



## Item 8: CEO Update

*Pablo Vegas*

President and Chief Executive Officer

Board of Directors Meeting

ERCOT Public

June 23-24, 2025

# Overview

- **Purpose**

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

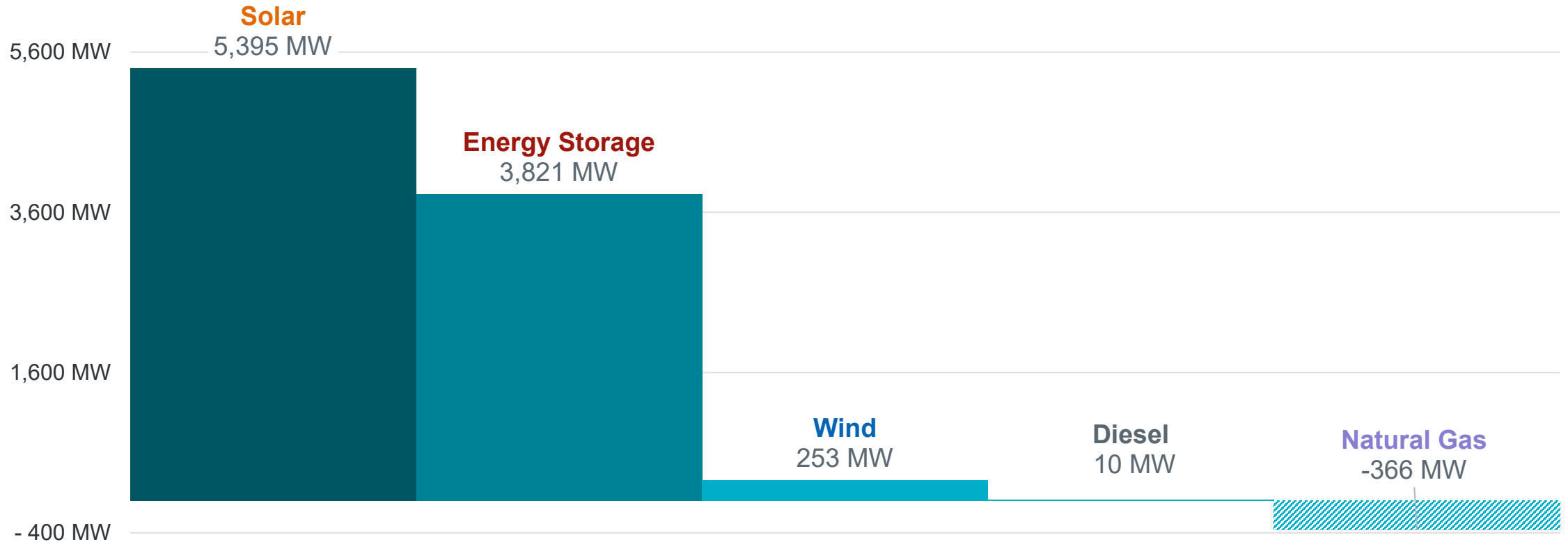
- **Voting Items / Requests**

No action is requested of the Board; for discussion only

- **Key Takeaways**

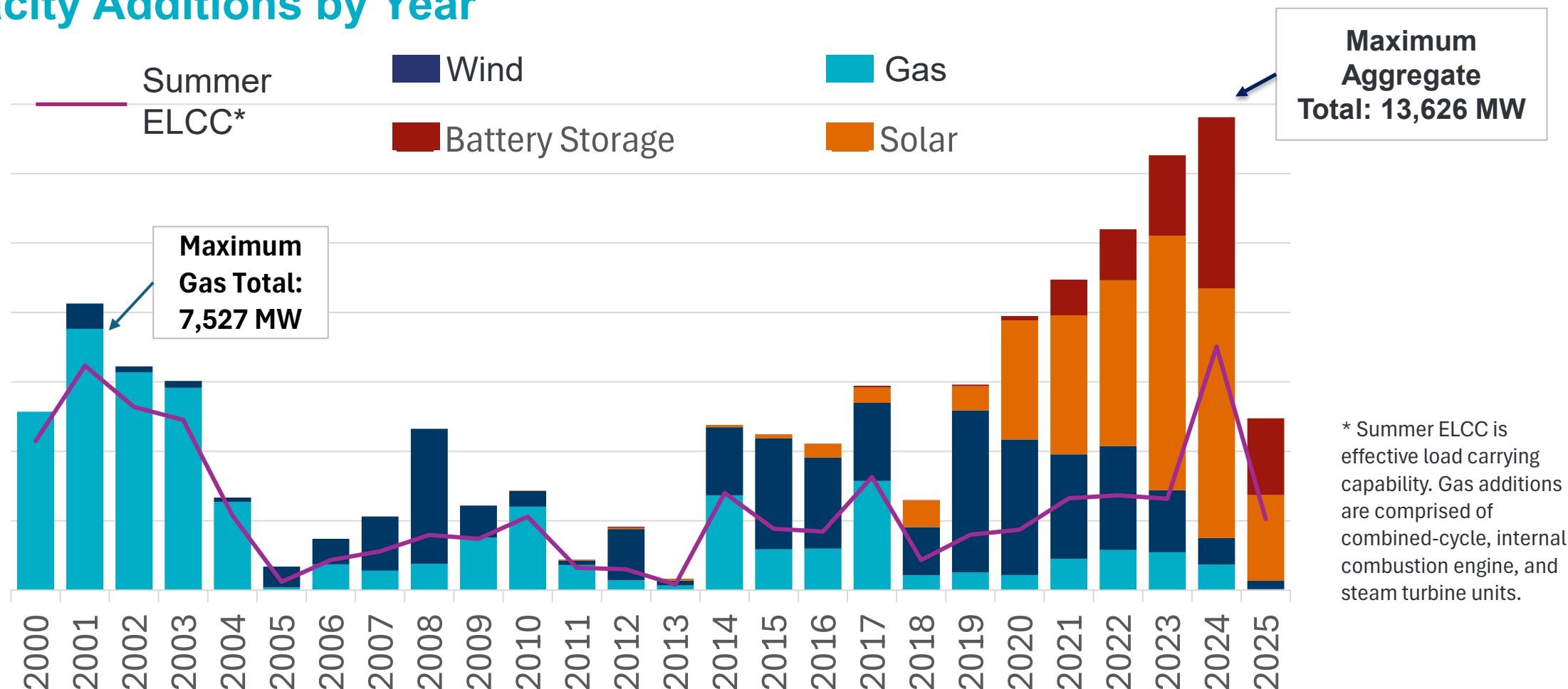
- The ERCOT grid has seen the addition of more than 9,600 MW of capacity since last summer, but a net loss of natural gas.
- ERCOT has taken steps to fortify the grid in the San Antonio area, securing 15 mobile generation units.
- The 89th legislative session has come to a close, marking the end of this year's policymaking period.

## Capacity Additions Since Last Summer (October 1, 2024 – May 31, 2025)



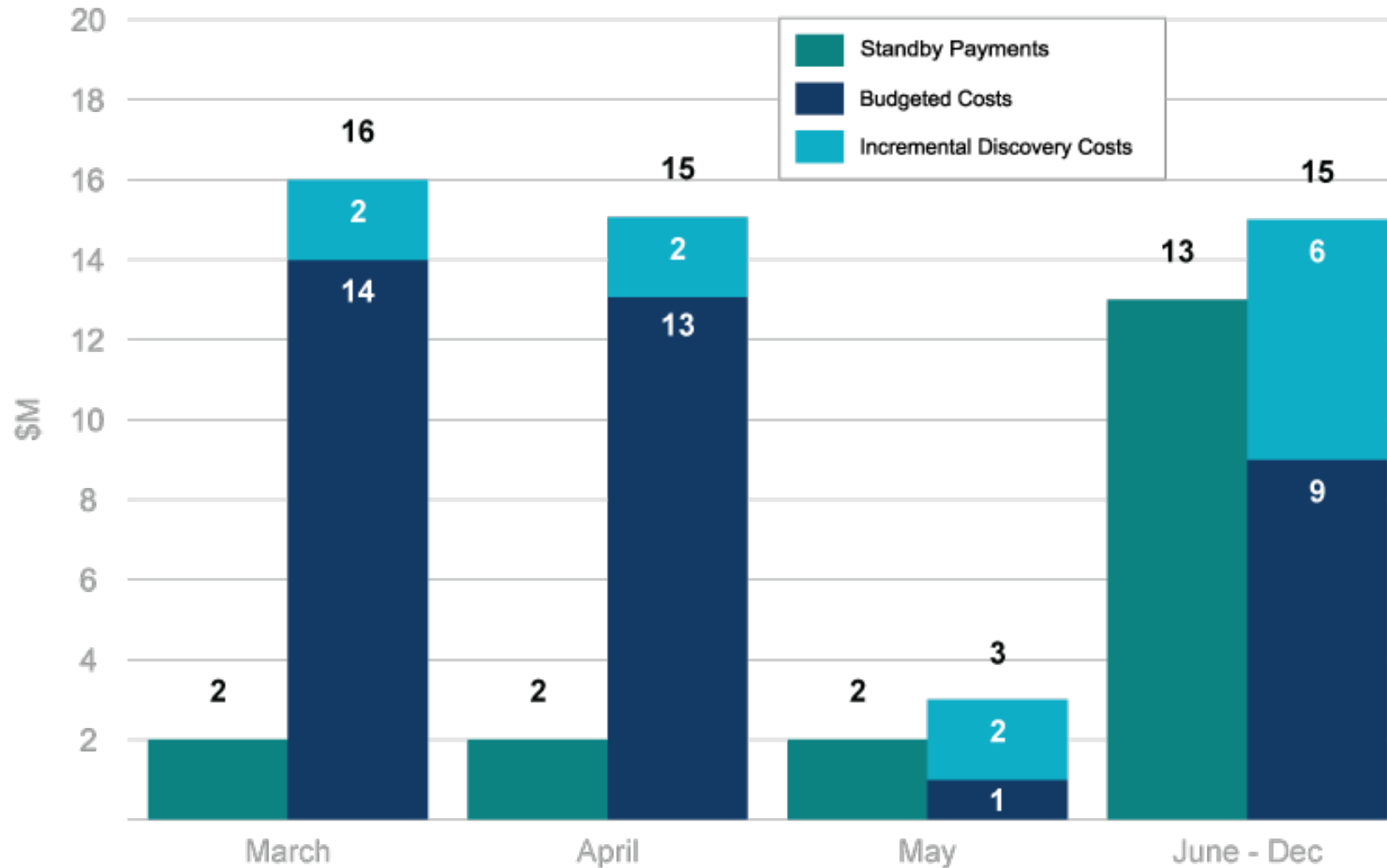
**Key Takeaway:** While the ERCOT grid has seen the addition of 9,645 MW of new capacity since summer 2024, natural gas has a net loss of 366 MW due to retirements, derates, and indefinite mothballs. Energy storage resources will play an important role this summer as solar generation ramps down each night.

# Capacity Additions by Year



**Key Takeaway:** The Effective Load Carrying Capability (ELCC) is an effective view of generation's ability to serve demand. The capacity additions in 2024 were 65% higher than 2021, but the 2024 ELCC was only slightly higher than 2001, reflecting the large proportion of gas resources in that year.

## Braunig Unit 3 Reliability Must-Run (RMR) Costs (2025 Only)



**Key Takeaway:** The total cost for committing Braunig Unit 3 for RMR service has increased by about \$12 million since the RMR Agreement was executed in early December. Current RMR settlement processes do not allow RMR costs to be reimbursed when they are incurred. ERCOT intends to propose an NPRR to allow more timely recovery of these costs.

# Life Cycle Power Mobile Generation Solution Update

- On June 4, ERCOT executed an Emergency Generation Service Agreement with Life Cycle Power (LCP) providing for the transfer of 15 mobile generators (~450 MW total nameplate) from Houston to San Antonio and the interconnection and operation of the generators at 9 CPS Energy substations.
- CenterPoint has allowed ERCOT to use the generators until as late as March 31, 2027, or until they are no longer needed.
- The agreement required significant cooperation and effort from CPS Energy and CenterPoint, including developing many new contracts.
- The agreement requires LCP to move the generators to San Antonio at pace of 5 generators every 31 days, with first generators operating by July 4, 2025.
- Life Cycle Power has already begun to move generators. All generators will be modeled on July 1, 2025.



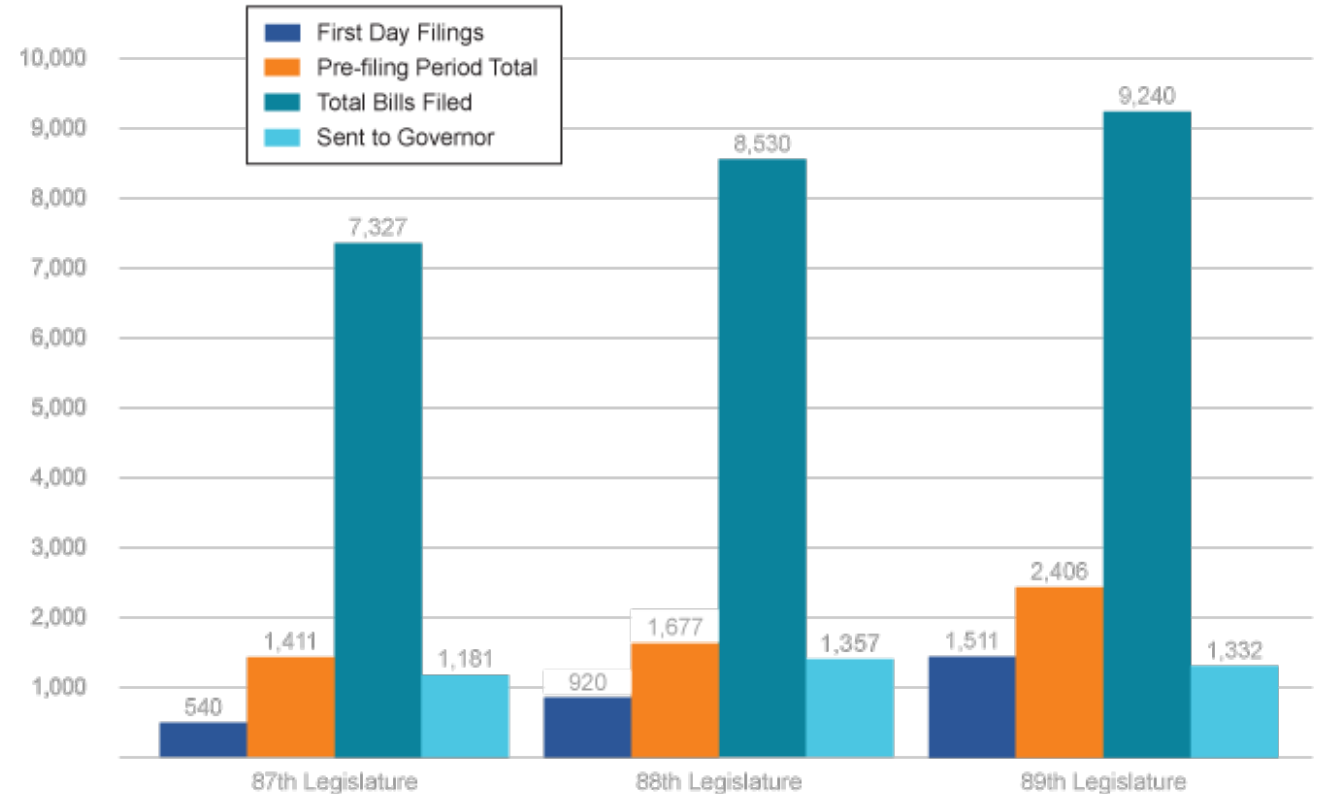
Photo courtesy Life Cycle Power

**Key Takeaway:** ERCOT, LCP, CPS Energy, and CenterPoint have finalized the contractual framework needed to move the LCP mobile generators to San Antonio and commence operations starting in early July.

# Key Legislation from the 89<sup>th</sup> Texas Legislative Session

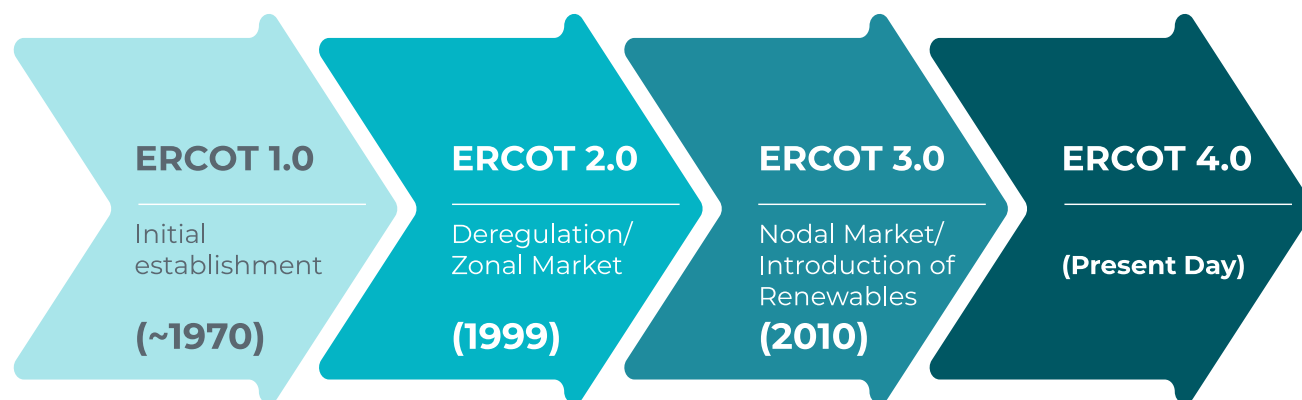
- Large Load Interconnection Standards
- Distribution System Resiliency
- Lone Star Infrastructure Protection Act
- Enforcement Discretion
- Transmission System Cost Allocation (4CP) Study
- Security of Critical Infrastructure
- Texas Cyber Command
- Texas Energy Fund
- Texas Advanced Nuclear Energy Office
- Energy Waste Advisory Committee

Bill Filing and Passage Trends in Regular Legislative Sessions

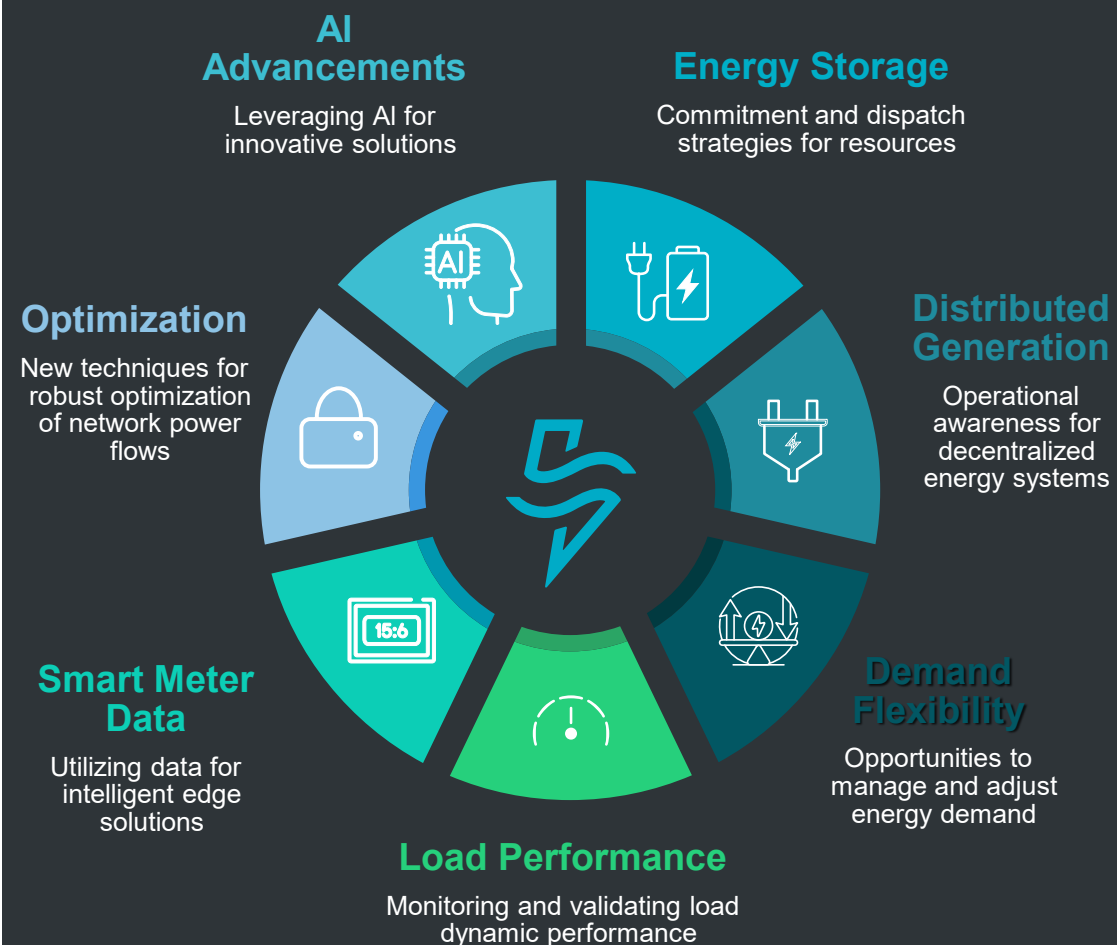


**Key Takeaway:** A significant focus in the 89<sup>th</sup> Legislative Session was placed on the interconnection of large loads and the associated reliability impacts on the state's infrastructure.

# ERCOT 4.0



## Adapting to Industry Forces





# ERCOT 2025 Innovation Summit



# Employee Recognition: 2025 Innovation Summit and Life Cycle Generators

## 2025 Innovation Summit

Doug Basinger	Sophia Lee
Bill Blevins	Amy Lofton
Luke Butler	Olha Lyakhovets
Caleb Carroll	Nitika Mago
Shad Chancey	Brandon Maynard
Penney Christian	Jay McNelly
Scotty Clifton	Mark Miner
Bernie Corpus	Jimmy Mizell
Gordon Drake	Bharati Nepal
Olga Finneran	Rachel Overbay
Nate Gamble	Jayapal Parakkuth
GMS Team	Priyanka Parthasarathy
Julie House	Samuel Pearson
Gilbert Hughes	Christy Penders
Blane Johnson	Jess Pineda
Prashant Kansal	Jimmy Ramirez
David Kezell	Woody Rickerson

Emanuelle Romero  
Charlotte Schuster  
Christelle Seri  
Jason Terrell  
Venkat Tirupati  
Matthew Tomjack  
Pablo Vegas  
Pete Warnken  
Trudi Webster  
Gates Yager  
Matt Young

## Life Cycle Mobile Generators

Tanzila Ahmed  
Janice Ayson  
Nathan Bigbee  
Bill Blevins  
Yunzhi Cheng  
Ryan Ellis  
Jenifer Fernandes  
Prabhu Gnanam  
Robert Golen  
Ino Gonzalez  
Katherine Gross  
Kristi Hobbs  
Brett Hunsucker  
Sun Wook Kang

David Kezell  
Joel Koepke  
Sujatha Kotamarty  
Debbie Lightener  
Marcelo Magarinos  
Dave Maggio  
Chris Ngai  
Peter Qi  
Kenneth Ragsdale  
Woody Rickerson  
Chad Seely  
Agee Springer  
Dan Woodfin

# Employee Recognition: Texas 89<sup>th</sup> Legislative Session

## 89th Legislative Session

Kristin Abbott  
Matthew Arth  
Monica Barchenger  
Nathan Bigbee  
Jeff Billo  
Bill Blevins  
Drew Bonser  
Shad Chancey  
Chris Coleman  
Keith Collins  
Bernie Corpus  
Darrell Cyphers  
Gordon Drake  
Pengwei Du  
Jenifer Fernandes  
Olga Finneran  
Doug Fohn

Freddy Garcia  
Oscar Garza  
Brandon Gleason  
Prabhu Gnanam  
Robert Golen  
Alex Green  
Ted Hailu  
Jimmy Hartmann  
Luis Hinojosa  
Julie House  
Fred Huang  
Gilbert Hughes  
Julie Jin  
Sun Wook Kang  
Ryan King  
Joel Koepke  
Jason Lassiter

Alex Lee  
Amy Lofton  
Olha Lyakhovets  
Dave Maggio  
Nitika Mago  
Dan Mantena  
Kennedy Meier  
Matt Mereness  
Megan Miller  
Mark Miner  
Jimmy Mizell  
Sam Morris  
Jayapal Parakkuth  
Priyanka Parthasarathy  
Mark Patterson  
Christy Penders  
Kenneth Ragsdale

Carl Raish  
Woody Rickerson  
Richard Scheel  
Chad Seely  
Ira Smith  
Julie Snitman  
Agee Springer  
Amie Vanella  
Pablo Vegas  
Tyler Vickery  
Mallory Vrana  
Pete Warnken  
Kenisha Webber  
Trudi Webster  
Dan Woodfin  
Rebecca Zerwas  
Bryan Zhang