



DRAFT GENERAL SESSION MINUTES OF THE SPECIAL BOARD OF DIRECTORS
MEETING OF ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.

8000 Metropolis Drive (Building E), Suite 100, Boardroom B
Austin, Texas 78744
February 25, 2025

Pursuant to notice duly given, the meeting of the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) convened on the above-referenced date.

Meeting Attendance:

Board Members:

Director	Affiliation/Role (if any)	Voting Category
Aguilar, Carlos	N/A	Voting
Barkley, Ben	Office of Public Utility Counsel (OPUC) Chief Executive and Public Counsel	Voting
Capuano, Linda	N/A	Voting
Cornelius, Sig	N/A	Voting
England, Julie	N/A	Voting
Flores, Bill (Chair)	N/A	Voting
Gleeson, Thomas	Public Utility Commission of Texas (PUCT, Commission) Chair	Non-Voting
Heeg, Peggy (Vice Chair; <i>via Teleconference</i>)	N/A	Voting
Hernandez, Alex	N/A	Voting
Jackson, Kathleen	PUCT Commissioner	Non-Voting
Swainson, John	N/A	Voting
Vegas, Pablo	ERCOT President and Chief Executive Officer (CEO)	Non-Voting

Officers and Guests:

Officer/Guest	Role
Astudillo, Andrew	CPS Energy Business Management Strategist
Bigbee, Nathan	ERCOT Chief Regulatory Counsel
Collins, Keith	ERCOT Vice President of Commercial Operations
Garcia, Gabriel	CPS Energy Senior Director and Managing Fellow – Administrative and Regulatory Law



Gleason, Brandon	ERCOT Vice President, Legal and Compliance, and Assistant Corporate Secretary
Glasspool, Kimberly (<i>via Teleconference</i>)	Counsel for Life Cycle Power
Gnanam, Prabhu	ERCOT Director of Grid Planning
Golen, Robert	ERCOT Manager of Regional Planning
Hale, Mike	CPS Energy Senior Director of Market Operations
Hjaltman, Courtney	PUCT Commissioner
Hobbs, Kristi	ERCOT Vice President of System Planning and Weatherization
Kee, David	CPS Energy Director of Energy Market Policy
Kezell, David	ERCOT Director of Weatherization and Inspection
Perez, LeeRoy	CPS Energy Vice President of Transmission and Distribution (T&D) Engineering and Grid Transformation
Pollo, Kevin	CPS Energy Senior Director of Asset Management
Rainwater, Kim	ERCOT Senior Corporate Counsel
Riggs, Thomas (<i>via Teleconference</i>)	Life Cycle Power CEO
Ryan, Jason	CenterPoint Energy Executive Vice President of Regulatory Services and Government Affairs
Rickerson, Woody	ERCOT Senior Vice President and Chief Operations Officer
Rydell, Brandt	ERCOT Deputy General Counsel
Scheel, Richard	ERCOT Senior Vice President, Chief Financial Officer, and Chief Risk Officer
Shellman, Carolyn	Counsel for CPS Energy
Seely, Chad V.	ERCOT Senior Vice President, Regulatory Policy, General Counsel, Chief Compliance Officer, and Corporate Secretary
Urrutia, Rick	CPS Energy, Vice President of Generation Operations
Woodfin, Dan	ERCOT Vice President of System Operations

Call General Session to Order (Agenda Item 1)

Bill Flores, Board Chair, determined that a quorum was present and called the Special Meeting of the ERCOT Board of Directors (Board) to order at approximately 12:33 p.m. Chair Flores indicated that Board Vice Chair Peggy Heeg was participating in the meeting via teleconference.

Chair Flores recognized Thomas Gleeson, Chairman of the PUCT. Chair Gleeson called an Open Meeting of the Commission to order to consider matters that had been duly posted with the Texas Secretary of State for February 25, 2025.

Chair Flores highlighted the Antitrust Admonition and addressed the following Agenda Items in the order below.

Notice of Public Comment, if Any (Agenda Item 2)

Chair Flores indicated the ERCOT Bylaws provide that the Board Chair may call a Special Meeting and that the meeting would primarily address issues related to potential Reliability Must Run (RMR) agreements concerning CPS Energy Braunig Units 1 and 2 and a potential



alternative solution involving Life Cycle Power Mobile Generation. Chair Flores stated that, following ERCOT staff updates for several Board cycles, the Board had all necessary information to make an informed decision on a reliability issue impacting the San Antonio area.

Chair Flores announced that on the agenda for the meeting, which was posted publicly on February 18, 2025, ERCOT had provided instructions for members of the public who were interested in commenting in person and that to date no individuals had expressed interest in commenting, which Chad Seely confirmed.

CEO Update (Agenda Item 3)

Pablo Vegas presented the CEO Update, which included a report on reliable operations during recent Winter Storm Kingston and January winter storms, and a comparison of past winter storms. Mr. Vegas and other Board members discussed types of firm fuel and local uses during winter weather events. Discussion included metrics that would reflect how reliability has directly improved since Winter Storm Uri due to measures taken such as weatherization and how additional capacity would lower outage risk for units that have secondary fuel. Finally, discussion included public uses of the ERCOT website and mobile app, and effective coordination between ERCOT and state agencies including the PUCT in connection with winter storms.

ERCOT Staff Recommendation regarding ERCOT Board Approval of CPS Energy Braunig Units 1 and 2 Reliability Must-Run (RMR) Agreement or Alternative Solution of Life Cycle Power Mobile Generation (Agenda Item 4)

Woody Rickerson, Mr. Seely, and Nathan Bigbee presented the ERCOT Staff Recommendation regarding ERCOT Board Approval of CPS Energy Braunig Units 1 and 2 Reliability Must-Run (RMR) Agreement or Alternative Solution of Life Cycle Power (LCP) Mobile Generation.

Jason Ryan discussed CenterPoint Energy's (CenterPoint) role relative to the Life Cycle Power mobile generation that is ERCOT staff's preferred recommendation over RMR agreements with CPS Energy on Braunig Units 1 and 2. Mr. Ryan discussed the solution (i.e., to relocate the mobile generators to the San Antonio area from the Houston area where currently leased by CenterPoint from LCP) as a unique, Texas-driven solution featuring 15 large mobile generators that can each power about 30,000 homes during emergencies. Mr. Ryan discussed five main points of a letter that CenterPoint provided ERCOT regarding CenterPoint's release of LCP from lease obligations: (1) CenterPoint would receive no compensation from ERCOT for the period the generators are in San Antonio; (2) CenterPoint would not be a party to the lease agreement between ERCOT and LCP; (3) CenterPoint has no ownership interest in LCP; (4) CenterPoint would apply to the Commission to remove the units from CenterPoint rates; and (5) CenterPoint, through rate reductions and foregoing costs, would make customers whole for what they have already paid for the units.

Board members and Mr. Seely discussed the Protocols that are the wholesale market rules for how ERCOT executes an RMR and Must-Run-Alternatives (MRA), and that the proposed LCP solution was a last resort following ERCOT's extension of the deadline for market responses to ERCOT's request for proposal (RFP) for RMR solutions for the San Antonio area. Board members and Mr. Rickerson discussed the role of the LCP generators for the Interconnection Reliability Operating Limit (IROL). Discussion included ERCOT's analysis for the potential RMR



and MRA that showed, even with resources planned to come online in the years 2025 and 2026, the local Transmission constraints would still be problematic with the loss of the Braunig units, including Braunig Unit 3 for which ERCOT contracted RMR following Board approval in December. Discussion also included emergency dispatch of the LCP generators like RMR and MRA resources.

Chair Flores paused the meeting momentarily due to technical difficulties before resuming.

Board members and Mr. Rickerson discussed the dispatch priority among the Braunig units. Board members discussed air permitting issues for the LCP generators. Board members, Mr. Seely, and Andrew Astudillo discussed inspection timelines and constraints that would require completion of CPS Energy maintenance on Braunig Unit 3 before beginning maintenance on Braunig Unit 1, including outage constraints and space needed to place parts considering space available on the turbine floor. Board members and Mr. Rickerson discussed IROL exceedances beyond either the RMR or LCP solutions. Board members and Mr. Seely discussed cost allocation among Texas consumers for the reliability benefits of RMR or LCP solutions and offsetting a higher cost from a load shed event. Board members, Mr. Seely, and Mr. Bigbee discussed emissions issues as currently being the biggest obstacle for the LCP solution and the possibility of engaging with federal partners if there is no state resolution within the next week.

John Swainson moved that the Board authorize ERCOT management to (1) enter into an agreement with LCP for the operation of its mobile generation as an alternative to entering into RMR Agreements with CPS Energy for Braunig Units 1 and 2, assuming the cost-effectiveness of the LCP solution does not materially change and (2) to enter RMR Agreements for Braunig Units 1 and 2 for April 1, 2025 through March 31, 2027 as an alternative in the event ERCOT is unable to contract with LCP for any reason, including material changes in cost-effectiveness of the LCP solution. Sig Cornelius seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Preliminary Exit Strategy for RMR Agreement or Alternative Mobile Generation Solution – Acceleration of San Antonio South Reliability II Transmission Project (Agenda Item 4.1)

Kristi Hobbs presented the Preliminary Exit Strategy for RMR Agreement or Alternative Mobile Generation Solution – Acceleration of San Antonio South Reliability II Transmission Project. Board members and Mr. Seely discussed confirming CPS Energy, American Electric Power (AEP), and South Texas Electric Cooperative (STEC) improvement costs to accelerate the Board-approved project, with the goal of bringing the lines into service by the end of the year 2026 rather than May 2029.

Announcement of Board Committee Membership (Agenda Item 5)

Chair Flores indicated that, unless there were any objection, the Board would take up after Executive Session the Announcement of Board Committee Membership. No Board member objected.

Other Business (Agenda Item 6)

There was no other business.



Executive Session; Vote on Matters from Executive Session; Adjournment (Agenda Items 7 and 8)

Chair Flores recessed General Session at approximately 2:00 p.m. and convened Executive Session at approximately 2:15 p.m.

Chair Flores reconvened General Session at approximately 3:03 p.m.

Chair Flores took up Agenda Item 5 and indicated that he would announce the members of the Board Committees. Following no objection from Board members, Chair Flores announced the following: The functions of the jurisdiction of the Reliability and Markets Committee would move back to the full Board considering the functions are the core mission of ERCOT and the Board. Carlos Aguilar is Chair of the Finance and Audit (F&A) Committee, and Ben Barkley, Sig Cornelius, and Julie England are members. For the Human Resources and Governance (HR&G) Committee, Peggy Heeg is Chair, and Linda Capuano, Sig Cornelius, and Bill Flores are members. The Technology and Security (T&S) Committee Chair will be John Swainson, and members include Carlos Aguilar, Julie England, and Alex Hernandez.

Chair Flores adjourned the meeting at approximately 3:04 p.m.

Board materials and presentations from the meeting are available on ERCOT's website at <https://www.ercot.com/committees/board>.

Brandon Gleason
Assistant Corporate Secretary