evaluate affordability, economic viability, portfolio prioritization and risk.
- Seeking approval of the capital plan to validate strategic direction, establish lifetime and fiscal year budgets, and allow business planning for the future.

LCRA may recommend or seek approval of some projects using less-refined cost estimates because of the timing in determining the specific technology that would be implemented. Projects recommended that have less-refined cost estimates are noted in the project description.

Project Prioritization

LCRA reviews and prioritizes its projects based on criteria that include safety, cost, reliability, competitiveness, environmental considerations and other factors. The appropriate executive reviews staff recommendations.

Projects that are essential to ensure the continued reliable and cost-effective delivery of LCRA services, concern public safety or limit interruption of services receive the highest priority. LCRA also assigns higher priority to projects with regulatory issues that may result in substantial financial impacts for noncompliance, projects already in progress that have a substantial cost to stop, and projects with contractual requirements that could have substantial financial impacts to LCRA.

LCRA Capital Plan – Approach (Continued)

Project Approval and Monitoring

LCRA brings each recommended capital project for the next fiscal year to the LCRA Board for approval with this plan. Board approval authorizes the release of funds to execute the identified projects. However, executives may authorize funding in stages or all at once for the entire project. Staff may bring future projects individually to the Board for approval throughout the fiscal year.

For any project not previously authorized by the LCRA Board or LCRA TSC Board, Board policies 301 and T301 delegate to the CEO the authority to approve any capital project with a lifetime budget not to exceed \$1.5 million. Board Policy T301 also gives the CEO delegated authority to approve all capital projects associated with generation interconnection projects not previously authorized by the Board, in each case only after the generator has provided appropriate financial security to LCRA TSC for its expenses. Staff will communicate any CEO-approved projects to the LCRA Board and LCRA TSC Board on a quarterly basis.

Board policies 301 and T301 give the CEO the ability to approve additional funding for an approved capital project that is expected to exceed its lifetime budget, so long as such additional funding does not cause total capital expenditures to exceed the approved capital plan or materially adversely impact business planning assumptions.

Project Management staff provides to LCRA's executives quarterly capital project status reports on approved projects. Reports include cost variances, estimated completion dates, comparisons of work completed to budget spent, fiscal year spending forecasts and project estimates at completion compared with the current capital plan. The reports also highlight any significant changes to the capital program, including project cancellations, delays and budget-to-actual expenditures.

LCRA Capital Plan – Approach (Continued)

Capital Plan Approval and Reporting

LCRA Board approval of this capital plan authorizes the initiation of all recommended projects at their individually stated lifetime budgets. These recommended projects include annual budgets for general additions and minor capital. General additions are small capital additions or replacement projects that do not exceed \$500,000. Minor capital budgets are used to fund purchases of equipment that, essentially, is ready to place in service upon delivery, such as fleet assets or technology hardware.

Board approval of this plan also authorizes the proposed \$1.32 billion budget for FY 2025 capital spending for recommended, approved and potential future projects. At this time, LCRA is not seeking Board approval for future projects. LCRA will bring any future project determined to require initiation in FY 2025 to the Board for approval as required.

LCRA incorporates spending projections in the capital plan into the financial performance and rate impacts shown in the business plan. Upon approval and throughout FY 2025, LCRA will provide to the Board regular reports on project progress and compliance with the project budgets and fiscal year spending constraints established in the plan.

The following pages include specific project details and proposed lifetime budgets for recommended projects, as well as annual spending projections for approved and future projects.

Note: The dollar amounts in parentheses after the project titles reflect lifetime budgets.

Wholesale Power Projects

Information about Wholesale Power capital projects included in the capital plan is considered confidential and has been removed from this version of the document.

Transmission Projects

Approved and potential future Transmission projects total \$880.6 million in FY 2025 and total \$3.9 billion over the next five years. Staff will bring potential future projects individually to the Board or the CEO for approval throughout the fiscal year. LCRA TSC projects are required to meet anticipated electric load growth and electric load additions, operating constraints and long-term reliability criteria addressing transmission and transformation needs, as well as reliability of service and equipment reliability limitations, and safety and environmental issues.

To assist in aligning the various goals and associated requirements listed above, the projects are organized in the following categories:

- **General addition projects** are primarily smaller construction projects that maintain electric transmission infrastructure and reliability.
- **Generator interconnection projects** are necessary to facilitate generator interconnections requested by participants in the ERCOT market.
- **Minor capital projects** are primarily for the acquisition of equipment that supports electric transmission needs and, generally, is ready to place in service upon delivery.
- **Service reliability projects** are driven by equipment obsolescence, operational improvements or transmission service reliability needs.
- **System capacity projects** are needed to provide new or increased transmission system capacity.
- **Third-party funded projects** are not driven by utility criteria; instead, external parties that will contribute a substantial portion of the project cost request the projects.

Transmission Projects (Continued)

There are 64 approved projects with expected spending of \$418.9 million in FY 2025. See the appendix for details on LCRA TSC approved projects. This expected spending is categorized below.

LCRA Transmission Services Corporation FY 2025 Capital Plan Approved Projects

(Dollars in millions)

Planning Category	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Five-Year Total
Generator Interconnection Projects	\$ 40.4	0.0	-	-	-	40.5
Service Reliability Projects	216.6	19.3	-	-	-	235.9
System Capacity Projects	161.8	155.7	1.4	-	-	318.9
Third-Party Funded Projects	0.1	-	-	-	-	0.1
Approved Subtotal	\$ 418.9	175.0	1.4	-	-	595.4

Transmission Projects (Continued)

Staff continues to evaluate potential projects totaling about \$3.3 billion of expected spending over the next five years. Staff will bring these projects individually to the Board or LCRA Transmission Services Corporation CEO for approval throughout the fiscal year. This spending is categorized below.

LCRA Transmission Services Corporation FY 2025 Capital Plan Future Projects

(Dollars in millions)

Planning Category	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Five-Year Total
General Addition Projects	\$ 8.0	8.0	8.0	8.0	8.0	40.0
Generator Interconnection Projects	30.0	30.0	30.0	30.0	30.0	150.0
Minor Capital Projects	0.3	0.3	0.3	0.3	0.3	1.5
Service Reliability Projects	266.6	335.0	468.0	423.5	345.0	1,838.1
System Capacity Projects	147.8	289.5	379.4	228.3	225.3	1,270.3
Third-Party Funded Projects	9.0	-	-	-	-	9.0
Future Subtotal	\$ 461.7	662.8	885.7	690.1	608.6	3,308.9

Transmission Projects (Continued)

Spending for approved and potential future projects totaling about \$3.9 billion over the next five years is categorized below.

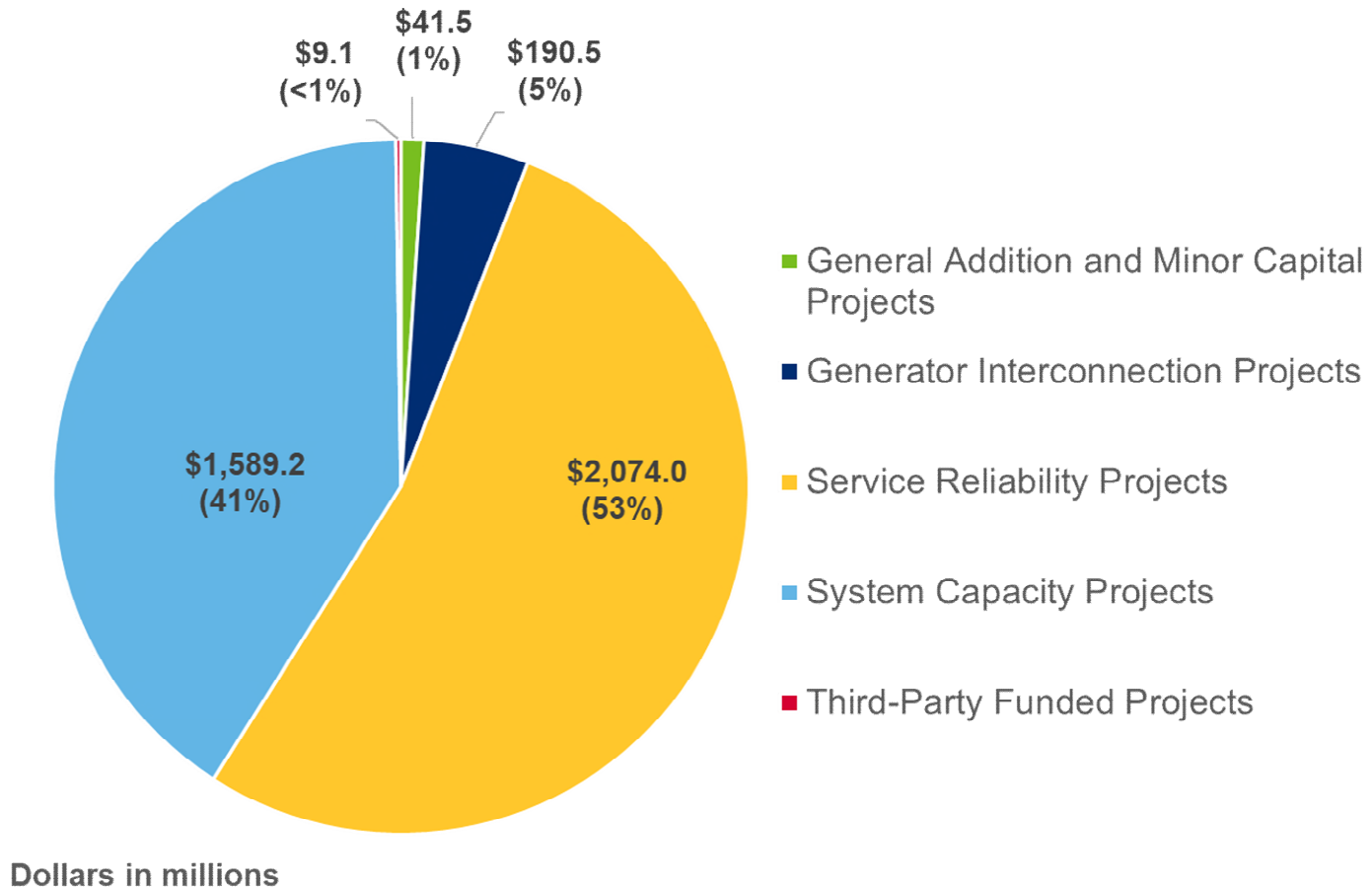
LCRA Transmission Services Corporation FY 2025 Capital Plan Approved and Future Projects

(Dollars in millions)

Planning Category	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Five-Year Total
General Addition Projects	\$ 8.0	8.0	8.0	8.0	8.0	40.0
Generator Interconnection Projects	70.4	30.0	30.0	30.0	30.0	190.5
Minor Capital Projects	0.3	0.3	0.3	0.3	0.3	1.5
Service Reliability Projects	483.2	354.3	468.0	423.5	345.0	2,074.0
System Capacity Projects	309.6	445.2	380.8	228.3	225.3	1,589.2
Third-Party Funded Projects	9.1	-	-	-	-	9.1
Total LCRA Transmission Services Corporation	\$ 880.6	837.8	887.1	690.1	608.6	3,904.3

Transmission Projects (Continued)

Total spending on Transmission approved and potential future capital projects is expected to be about \$3.9 billion over the next five years. This spending is categorized below.



Note: Details of the approved projects are shown in the appendix.

Water Projects

Water projects in the capital plan include capital improvements for managing and delivering raw water. This plan focuses resources on managing the river, improving infrastructure – including LCRA’s Hydromet system – and planning to meet the basin’s future water needs.

Recommended and approved Water projects total \$45.3 million in FY 2025 and total \$67.4 million over the next five years through FY 2029. Future projects total \$169.1 million through FY 2029.

FY 2025 Recommended Projects

General Additions – General addition projects will maintain infrastructure and improve reliability and safety for the following:

- Hydromet (\$100,000).
- Irrigation systems (\$580,000).
- Raw water (\$780,000).

Minor Capital – The scope of minor capital projects is to purchase equipment that, essentially, is ready to place in service upon delivery for the following:

- Hydromet (\$25,000).
- Irrigation systems (\$365,000).
- Raw water (\$10,000).

Water Projects (Continued)

Water

FY 2025 Capital Plan Recommended and Approved Projects

(Dollars in thousands)

Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Five-Year Total	Lifetime
Recommended							
General Additions – Hydromet	100	-	-	-	-	100	100
General Additions – Irrigation Systems	580	-	-	-	-	580	580
General Additions – Raw Water	780	-	-	-	-	780	780
Minor Capital – Hydromet	25	-	-	-	-	25	25
Minor Capital – Irrigation Systems	365	-	-	-	-	365	365
Minor Capital – Raw Water	10	-	-	-	-	10	10
Recommended Subtotal	1,860	-	-	-	-	1,860	1,860
Approved							
Arbuckle Reservoir	16,561	-	-	-	-	16,561	456,000
Buchanan Dam Spalling Concrete Rehabilitation – Phase 3	7,014	7,263	4,626	-	-	18,903	36,000
Griffith League Ranch Groundwater	2,792	-	-	-	-	2,792	8,500
Lake Bastrop Water	3,501	3,500	1,600	-	-	8,601	9,400
Lane City Dam Rehabilitation and Hurricane Harvey Recovery	10,435	-	-	-	-	10,435	13,760
Mansfield Dam Paradox Gate Rehabilitation – Phase 2	703	-	-	-	-	703	10,416
Matagorda Bay Brackish Groundwater Well	1,475	2,600	900	-	-	4,975	5,000
New Regional Water Supply Projects – Phase 1	935	827	854	-	-	2,616	6,179
Approved Subtotal	43,416	14,190	7,980	-	-	65,586	545,255

Water Projects (Continued)

Water

FY 2025 Capital Plan Future Projects

(Dollars in thousands)

Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Five-Year Total	Lifetime
Future							
Buchanan Dam Seven-Gate Section Spillway Improvements – Phase 2	-	-	-	-	2,500	2,500	5,000
General Additions – Hydromet	-	100	100	100	100	400	400
General Additions – Irrigation Systems	-	310	310	310	310	1,240	1,240
General Additions – Raw Water	-	200	200	150	300	850	850
Griffith League Ranch Groundwater – Phase 2	-	14,000	14,000	-	-	28,000	28,000
Griffith League Ranch Groundwater – Phase 3	-	-	-	12,500	12,500	25,000	25,000
Lake Bastrop Water (Future)	-	-	1,000	57,500	27,000	85,500	85,500
Lakeside Main Canal Gate Automation	-	300	300	300	300	1,200	1,500
Mansfield Dam Flood Conduit Recoating	-	-	-	200	200	400	1,200
Mansfield Dam Floodgate Hydraulic Piping	-	-	800	-	-	800	800
Mansfield Dam Spillway Spalling	-	-	-	-	1,000	1,000	1,000
Mansfield Dam Upstream Ring Follower Gates Rehabilitation	-	600	600	-	-	1,200	1,200
Mansfield Dam Upstream Ring Follower Gates Rehabilitation (Future)	-	-	-	1,200	1,200	2,400	12,000
Minor Capital – Hydromet	-	150	55	100	30	335	335
Minor Capital – Irrigation Systems	-	695	500	435	520	2,150	2,150
Minor Capital – Raw Water	-	10	10	75	10	105	105
New Regional Water Supply Projects – Phase 2	-	-	-	6,000	10,000	16,000	26,300
Future Subtotal	-	16,365	17,875	78,870	55,970	169,080	192,580
Total Water	45,276	30,555	25,855	78,870	55,970	236,526	739,695

Public Services Projects

Legislative authority and LCRA's Board provide direction for LCRA staff to develop and manage parks, recreation facilities and natural science centers in LCRA's statutory district, providing public recreation and water access along the lower Colorado River and its tributaries and at LCRA's power plant reservoirs. LCRA's park system includes more than 40 parks on roughly 11,000 acres. The parks enhance the public's use and enjoyment of LCRA lands and provide diverse outdoor recreation and education opportunities.

LCRA's public service funding aims to keep pace with the growing Texas population and expected increase in park visitation, protect natural resources and water quality along the Colorado River, and develop facilities that help achieve LCRA's cost-recovery goals for parks. As part of this development, staff seeks approval of using the Public Recreation and Conservation Land Acquisition Fund to fund a capital project in the first year of the plan and will seek additional funding in future years as needed.

Recommended and approved Public Services projects total \$4.1 million in FY 2025 and over the next five years through FY 2029. Future projects total \$17.2 million through FY 2029.

FY 2025 Recommended Projects

Matagorda Bay Maintenance Facility (\$850,000) – The project scope will replace a metal maintenance barn with a new, pre-engineered metal building. The existing structure is more than 20 years old and shows significant signs of decay and rust. The new building will be able to withstand the coastal environment and protect LCRA's assets used to maintain the park. Staff also requests approval to fund \$425,000 of the \$850,000 lifetime budget through the Public Recreation and Conservation Land Acquisition Fund.

Public Services Projects (Continued)

FY 2025 Recommended Projects (Continued)

General Additions – General addition projects will maintain infrastructure and make strategic improvements to enhance customer service in the following area:

- Parks (\$255,000).

Minor Capital – The scope of minor capital projects is to purchase equipment that, essentially, is ready to place in service upon delivery for the following:

- Parks (\$455,000).
- Other Public Services (\$435,000).

Public Services Projects (Continued)

Public Services

FY 2025 Capital Plan Recommended, Approved and Future Projects

(Dollars in thousands)

Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Five-Year Total	Lifetime
Recommended							
Parks							
General Additions	255	-	-	-	-	255	255
Matagorda Bay Maintenance Facility	850	-	-	-	-	850	850
Minor Capital	455	-	-	-	-	455	455
Other Public Services							
Minor Capital	435	-	-	-	-	435	435
Recommended Subtotal	1,995	-	-	-	-	1,995	1,995
Approved							
Parks							
Black Rock Park Improvements	2,109	-	-	-	-	2,109	5,600
Approved Subtotal	2,109	-	-	-	-	2,109	5,600
Future							
Parks							
General Additions	-	284	150	150	430	1,014	1,014
Grelle Recreation Area Improvements	-	-	-	700	2,300	3,000	3,000
Lake Bastrop Boat Ramp	-	-	-	2,000	1,500	3,500	3,500
Minor Capital	-	465	1,355	975	1,310	4,105	4,105
South Shore Park Improvements	-	1,670	1,800	-	-	3,470	3,470
Other Public Services							
Minor Capital	-	785	600	265	455	2,105	2,105
Future Subtotal	-	3,204	3,905	4,090	5,995	17,194	17,194
Total Public Services	4,104	3,204	3,905	4,090	5,995	21,298	24,789

Strategic Services Projects

Recommended Strategic Services projects total \$965,000 in FY 2025 and over the next five years through FY 2029. Future projects total \$3.5 million through FY 2029.

FY 2025 Recommended Projects

General Additions – General addition projects will maintain infrastructure and make strategic improvements to enhance customer service in the following areas:

- LCRA Environmental Laboratory Services (\$350,000).
- Telecommunications (\$250,000).

Minor Capital – The scope of minor capital projects is to purchase equipment that, essentially, is ready to place in service upon delivery for the following:

- LCRA Environmental Laboratory Services (\$365,000).

Strategic Services Projects (Continued)

Strategic Services

FY 2025 Capital Plan Recommended and Future Projects

(Dollars in thousands)

Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Five-Year Total	Lifetime
Recommended							
LCRA Environmental Laboratory Services							
General Additions	350	-	-	-	-	350	350
Minor Capital	365	-	-	-	-	365	365
Telecommunications							
General Additions	250	-	-	-	-	250	250
Recommended Subtotal	965	-	-	-	-	965	965
Future							
LCRA Environmental Laboratory Services							
General Additions	-	200	150	150	150	650	650
Minor Capital	-	495	520	385	465	1,865	1,865
Telecommunications							
General Additions	-	250	250	250	250	1,000	1,000
Future Subtotal	-	945	920	785	865	3,515	3,515
Total Strategic Services	965	945	920	785	865	4,480	4,480

Enterprise Support Projects

Enterprise Support capital projects provide the facility services, telecommunications and information technology infrastructure that support the business operations of the organization. LCRA's power, transmission and water rates fund the projects, which makes predicting costs to include in LCRA's rates especially important. Unless an emergency arises, LCRA adjusts Enterprise Support priorities throughout the year to stay within the approved capital plan budget for each fiscal year instead of seeking additional funding authority from the Board.

Recommended and approved Enterprise Support projects total \$70.2 million in FY 2025 and total \$71.3 million over the next five years through FY 2029. Future projects total \$200.1 million through FY 2029.

FY 2025 Recommended Projects

Communications Shelter Addition – FY 2025 Telecommunications Upgrade (\$2.55 million) – The project scope is to install communications shelters, fiber patch panels, power supply equipment and generators at five fiber backbone facilities. The project will increase the reliability and flexibility of LCRA's telecommunications system and make the system easier to maintain.

Corporate Unified Computing System Expansion (\$600,000) – The project scope is to replace server infrastructure at the General Office Complex and Dalchau Service Center data centers, continuing an FY 2024 effort. The existing hardware has been in service for eight years and has reached its end of life.

DWDM Build-out – FY 2025 Telecommunications Upgrade (\$720,000) – The project scope is to improve telecommunication system capacity and reliability by expanding the dense wavelength division multiplexing system to two sites. The equipment will provide increased bandwidth across the fiber backbone and provide alternate circuit paths for telecommunications traffic.

Jack Martin Conference Center (\$740,000) – The project scope is to replace the Jack Martin Conference Center. Storms in 2023 damaged the 1930s structure, and this project will replace the building and upgrade the site to meet modern technology and code standards. The new facility will be about 2,600 square feet and will include a meeting space that accommodates 32 people and associated parking. The project also will increase security at the facility.

Enterprise Support Projects (Continued)

FY 2025 Recommended Projects (Continued)

LTE Core (\$10.74 million) – The project scope is to install a primary and backup long-term evolution evolved packet core to enable the transition from LCRA’s existing 900-megahertz OpenSky radio network to a new, private LTE network. The core consists of hardware and software that allow system operators to manage data routing, users and security.

NetApp Hardware Refresh (\$850,000) – The project scope is to replace storage infrastructure at the General Office Complex and Dalchau Service Center data centers. The existing hardware has been in service for five years and has reached its end of life. The project scope also includes increasing storage capacity to meet business needs.

Network Stratification – FY 2025 Telecommunications Upgrade (\$780,000) – The project scope is to improve the reliability and operational efficiency of LCRA’s telecommunications system and make it easier to maintain by separating the business unit traffic for Transmission and Wholesale Power at key locations in the LCRA network.

Radio Subscriber – FY 2025 Telecommunications Upgrade (\$910,000) – The project scope is to procure and deploy new long-term evolution radio devices that are compatible with LCRA’s new, private LTE network.

Radio System Migration – FY 2025 Telecommunications Upgrade (\$6.2 million) – The project scope is to install radio access network equipment at new long-term evolution sites to enable the transition from LCRA’s 900-megahertz OpenSky radio network to a new, private LTE network. The equipment includes antennas and radios that are installed on towers, as well as baseband units that connect users to the LTE network.

University of Texas Fiber Backbone Replacement (\$1.57 million) – The project scope is to expand the LCRA dense wavelength division multiplexing fiber optic system between Austin and Houston to replace an existing route The University of Texas is retiring.

Enterprise Support Projects (Continued)

FY 2025 Recommended Projects (Continued)

General Additions – General addition projects will maintain infrastructure and improve reliability and safety for the following:

- Digital Services (\$1 million).
- Facilities (\$1.715 million).
- Public Safety (\$135,000).
- Telecommunications (\$4.22 million).

Minor Capital – The scope of minor capital projects is to purchase equipment that, essentially, is ready to place in service upon delivery for the following:

- Cybersecurity (\$685,000).
- Digital Services (\$805,000).
- Facilities (\$780,000).
- Public Safety (\$855,000).
- Telecommunications (\$1.145 million).
- Transmission support (\$18 million).

Enterprise Support Projects (Continued)

Enterprise Support

FY 2025 Capital Plan Recommended Projects

(Dollars in thousands)

Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Five-Year	
						Total	Lifetime
Recommended							
Cybersecurity							
Minor Capital	685	-	-	-	-	685	685
Digital Services							
Corporate Unified Computing System Expansion	600	-	-	-	-	600	600
General Additions	1,000	-	-	-	-	1,000	1,000
Minor Capital	805	-	-	-	-	805	805
NetApp Hardware Refresh	850	-	-	-	-	850	850
Facilities							
General Additions	1,715	-	-	-	-	1,715	1,715
Jack Martin Conference Center	300	440	-	-	-	740	740
Minor Capital	780	-	-	-	-	780	780
Public Safety							
General Additions	135	-	-	-	-	135	135
Minor Capital	855	-	-	-	-	855	855
Telecommunications							
Communications Shelter Addition – FY 2025 Telecommunications Upgrade	2,550	-	-	-	-	2,550	2,550
DWDM Build-out – FY 2025 Telecommunications Upgrade	720	-	-	-	-	720	720
General Additions	4,220	-	-	-	-	4,220	4,220
LTE Core	10,740	-	-	-	-	10,740	10,740
Minor Capital	1,145	-	-	-	-	1,145	1,145
Network Stratification – FY 2025 Telecommunications Upgrade	780	-	-	-	-	780	780
Radio Subscriber – FY 2025 Telecommunications Upgrade	220	690	-	-	-	910	910
Radio System Migration – FY 2025 Telecommunications Upgrade	6,200	-	-	-	-	6,200	6,200
University of Texas Fiber Backbone Replacement	1,570	-	-	-	-	1,570	1,570
Transmission Support							
Minor Capital	18,000	-	-	-	-	18,000	18,000
Recommended Subtotal	53,870	1,130	-	-	-	55,000	55,000

Enterprise Support Projects (Continued)

Enterprise Support

FY 2025 Capital Plan Approved and Future Projects

(Dollars in thousands)

Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Five-Year Total	Lifetime
Approved							
Digital Services							
Core Switch Upgrade	10	-	-	-	-	10	500
Edge Network Upgrade	15	-	-	-	-	15	3,500
Enterprise HyperFlex Replacement	30	-	-	-	-	30	775
Network Architecture Security	246	-	-	-	-	246	3,900
Telecommunications							
Communications Shelter Addition – FY 2024 Telecommunications Upgrade	10	-	-	-	-	10	2,400
Llano Network Telecommunications Upgrade	550	-	-	-	-	550	1,210
Radio System Core Telecommunications Upgrade	1,042	-	-	-	-	1,042	2,050
Telecommunications Technology – FY 2023 System Upgrade	14,389	-	-	-	-	14,389	30,000
Approved Subtotal	16,292	-	-	-	-	16,292	44,335
Future							
Cybersecurity							
Minor Capital	-	265	265	265	265	1,060	1,060
Digital Services							
Digital Services Infrastructure	-	1,500	1,250	2,000	2,000	6,750	6,750
General Additions	-	1,000	1,000	1,000	1,000	4,000	4,000
Load Balancer Refresh	-	-	750	-	-	750	750
Minor Capital	-	805	805	805	805	3,220	3,220
Virtual Private Network	-	500	-	-	-	500	500

Enterprise Support Projects (Continued)

Enterprise Support

FY 2025 Capital Plan Future Projects

(Dollars in thousands)

Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Five-Year	
						Total	Lifetime
Future (continued)							
Facilities							
General Additions	-	765	725	550	250	2,290	2,290
General Office Complex Building Automation	-	800	-	-	-	800	800
General Office Complex Main Chillers 1 and 2 Upgrades	-	200	600	600	-	1,400	1,400
General Office Complex Plant Cooling System	-	-	-	-	1,100	1,100	1,100
Minor Capital	-	445	790	555	530	2,320	2,320
Public Safety							
General Additions	-	50	50	50	50	200	200
Minor Capital	-	795	565	1,050	230	2,640	2,640
Telecommunications							
Communications Shelter Addition – FY 2026 Telecommunications Upgrade	-	2,300	-	-	-	2,300	2,300
Communications Shelter Addition – FY 2027 Telecommunications Upgrade	-	-	2,300	-	-	2,300	2,300
Communications Shelter Addition – FY 2028 Telecommunications Upgrade	-	-	-	2,300	-	2,300	2,300
Communications Shelter Addition – FY 2029 Telecommunications Upgrade	-	-	-	-	2,300	2,300	2,300
DWDM Build-out – FY 2026 Telecommunications Upgrade	-	700	-	-	-	700	700
DWDM Build-out – FY 2027 Telecommunications Upgrade	-	-	700	-	-	700	700
DWDM Build-out – FY 2028 Telecommunications Upgrade	-	-	-	700	-	700	700
DWDM Build-out – FY 2029 Telecommunications Upgrade	-	-	-	-	700	700	700
Far West Radio Telecommunications Upgrades	-	800	800	800	-	2,400	2,400
General Additions	-	3,000	2,500	2,500	2,500	10,500	10,500
Hi Cross-Austin Fiber – FY 2026 Telecommunications Upgrade	-	500	-	-	-	500	500
Hi Cross-Austin Fiber – FY 2027 Telecommunications Upgrade	-	-	700	-	-	700	700
LTE Core Expansion – FY 2027 Telecommunications Upgrade	-	-	1,320	-	-	1,320	1,320
LTE Core Expansion – FY 2029 Telecommunications Upgrade	-	-	-	-	2,690	2,690	2,690
Minor Capital	-	1,210	805	1,190	615	3,820	3,820

Enterprise Support Projects (Continued)

Enterprise Support

FY 2025 Capital Plan Future Projects

(Dollars in thousands)

Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Five-Year Total	Lifetime
Future (continued)							
Telecommunications (continued)							
Network Stratification – FY 2026 Telecommunications Upgrade	-	500	-	-	-	500	500
Radio Subscriber – FY 2027 Telecommunications Upgrade	-	-	4,200	-	-	4,200	4,200
Radio System Migration – FY 2026 Telecommunications Upgrade	-	11,500	-	-	-	11,500	11,500
Radio System Migration – FY 2027 Telecommunications Upgrade	-	-	18,600	-	-	18,600	18,600
Radio System Migration – FY 2028 Telecommunications Upgrade	-	-	-	29,300	-	29,300	29,300
Shovel Mountain Decommissioning	-	-	1,000	-	-	1,000	1,000
Shovel Mountain Relocation	-	2,000	-	-	-	2,000	2,000
Transmission Support							
Minor Capital	-	18,000	18,000	18,000	18,000	72,000	72,000
Future Subtotal	-	47,635	57,725	61,665	33,035	200,060	200,060
Total Enterprise Support	70,162	48,765	57,725	61,665	33,035	271,352	299,395

Appendix

LCRA Consolidated

(Including Nonprofit Corporations)

(Dollars in millions)

	Budgeted	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues						
Total Net Revenue¹	\$ 1,426.3	1,582.5	1,681.6	1,740.2	1,833.6	1,923.9
Expenses						
Total Net Expense¹	878.9	903.1	933.2	893.9	921.9	961.9
Net Operating Margin	547.4	679.4	748.4	846.3	911.7	962.0
Less: GenTex Funds ²	(8.1)	(1.4)	(6.1)	(1.2)	(0.4)	(6.1)
Net Margin for Debt Service, Adjusted	539.3	678.0	742.3	845.0	911.4	955.9
Debt Service	\$ 389.0	471.6	515.3	581.2	627.0	655.0
Debt Service Coverage, Adjusted	1.39x	1.44x	1.44x	1.45x	1.45x	1.46x
Net Margin After Debt Service³	\$ 158.4	207.8	233.1	265.0	284.8	307.0
Less:						
Operating Reserves	26.3	30.4	34.1	28.2	26.9	27.5
Revenue-Funded Capital	132.0	170.7	180.1	212.1	230.7	256.6
Noncash Revenue	2.6	2.2	2.2	2.2	2.2	2.2
Restricted for (Use of) Reserves	(5.9)	(3.4)	7.3	14.3	15.9	14.9
Restricted for Capital/Debt Retirement	1.0	5.4	6.8	5.6	6.7	3.5
Grants	2.6	2.6	2.6	2.6	2.4	2.4
Net Cash Flow	\$ 0.0	0.0	0.0	0.0	0.0	0.0

¹ Total net revenues and total net expenses are net of intracompany transfers. Total revenues include interest income. Operations and maintenance expense excludes the LCRA TSC capital charge, which is a capital expense for LCRA consolidated.

² Includes adjustments related to GenTex capital funding and reserve funding.

³ Net margin after debt service includes funds dedicated to GenTex.

Wholesale Power

(Including Nonprofit Corporations)

Confidential competitive electric information has been removed from this version of the document.

LCRA TSC

(Dollars in millions)

	Budgeted	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$ 622.5	738.3	804.5	896.9	972.2	1,031.7
Operations and Maintenance	156.4	158.7	171.5	179.0	190.3	198.5
Net Operating Margin	466.1	579.6	633.0	717.9	781.9	833.2
Plus: Interest Income	7.0	9.1	9.6	8.4	9.1	9.3
Less: Assigned Enterprise Expense	65.3	78.4	80.5	86.6	92.2	102.0
Public Service Fund	18.7	22.1	24.1	26.9	29.2	31.0
Resource Development Fund	12.4	14.8	16.1	17.9	19.4	20.6
Net Margin Available for Debt Service	376.7	473.4	521.8	594.8	650.3	688.9
Debt Service	\$ 290.6	346.5	385.0	429.2	470.9	495.7
Debt Service Coverage	1.30x	1.37x	1.36x	1.39x	1.38x	1.39x
Net Margin After Debt Service	\$ 86.1	126.9	136.8	165.6	179.4	193.2
Less:						
Operating Reserves	13.9	19.6	20.6	21.4	21.6	20.2
Assigned Enterprise Capital	15.8	31.0	25.1	33.2	36.8	11.8
Assigned Transmission Minor Capital	17.1	17.9	17.9	17.9	17.9	17.9
Revenue-Funded Capital	54.7	77.0	95.7	117.4	132.6	175.1
Plus:						
Amortization of Enterprise/Minor Capital ¹	15.5	18.6	22.5	24.4	29.5	31.9
Net Cash Flow	\$ 0.0	0.0	0.0	0.0	0.0	0.0

¹ In FY 2012, LCRA TSC began funding minor capital and its share of enterprise capital with current year revenues. It will include an amortization of the amount in each year to recover in rates.

Water

(Dollars in millions)

	Budgeted	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues						
Firm Water	\$ 29.5	35.1	34.5	35.0	35.1	35.3
Agriculture	10.5	8.2	11.9	12.7	13.6	14.3
Other	2.1	2.9	3.1	2.9	2.5	2.2
Total Revenues	42.1	46.2	49.4	50.6	51.3	51.8
Operations and Maintenance	19.1	20.7	21.4	20.9	20.8	20.8
Net Operating Margin	23.0	25.5	28.0	29.8	30.4	30.9
Plus: Interest Income	2.3	2.5	2.5	2.0	1.8	1.9
Less: Assigned Enterprise Expense	5.5	7.9	8.4	8.8	6.7	7.8
Public Service Fund	1.2	1.3	1.4	1.4	1.5	1.5
Resource Development Fund	0.6	0.7	0.7	0.7	0.7	0.7
Net Margin Available for Debt Service	17.9	18.1	20.0	20.9	23.5	22.8
Debt Service	\$ 25.9	26.4	26.0	28.4	29.1	30.8
Debt Service Coverage	0.69x	0.69x	0.77x	0.74x	0.81x	0.74x
Plus: Resource Development Funding	\$ 19.0	19.1	18.4	18.4	18.6	18.8
Debt Service Coverage, Adjusted	1.43x	1.41x	1.48x	1.39x	1.44x	1.35x
Net Margin After Debt Service	11.1	10.8	12.5	11.0	12.9	10.7
Less:						
Operating Reserves	0.4	1.0	0.3	0.0	0.0	0.3
Assigned Enterprise Capital	1.0	1.4	1.1	1.4	1.5	0.6
Revenue-Funded Capital	9.8	8.3	11.2	8.9	9.6	8.0
Noncash Revenues	1.9	1.9	1.9	1.9	1.9	1.9
Plus:						
Agriculture Reserve Fund	1.9	1.7	2.0	1.1	0.0	0.0
Net Cash Flow	\$ 0.0	0.0	0.0	0.0	0.0	0.0

Strategic Services

(Dollars in millions)

	Budgeted	Proposed	Forecast			
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$ 20.4	19.1	21.6	21.5	21.6	22.0
Operations and Maintenance	17.5	14.8	15.0	15.2	15.5	14.9
Net Operating Margin	2.9	4.3	6.5	6.3	6.0	7.1
Less: Assigned Enterprise Expense	3.3	3.4	3.7	3.8	3.8	4.0
Public Service Fund	0.6	0.6	0.6	0.6	0.6	0.7
Resource Development Fund	0.4	0.4	0.4	0.4	0.4	0.4
Net Margin Available	\$ (1.5)	(0.1)	1.8	1.4	1.1	2.1
Debt Service	\$ 0.0	0.1	0.1	0.1	0.1	0.1
Net Margin After Debt Service	(1.5)	(0.2)	1.7	1.3	1.0	2.0
Less:						
Operating Reserves	0.4	0.3	0.0	0.0	0.0	0.9
Revenue-Funded Capital	0.0	0.6	0.7	0.8	0.6	0.7
Assigned Enterprise Capital	0.6	1.0	0.8	1.1	1.2	0.4
Assigned Transmission Minor Capital	0.1	0.1	0.1	0.1	0.1	0.1
Plus:						
Prior-Year Reserves	2.6	2.2	0.0	0.6	0.9	0.1
Net Cash Flow	\$ 0.0	0.0	0.0	0.0	0.0	0.0

LCRA TSC Approved Projects

LCRA Transmission Services Corporation FY 2025 Capital Plan Approved Projects

(Dollars in thousands)

Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Five-Year Total	Lifetime
Generator Interconnection Projects							
Clear Springs Generator Circuit Breaker Addition	412	-	-	-	-	412	4,100
John Dumas Substation Addition	17,004	-	-	-	-	17,004	37,200
John Dumas Substation Property Acquisition	3,489	-	-	-	-	3,489	29,200
Leesville Substation Addition	254	-	-	-	-	254	12,400
Soda Lake Generator Circuit Breaker Addition	54	-	-	-	-	54	6,200
Twelvemile Substation Addition	19,201	43	-	-	-	19,244	8,857
Generator Interconnection Projects Subtotal	40,414	43	-	-	-	40,457	97,957
Service Reliability Projects							
Altair-Garwood Transmission Line Overhaul	95	-	-	-	-	95	31,100
Antler-Bergheim Transmission Line Upgrade	29,020	1,649	-	-	-	30,669	70,800
Antler-Highway 46 Transmission Line Upgrade	6,955	-	-	-	-	6,955	68,200
Bergheim-Fair Oaks Transmission Line Upgrade	12,264	3,805	-	-	-	16,069	34,800
Boerne Split-Welfare Transmission Line Upgrade	24,498	9,639	-	-	-	34,137	61,600
Boerne-Esperanza Transmission Line Upgrade	569	-	-	-	-	569	30,100
Central Texas Electric Cooperative Area Substation Upgrade	86	-	-	-	-	86	3,100
Circuit Switcher – FY 2022 Substation Upgrade	353	-	-	-	-	353	3,600
Containment Structure – FY 2022 System Upgrade	27	-	-	-	-	27	11,500
Copperas Cove (ONCOR)-Copperas Cove (PEC) Transmission Line Overhaul	11	-	-	-	-	11	12,000
Cuero Substation Upgrade	155	-	-	-	-	155	25,900
Dalchau Service Center Building S Facilities Upgrade	551	-	-	-	-	551	1,400
Doss-Headwaters Transmission Line Overhaul	19,881	-	-	-	-	19,881	29,500
Easement Enhancement – FY 2023 System Upgrade	97	-	-	-	-	97	5,700
Easement Enhancement – FY 2024 System Upgrade	3,335	-	-	-	-	3,335	8,600
Eckert Power Transformer Upgrade	3,985	-	-	-	-	3,985	6,300
Energy Management System – FY 2023 System Upgrade	2,702	-	-	-	-	2,702	12,700

LCRA TSC Approved Projects (Continued)

LCRA Transmission Services Corporation FY 2025 Capital Plan Approved Projects

(Dollars in thousands)

Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Five-Year	
						Total	Lifetime
Service Reliability Projects (continued)							
Environmental Permitting – FY 2024 System Upgrade	526	123	-	-	-	649	1,100
Flood Mitigation – FY 2023 System Upgrade	62	-	-	-	-	62	6,400
Georgetown Area Substation Upgrade	993	-	-	-	-	993	7,600
Grounding – FY 2023 Substation Upgrade	14	-	-	-	-	14	4,600
Guadalupe-Lost Creek Transmission Line Upgrade	58	-	-	-	-	58	6,300
Highway 46-River Oaks Transmission Line Upgrade	17,765	10	-	-	-	17,775	66,100
Howard Lane-McNeil Transmission Line Storm Hardening	88	-	-	-	-	88	9,500
Instrument Transformer – FY 2023 Substation Upgrade	30	-	-	-	-	30	2,000
Kendall-Welfare Transmission Line Upgrade	43,260	4,113	-	-	-	47,373	76,400
Lakeway-Marble Falls Transmission Line Storm Hardening	33,616	-	-	-	-	33,616	104,900
Marshall Ford-McNeil Transmission Line Storm Hardening	515	-	-	-	-	515	34,100
Mobile Switch Installation – FY 2023 Substation Upgrade	261	-	-	-	-	261	2,700
Nada-Ricebird Transmission Line Overhaul	24	-	-	-	-	24	18,600
Obsolete Circuit Breaker – FY 2023 Substation Upgrade	86	-	-	-	-	86	3,800
Paleface Substation Upgrade	1,165	-	-	-	-	1,165	1,600
Pedernales Electric Cooperative Transition System Upgrade	401	-	-	-	-	401	1,900
Physical Security – FY 2023 Substation Upgrade	97	-	-	-	-	97	8,400
Protective Relay – FY 2023 System Upgrade	1,913	-	-	-	-	1,913	12,100
Schulenburg Substation Upgrade	96	-	-	-	-	96	5,900
Schumansville-Sheriff's Posse Transmission Line Storm Hardening	32	-	-	-	-	32	10,900
Sim Gideon-Tahitian Village Transmission Line Storm Hardening	58	-	-	-	-	58	20,855
Starcke-Wirtz Transmission Line Storm Hardening	197	-	-	-	-	197	17,000
Switch Automation – FY 2023 Substation Upgrade	367	-	-	-	-	367	4,800
Telecommunications Operations Control Center Generator System Upgrade	765	-	-	-	-	765	1,500
Transmission Switch – FY 2023 Substation Upgrade	132	-	-	-	-	132	1,200
Western Maintenance Facilities Fuel Station Facilities Upgrade	1,050	-	-	-	-	1,050	2,300

LCRA TSC Approved Projects (Continued)

LCRA Transmission Services Corporation FY 2025 Capital Plan Approved Projects

(Dollars in thousands)


Project Name	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Five-Year Total	Lifetime
Service Reliability Projects (continued)							
Wolf Lane Substation Property Acquisition	10	-	-	-	-	10	1,500
Wolf Lane Substation Upgrade	8,422	-	-	-	-	8,422	15,900
Service Reliability Projects Subtotal	216,587	19,339	-	-	-	235,926	866,855
System Capacity Projects							
Bakersfield-Big Hill Transmission Line Addition	84	-	-	-	-	84	27,500
Bearkat-North McCamey Transmission Line Addition	91,168	52,694	397	-	-	144,259	104,100
Chief Brady-Round Rock Transmission Line Upgrade	866	-	-	-	-	866	13,500
Crane Circuit Breaker Addition	595	-	-	-	-	595	1,396
Crane East Substation Upgrade	10	-	-	-	-	10	11,900
Dale Power Transformer Upgrade	516	-	-	-	-	516	4,800
Gillespie County System Upgrade	37	-	-	-	-	37	71,752
Harris Branch Substation Upgrade	4,569	2,016	95	-	-	6,680	7,700
McCarty Lane-Rattler Transmission Line Upgrade	147	69	-	-	-	216	5,800
North McCamey-Sand Lake Transmission Line Addition	63,201	100,884	942	-	-	165,027	134,000
Rattler-Redwood Transmission Line Upgrade	436	-	-	-	-	436	8,400
Saxet Substation Addition	142	-	-	-	-	142	4,400
System Capacity Projects Subtotal	161,771	155,663	1,434	-	-	318,868	395,248
Third-Party Funded Projects							
Broadband Easement Enhancement – FY 2022 System Upgrade	109	-	-	-	-	109	7,268
Third-Party Funded Projects Subtotal	109	-	-	-	-	109	7,268
Approved Subtotal	418,881	175,045	1,434	-	-	595,360	1,367,328



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