



PUBLIC

Item 11: CEO Update

Pablo Vegas

President and Chief Executive Officer

Board of Directors Meeting

December 8-9, 2025

*Revised 12/08/25 (Slide 3)

Purpose

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

Key Takeaways

- Building on our strategic focus and the changing dynamics of the grid, our new Vision, Mission, and Core Values will guide ERCOT with a clear direction on who we want to be, what success looks like, and where we want to go.
- Approximately 11,000 MW of new generation capacity has been added to the ERCOT grid since last winter.
- The Life Cycle Power mobile generating units have now all been fully commissioned and are available for emergency dispatch.
- ERCOT has begun reviewing net metering arrangements involving Large Loads and existing Generation Resources, as required by SB6.

Vision, Mission, and Core Values

Vision

To be the most reliable and innovative electric grid in the world

Mission

We ensure a reliable grid with competitive and cost-efficient electricity markets.

We carry out our core functions by ensuring open transmission and distribution system access, reliability and adequacy of the grid, customer retail choice, and accurate accounting for energy.

Core Values



Mission Driven



Grow People



Lead with Integrity



Own It



Better Together



Innovate with Purpose



Stay Curious,
Stay Ready



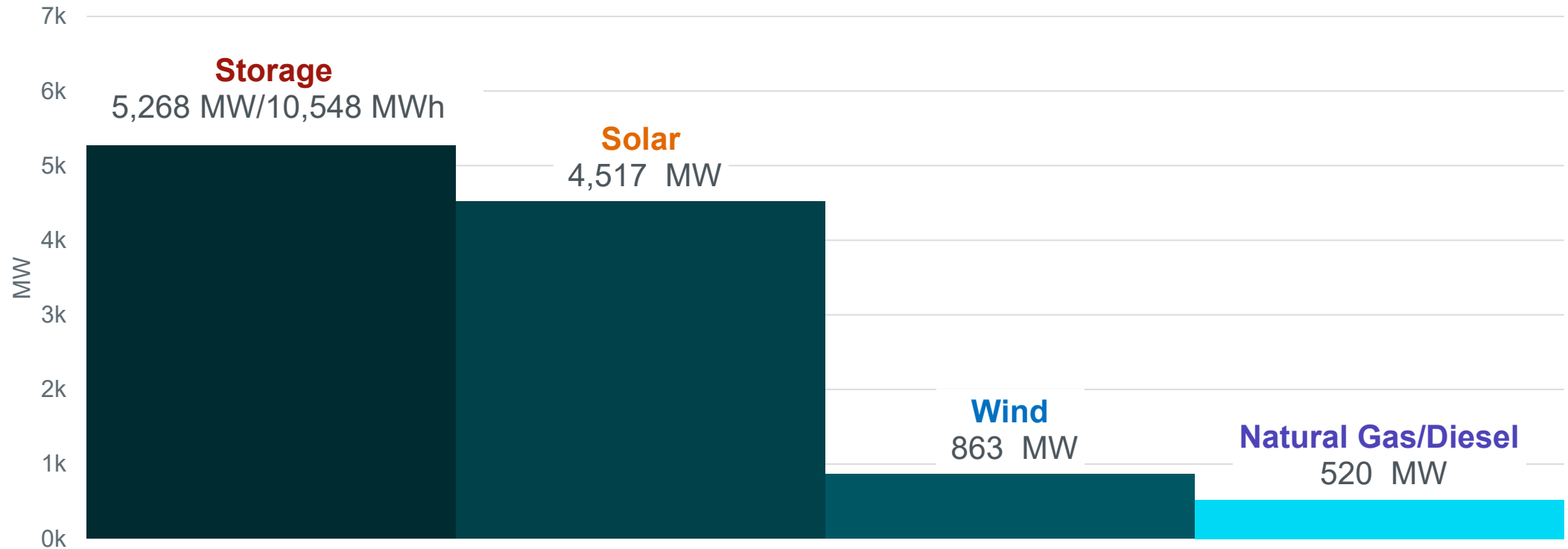
Listen Well, Speak Up, and
Respect Every Voice



Celebrate the Win



New Generation Capacity Since Last Winter (March 1 – November 1)








Key Takeaway: The ERCOT grid has seen the addition of more than 11,100 MW of new generation resources since last winter. Note that energy storage (batteries) has limited-duration run time, so the available energy during periods when they are most needed—the highest demand hours, which typically occur early morning pre-sunrise, and evening during and immediately after sunset—depends on the extent that they can be recharged prior to those periods.



Generation Type Comparison Using 100 MW Example

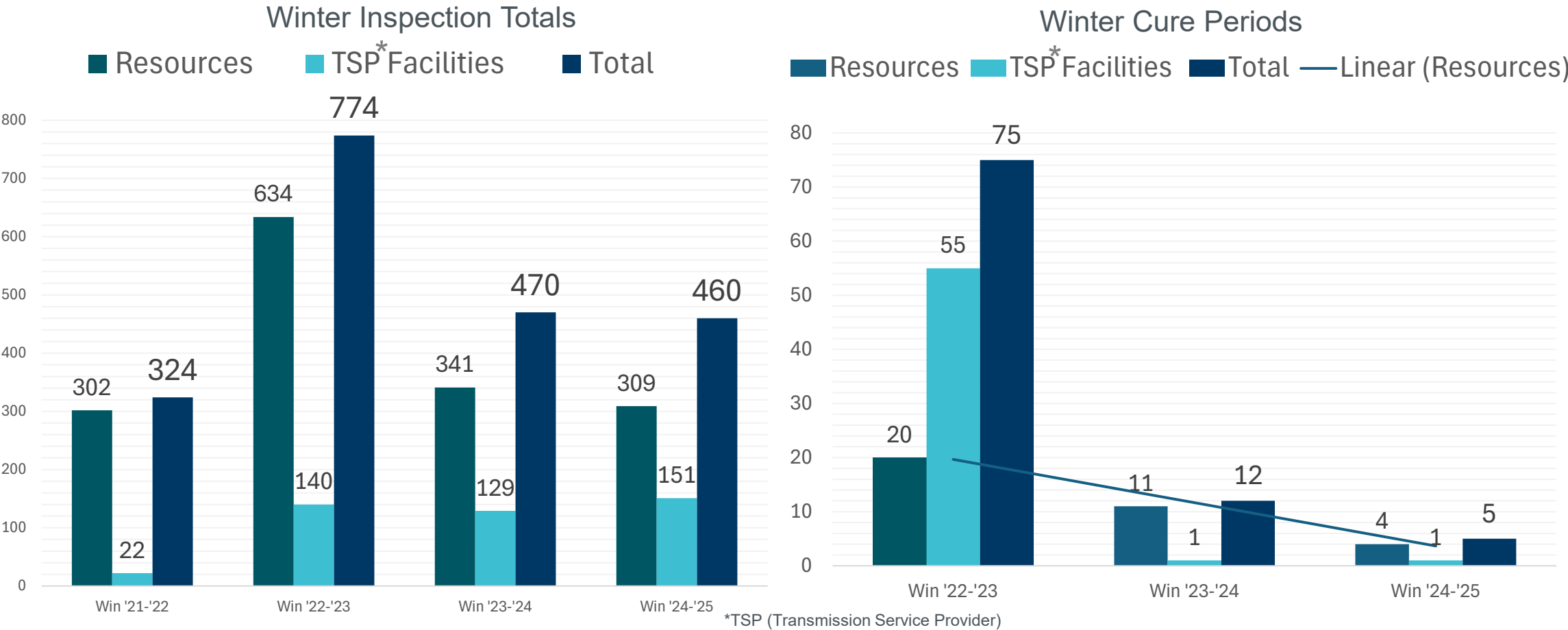
It is important to note that winter has greater variability.

		Summer Peak Capacity Availability	Summer Homes Powered	Winter Homes Powered	Winter Peak Capacity Availability
	Modular Nuclear Plant	94%	23,601	24,455	98%
	Gas Turbine (Peaking)	83%	20,750	22,000	88%
	Wind Turbine (West Texas)	22%	5,500	7,000	28%
	Solar Plant (West Texas)	76%	19,000	7,000	17%
	Energy Storage (one hour)	37%	9,188	7,000	30%

1 MW serves about 250 homes during peak demand.



Winter Weatherization Through First Four Years



Key Takeaway: The ERCOT grid has been more reliable since the implementation of weatherization standards and inspections. This program continues inspections to strengthen the reliability of these generation resources and transmission facilities.



Life Cycle Power Mobile Generation Update

- As of October 22, all 15 Life Cycle Power (LCP) mobile generating units had achieved Initial Synchronization with the ERCOT System.
- Three units at one site had power and voltage control issues that required additional time to resolve.
- As of November 24, all 15 units completed testing and are now fully available for dispatch during emergency conditions.
- ERCOT began making payments to LCP and CPS Energy in June 2025.
- Total cost paid through the end of November 2025 is \$28 million.
- ERCOT will begin reconciling budgeted costs with actual costs in early December 2025.
- The contract runs through March 2027. ERCOT has the right to terminate early if the reliability need no longer exists.



Photo courtesy Life Cycle Power

Key Takeaway: The Life Cycle Power mobile generators have completed commissioning and are available for emergency dispatch.



Reliability Must-Run Update

- CPS Energy began Reliability Must-Run (RMR) outage of Braunig Unit 3 in March 2025 following ERCOT Board approval of RMR service in December 2024
- Most significant schedule issue to date: Replacement of number 9 boiler superheater header
- September 24, 2025: Header delivered to Braunig following international procurement of materials and subsequent fabrication in South Carolina
- October 26, 2025: Header installed; welding, examination, and hydrostatic pressure testing complete
- November 21, 2025: CPS Energy notified ERCOT that impurities in turbine bearing lubrication oil had been discovered and additional work would be needed to refurbish and reinstall bearings; work is estimated to cost \$1.8 million and could delay schedule up to 10 days
- Total inspection and outage cost now expected to be \$34.7 million, which is approximately \$15.5 million higher than amount originally budgeted based on costs known before inspections began
- Braunig Unit 3 currently scheduled to return to service by December 15, 2025, but there is some risk that this schedule could be extended to later December 2025 due to lubricating oil filtering issues



Photo courtesy CPS Energy

Key Takeaway: Braunig Unit 3 is nearing completion of repairs and is expected to be available for emergency dispatch later this month.



Senate Bill (SB) 6 Net Metering Review

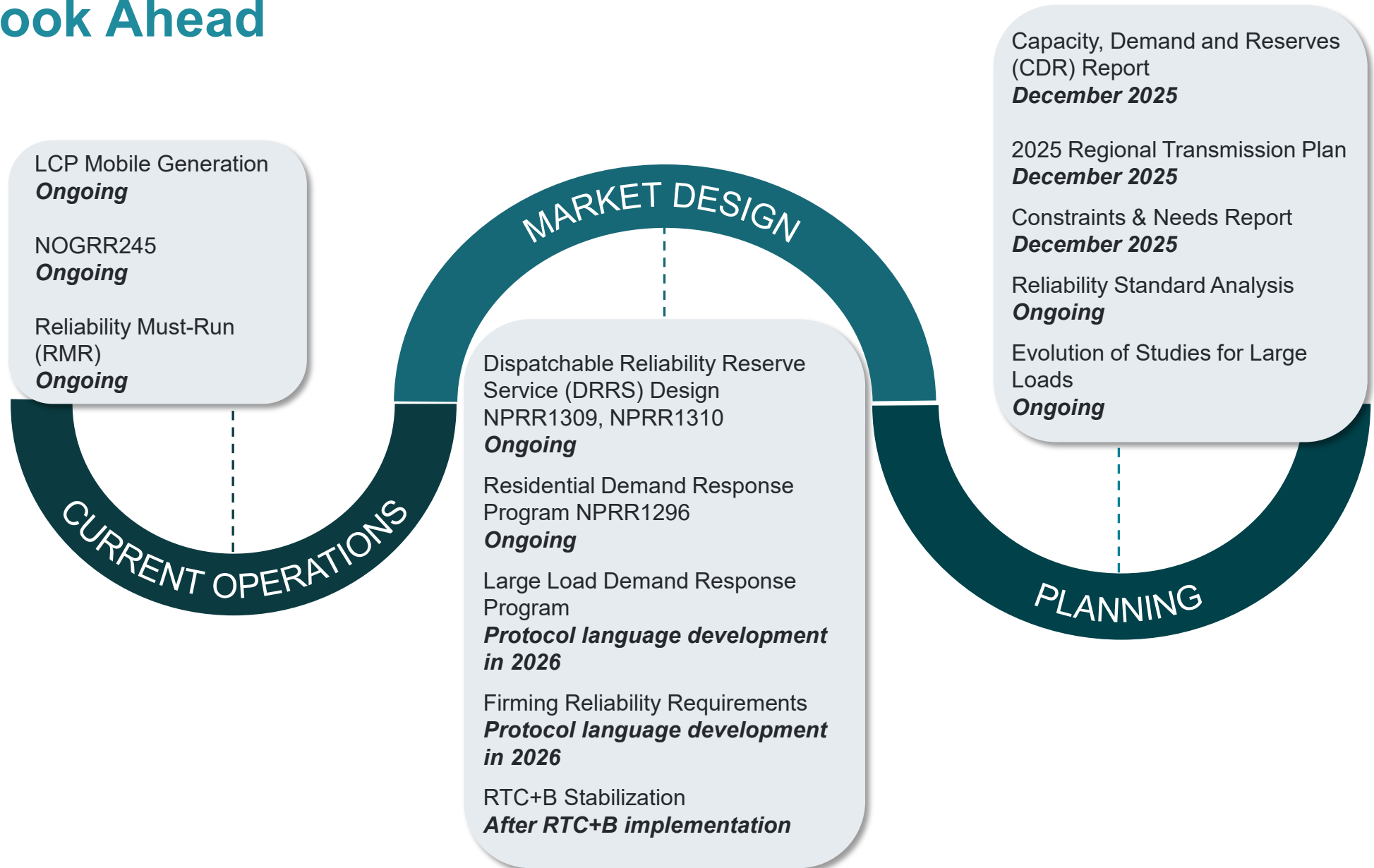
- SB6 (PURA § 39.169) requires ERCOT to “study the system impacts” of a “net metering arrangement between an operating facility registered with the independent organization as a stand-alone generation resource as of September 1, 2025, and a new large load customer” and to recommend conditions to the Public Utility Commission of Texas (PUCT) to ensure reliability after implementation of the arrangement.
- The PUCT is developing rules to establish the process for this review. (See PUC Project No. 58479.)
- ERCOT has established an interim net metering review process that aligns with the proposed rule.
- Two net metering arrangements have been formally submitted for ERCOT review.
- ERCOT must complete its analysis within 120 days of notifying the PUCT it has received all information. ERCOT is coordinating with PUCT Staff in evaluating these arrangements.



Key Takeaway: ERCOT has implemented an interim net metering review process pending final adoption of PUCT rules and is actively reviewing two proposed net metering arrangements.



A Look Ahead



GridEx VIII

NERC hosts a large-scale GridEx exercise every other year to practice response to coordinated cyber and physical security threats. This year, ERCOT participated in GridEx VIII activities in three ways:

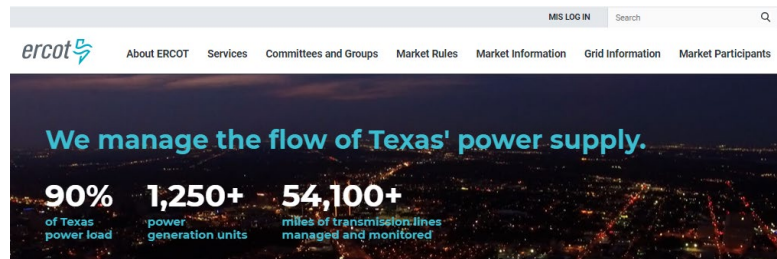
- IT and Cyber teams competed in a hands-on technical exercise to identify and stop cyber threats.
- ERCOT leadership participated in a tabletop exercise focused on decision making, coordination, and communications during a complex cyber-physical threat.
- ERCOT Operations used their training simulator to emulate and respond to GridEx attacks according to their training cycles.



Key Takeaway: ERCOT prepares year-round for any type of threat (cyber and physical) to the electric system and continually invests in trained staff and resources to help keep the electric grid safe.

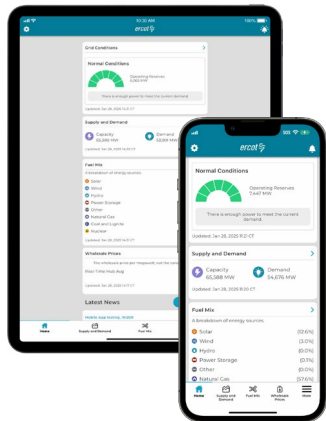


ERCOT Communication Channels



ERCOT website – www.ercot.com

- Today's outlook and grid conditions
- Daily and seasonal weather
- Market information, prices and more



New ERCOT mobile app

- Real-time updates
- Wholesale pricing
- News and alerts

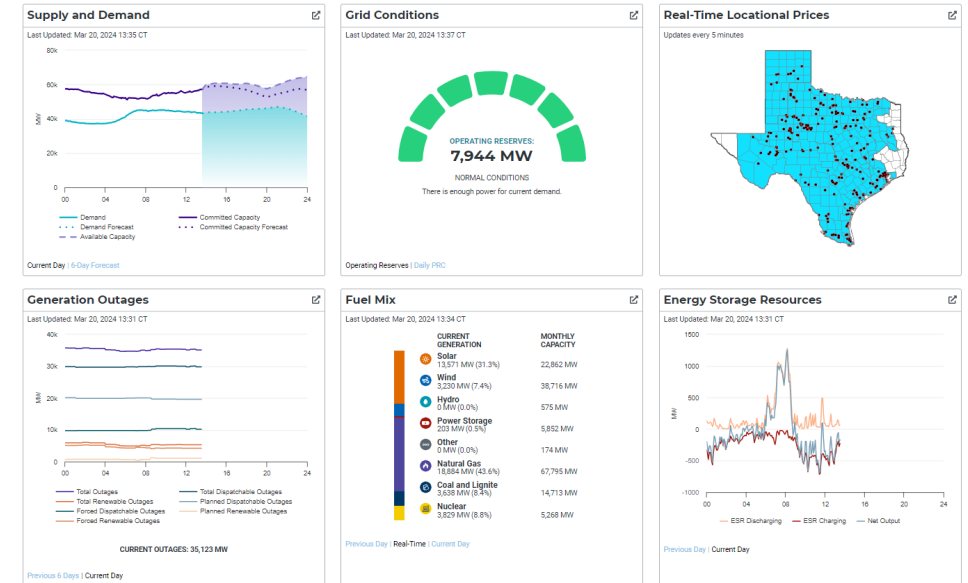


Grid and Market Conditions

These dashboards offer a snapshot of current conditions in the ERCOT system. The timestamp on each indicates when the information was last updated. Click the Full View link on a dashboard for an expanded display.

*Note: The 6-Day Forecast graph should only be used as a relative indication of future system conditions. Due to uncertainties associated with the longer-term nature of the forecasts used, both the Available Seasonal Capacity and Demand Forecast may adjust significantly as the Operating Day approaches.

*Note: Capacity available from demand response programs is not reflected in the Current Day and the 6-Day Forecast graphs unless these programs have been deployed.



- Early notifications ahead of periods of higher demand
- Provides greater transparency on grid operations
- Subscribe for email notifications



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Jeanette Agron

Paha Aihemaiti

Matthew Arth

Vasiliy Astapov

Sreenivas Badri

Wenlei Bai

Veera Balasubramanian

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Sanjana Basu

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Dean Cortez

Emi Covarrubias

Paras Dave

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Satish Edhara

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Maruthi Gaddam

Phanindra Gaddam

Nate Gamble

Abhi Masanna Gari

Karthik Gopinath

Aerial Hardison

Sruthi Hariharan

Ron Hernandez

Keely Hilton

Fatima Himani

Luis Hinojosa

Ikponmwosa Idehen

Jerry Insall

Susan Jinright

Adaora Johnson-Ofoegbu

Bipin Kadariya

Yugendher Reddy Karedla

Ramesh Kaul

Ryan King

Joel Koepke

Rao Kondapalli

Anil Kumar Kottamasu

Sathyanarayan Krishnan

Steven Lang

Jamie Lavas

James LaWare

Katherine Li

Paul Li

Weifeng Li

Yu Li

Steven Lowe

Judy Luu

Olha Lyakhovets

Yong Ma

Dave Maggio

Preethi Meher Malla

Indra Mallu

Sanjay Manandhar

Srinivas Maracany

Vikram Maripeddi

Ujwal Maskey

Christian Matthews

Trish Matus

Kevin McGarrahan



Employee Recognition



RTC+B continued

Vedprakash Mehndiratta
 John Messer
 Norma Mester
 Shireesha Methuku
 John Michael
 Angela Michelsen
 Phil Mincemoyer
 Sai Moorty
 Alfredo Moreno
 Osa Ohikhuare
 Abi Olayinka
 Nagesh Paladugu
 Ronakkumar Parikh
 Priyanka Parthasarathy
 Naresh Parsha
 Vamsi Paruchuri
 Anthony Pataray
 Parag Patil
 Aravind Kumar Pentapalli

Cory Phillips
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 Gary Pollock
 Sarada Potluri
 Tejaswi Potluri
 Kenneth Ragsdale
 Sidharth Rajagopalan
 Aishwarya Rana
 Chandrakanth Ranganathan
 Lisa Repa
 Tracy Richter
 Jeff Robertson
 Raeann Rojas
 Narender Sandil
 Silvia Saunders
 Matthew Schmidt
 Subhan Shaik
 Magie Shanks
 Beena Sherif

Teresa Simien
 Sushma Siva
 Matthew Skiles
 Ira Smith
 Nathan Smith
 Vigneshwaran Soundararajan
 Damon Stewart
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 Ravi Tummala
 Jose Urbina
 Beau Van Kirk
 Padma Veluservai
 Rachel Villarreal
 Lu Wang
 Damon Williams
 Denise Xu
 Xiangjun Xu
 Matthew Young
 David Zhou



Employee Recognition



Core Values

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Mike Dameron
Laura Dronen
Lauren Fleming
Alex Green

Kelsey Gustafson
Aubrey Hale
Mick Hanna
David Kezell
Sathyanarayan Krishnan

Vedprakash Mehndiratta
Eric Meier
Thinesh Devadhas
Mohanadhas
Michelle Myers

Jake Pedigo
Sridevi Ravulapalli
Shawn Scott
Stacy Skrhak
Zach Tufenkjian



Employee Summit

Dana Anders
David Bailey
Monica Barchenger
Doug Basinger
Caleb Carroll
Shad Chancey
Penney Christian
Scotty Clifton
Sonia Conrad
Bernie Corpus
Britton Davis

Olga Finneran
Nate Gamble
Oscar Garza
Jen Greer
John Hazelwood
Julie House
Gilbert Hughes
Ray Landry
Sheila Letkeman
Amy Lofton
Jennifer Long

Sylvester Luna
Olha Lyakhovets
Jay McNelly
Mark Miner
Jimmy Mizell
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Christy Penders
Lisa Repa
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Amy Starnes
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Mallory Vrana
Trudi Webster
Gates Yager

