



## Item 8: CEO Update

*Pablo Vegas*

President and Chief Executive Officer

Board of Directors meeting

ERCOT Public

April 7-8, 2025

# Overview

- **Purpose**

Presentation highlights ERCOT's recent Operations and Planning activities and highlights strategic areas of focus

- **Voting Items / Requests**

No action is requested of the Board; for discussion only

- **Key Takeaways**

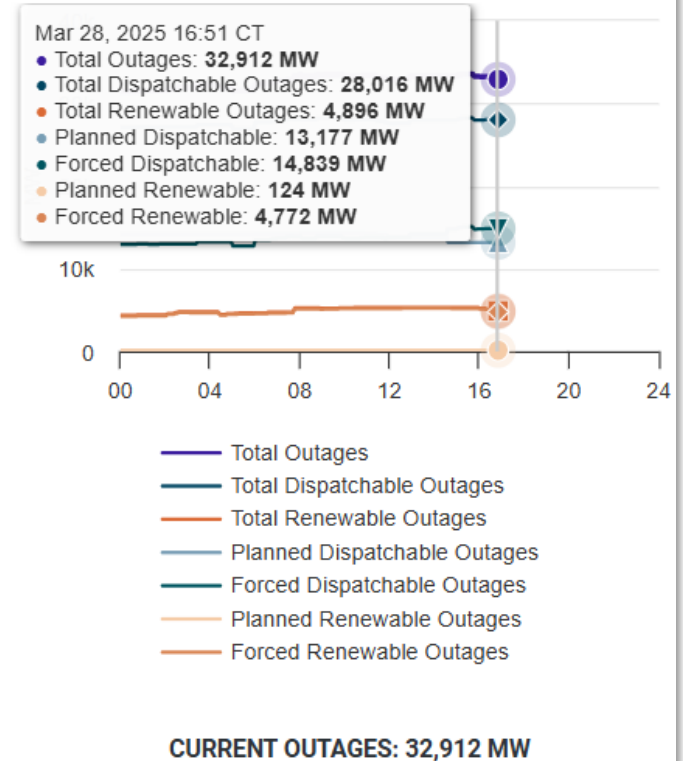
- The ERCOT grid enters shoulder season, and we are working with Generators and Transmission Owners to schedule their maintenance outages.
- ERCOT has taken steps to fortify the grid in the San Antonio area. Braunig Unit 3 is being inspected and repaired. Life Cycle Power generation contract is close to completion.
- The 2<sup>nd</sup> Annual Innovation Summit is scheduled for May 6.
- Today, ERCOT releases *Advancing Reliability 2024 State of the Grid Report*.

# Shoulder Season & Scheduled Maintenance Period

- Spring (March 15 – May 15)
- Fall (September 15 – December 15)
- In some cases, concurrent outages are limited to ensure reliable operations.
- All information and available slots are posted on our website for review and scheduling.
- ERCOT also has a generation outage dashboard that provides a graphical representation of planned and forced generation outages.

## Generation Outages

Last Updated: Mar 28, 2025 16:51 CT



**Key Takeaway:** ERCOT works with Qualified Scheduling Entities (QSEs) and Transmission Owners to support requested maintenance outages while reliably operating the grid.

## Advance Action Notice (AAN)

- An AAN is issued to adjust or delay some scheduled maintenance outages.
- Drivers include a change in weather forecasts (both temperature or availability of renewables), high numbers of scheduled and/or forced outages, or a combination.
- ERCOT may seek additional MW from an Outage Adjustment Evaluation (OAE) and then make the Outage Schedule Adjustment (OSA).
- The options include, but are not limited to, adjusting the outage schedule, reducing outage restoration time, and adjusting the system configuration when feasible and reliable.

### AANs Issued with requested MW

#### Spring 2025

- None as of April 4

#### Spring 2024

- April 11 (9,950 MW)
- April 26 (2,832 MW)
- May 2 (6,060 MW)
- May 15 (3,377 MW)
- May 16 (5,265 MW)

#### Spring 2023

- March 16 (3,071 MW)
- March 29 (7,808 MW)
- April 18 (2,280 MW)
- April 20 (1,720 MW)
- May 3 (2,900 MW)
- May 4 (3,380 MW)
- May 11 (4,500 MW)
- May 16 (3,000 MW)

**Key Takeaway:** Demand growth has led to stricter management of maintenance outages as fewer operating reserves may be available while equipment is down for maintenance.

# Operating Condition Notice (OCN)

- An Operating Condition Notice (OCN) is issued when certain protocol criteria have been met.
- OCNs are not limited to shoulder months and occur throughout the year. Some examples:
  - Temperatures meet our criteria of 94 degrees or higher in the months of October-May between San Antonio and the Dallas Fort Worth region.
  - Transmission Operator disabling reclosing in a large portion of their West Texas area for drought.
  - Potential wildfire risk for west Texas and the Panhandle areas in the ERCOT Region until further notice.
- Market Participants then take any action they may need to be best prepared.

## OCNs issued in the last three years

**2025:** 13

**2024:** 23

**2023:** 42

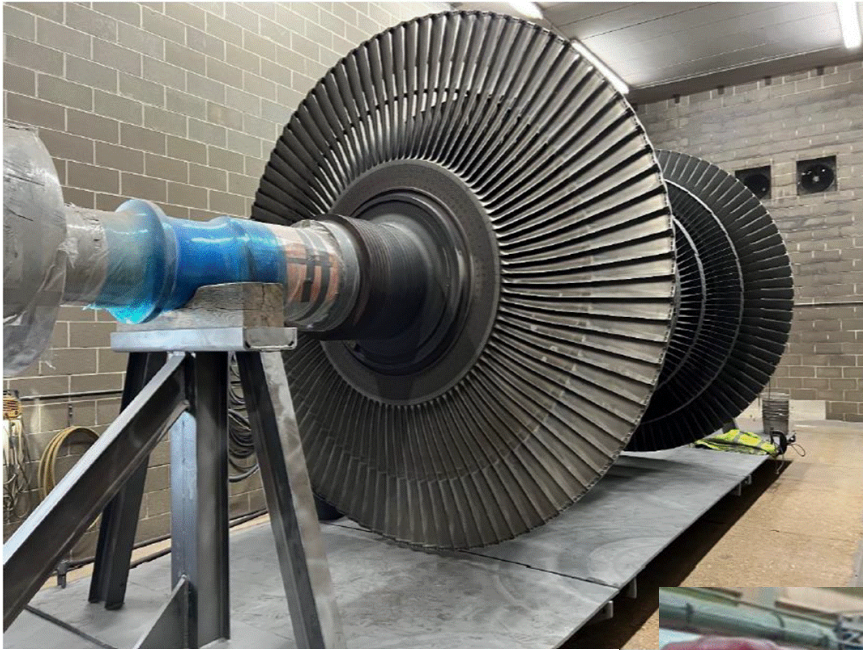
**Key Takeaway:** OCNs are early notices to the market of potential conditions that could lead to ERCOT actively managing a particular grid condition.

# Reliability Must-Run (RMR) Braunig Unit 3 Update

- The RMR Agreement was executed on February 25, 2025.
- Outage began March 2, 2025, and inspection began on March 3, 2025, as planned.
- Inspections and incidental repairs of major components are underway and progressing according to schedule, with some minor delays due to weather conditions (high winds/lightning).
- March 28, CPS Energy's contractor determined that the boiler superheater header must be replaced.
  - A two-to-three-month outage delay is anticipated (mid-July to mid-August return).
  - CPS Energy is determining replacement cost.
- Current total cost of discovery repairs, not including superheat header is \$2.7M.
- Final inspections of high pressure/intermediate pressure steam turbine rotor and generator parts are underway; potential cost and schedule impacts still to be determined.

**Key Takeaway:** Inspections are proceeding according to schedule, but CPS Energy has identified a major repair item that likely delays Unit 3's return to service through mid-July to mid-August. Other repair items could result in further delays.

# Braunig 3 Inspections



Low-pressure turbine rotor  
blast cleaning process

Photos courtesy  
of CPS Energy

Generator rotor being  
prepared for inspection



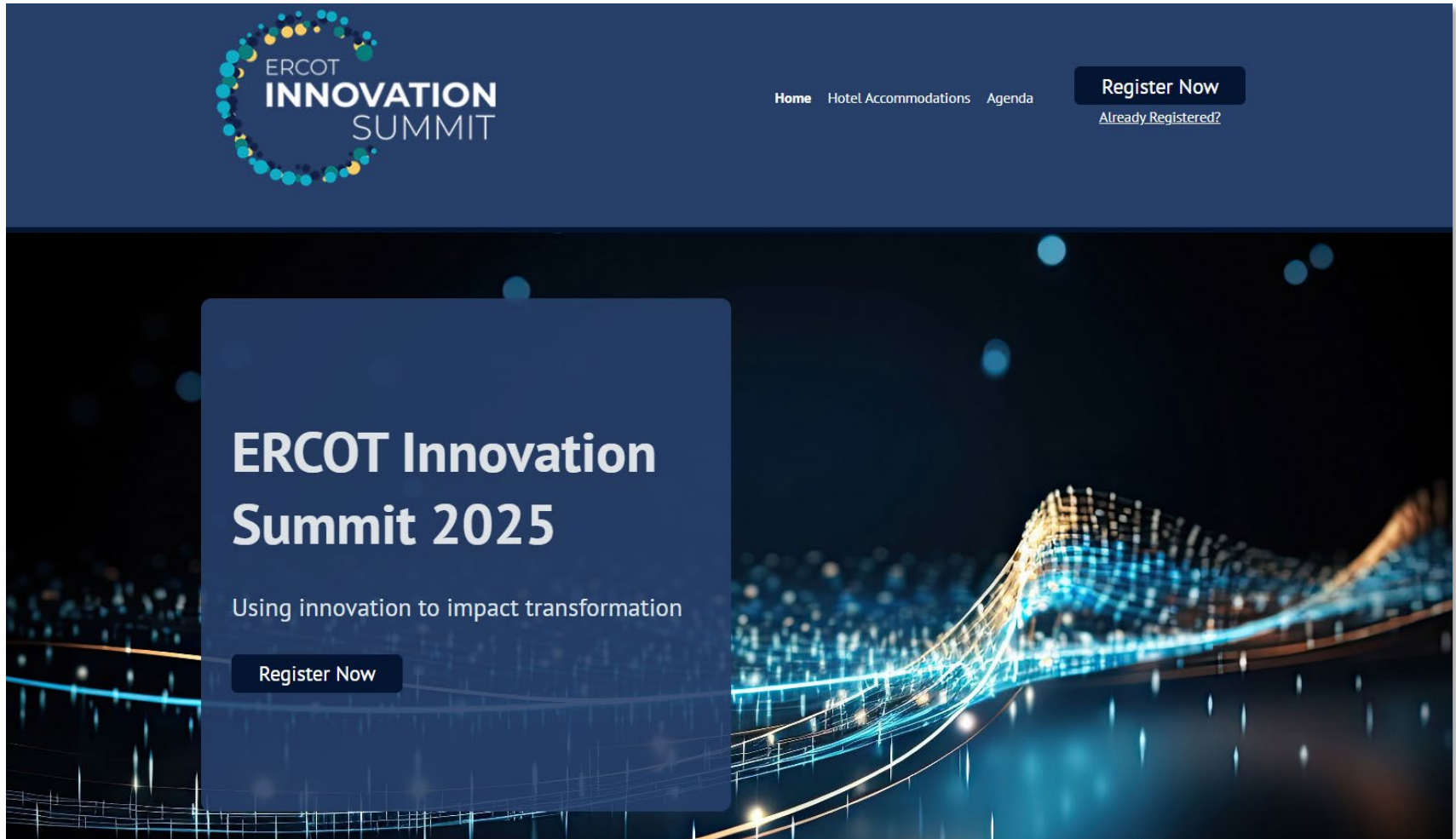
# Life Cycle Power Mobile Generation Solution Update

- February 25, 2025, the Board authorized the Life Cycle Power (LCP) option.
- TCEQ has identified a workable path forward for an air permit.
- ERCOT continues negotiations of the agreement with LCP.
  - LCP is discussing terms of release with CenterPoint Energy.
  - LCP is negotiating QSE services agreement, interconnection agreement, and leases with CPS Energy.
- ERCOT and CPS Energy have been working with LCP to gather generator model information and develop plan for studies and interconnection.
- Overall interconnection timeline may slip two months, but 2025 summer interconnection timeline for most generators is still anticipated.
- ERCOT filed a request for good-cause exceptions from PUCT on March 27.
- Commission voted to approve ERCOT's request at the April 3 Open Meeting.
- Anticipated cost and reliability benefits of LCP solution has not significantly changed.
- If Braunig Unit 3 return is further delayed, the LCP solution will provide even greater value.

**Key Takeaway:** ERCOT anticipates finalizing the LCP contract soon.



# ERCOT 2<sup>nd</sup> Annual Innovation Summit May 6<sup>th</sup>



The image shows a website banner for the ERCOT Innovation Summit 2025. The background is a dark blue gradient with abstract, glowing blue and yellow light trails and bokeh effects. In the top left corner, there is a circular logo composed of small colored dots, with the text "ERCOT INNOVATION SUMMIT" inside. In the top right corner, there are navigation links: "Home", "Hotel Accommodations", and "Agenda". Next to these is a dark blue button with the text "Register Now" and a link below it that says "Already Registered?". In the center-left, there is a dark blue rectangular box containing the text "ERCOT Innovation Summit 2025" in large white font, followed by the subtitle "Using innovation to impact transformation" in a smaller white font, and a dark blue button with the text "Register Now" at the bottom.



# Advancing Reliability 2024 State of the Grid Report



Report  
available  
April 8

## Employee Recognition: NOGRR245 Team

Bill Blevins  
Andrew Gallo  
Jenifer Fernandes  
Fred Huang  
Sun Wook Kang  
Joel Koepke  
Daniel Kuecker  
Kennedy Meier  
John Schmall  
Agee Springer  
Jimmy Zhang