



**Date:** April 15, 2026  
**To:** Board of Directors  
**From:** Kristi Hobbs, Vice President, System Planning and Weatherization (ERCOT)  
**Subject:** 25RPG016 STEC Nueces Green Ammonia Load Interconnection Project

## Issue for the ERCOT Board of Directors

**ERCOT Board of Directors Meeting Date: April 20-21, 2026**

**Item No.:** 5.2

**Issue:**

Whether the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) should accept the recommendation of ERCOT staff to endorse the need for the Tier 1 STEC Nueces Green Ammonia Load Interconnection Regional Planning Group (RPG) Project in order to meet the reliability requirements for the ERCOT System and address thermal overloads and unsolved power flows due to a proposed load addition in Nueces County in the South Weather Zone, which ERCOT staff has independently reviewed and which the Technical Advisory Committee (TAC) has voted unanimously to endorse.

**Background/History:**

South Texas Electric Cooperative (STEC) proposed the STEC Nueces Green Ammonia Load Interconnection Project in May 2025, a \$74.0 million Tier 2 project with the expected in-service date of June 2027, to meet reliability planning criteria due to proposed load additions in Nueces County in the South Weather Zone. Protocol Section 3.11.4.6, Processing of Tier 2 Projects, requires ERCOT to independently review submitted projects. ERCOT performed an independent review of the STEC Nueces Green Ammonia Load Interconnection Project and identified thermal overloads and unsolved power flows in Nueces County. The ERCOT project recommendation (Option 3), a \$161.1 million, Tier 1 project with the expected in-service date of May 2031 addresses the need for a project under North American Electric Reliability Corporation (NERC) and ERCOT Planning Criteria to address thermal overloads on approximately 3 miles of 138-kV, 2 miles of 69-kV transmission lines and 2 unsolved power flows in Nueces County with the following ERCOT System improvements:



- Construct a new Nueces Load POI 345-kV substation cutting in on the existing Reforzar to Lon Hill 345-kV transmission line;
- Loop in the new Nueces Load POI onto the existing Lon Hill to Grissom 345-kV transmission line using single-circuit structures, with normal and emergency ratings of at least 1059 MVA and 1195 MVA respectively, approximately 5.9-mile;
- Construct a new Chalcedony to Nueces Load POI 345-kV transmission line on double-circuit structures with one circuit in place, with normal and emergency ratings of at least 2000 MVA, approximately 4.5-mile; and
- Rebuild the existing Lon Hill to Bunsen 138-kV transmission line on double-circuit structures with one circuit in place where not sharing a common tower, normal and emergency ratings of at least 400 MVA, approximately 2.6-mile.

ERCOT's independent review verified the reliability need for the STEC Nueces Green Ammonia Load Interconnection Project to satisfy ERCOT Planning Guide Section 4.1.1.2(1)(a), Reliability Performance Criteria, contingency for the loss of a common tower outage, 4.1.1.2(1)(d), Reliability Performance Criteria, contingency for the loss of a single generator followed by a single transmission element or common tower outage, and 4.1.1.2(1)(e), Reliability Performance Criteria, contingency for the loss of a single transformer followed by a single transmission element or common tower outage.

RPG considered project overviews during meetings in July 2025 and March 2026. Between July 2025 and March 2026, ERCOT staff presented scope and status updates at RPG meetings in July, October, November, December 2025, January, February and March 2026. Pursuant to paragraph (2) of Protocol Section 3.11.4.9, Regional Planning Group Acceptance and ERCOT Endorsement, ERCOT presented the Tier 1 project to the Technical Advisory Committee (TAC) for review and comment, and on March 25, 2026, TAC unanimously endorsed the project as recommended by ERCOT. Pursuant to the terms of paragraph (1)(a) of Protocol Section 3.11.4.3, *Categorization of Proposed Transmission Projects*, in effect at the time STEC submitted the Nueces Green Ammonia Load Interconnection Project, projects with an estimated capital cost of \$100 million or greater are Tier 1 projects, for which Protocol Section 3.11.4.7(2) requires endorsement by the Board. Pursuant to Section 3.11.4.9, ERCOT's endorsement of a Tier 1 project is obtained upon affirmative vote of the Board.

ERCOT's assessment of the Sub-Synchronous Oscillations (SSO) of existing facilities in Nueces County in the South Weather Zone, conducted pursuant to Protocol Section 3.22.1.3, Transmission Project Assessment, yielded no adverse SSO impacts to the existing and planned generation resources at the time of the study. Results of the congestion analysis ERCOT conducted pursuant to Planning Guide Section 3.1.3,



Project Evaluation, indicated no significant new congestion in the area with the addition of the STEC Nueces Green Ammonia Load Interconnection Project (Option 3).

The report describing the ERCOT Independent Review of the STEC Nueces Green Ammonia Load Interconnection Project (Option 3), including ERCOT staff's recommendation, is included as Attachment A.

**Key Factors Influencing Issue:**

1. ERCOT System improvements are needed to meet reliability planning criteria due to a proposed load addition in Nueces County in the South Weather Zone.
2. ERCOT staff found the recommended set of improvements to be the most efficient solution for meeting the planning reliability criteria, addressing thermal overloads and unsolved power flows.
3. Protocol Section 3.11.4.7 requires Board endorsement of a Tier 1 project, which is a project with an estimated capital cost of \$100 million or greater pursuant to the terms of Protocol Section 3.11.4.3(1)(a) in effect at the time STEC submitted the Nueces Green Ammonia Load Interconnection Project.
4. TAC voted unanimously to endorse the Tier 1 STEC Nueces Green Ammonia Load Interconnection Regional Planning Group (RPG) Project (Option 3), as recommended by ERCOT, on March 25, 2026.

**Conclusion/Recommendation:**

ERCOT staff recommends that the Board endorse the need for the Tier 1 STEC Nueces Green Ammonia Load Interconnection RPG Project (Option 3), which ERCOT staff has independently reviewed, and which TAC has voted unanimously to endorse based on North American Electric Reliability Corporation (NERC) and ERCOT reliability planning criteria.



**ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.**

**BOARD OF DIRECTORS RESOLUTION**

WHEREAS, pursuant to the terms of Section 3.11.4.3(1)(a) of the Electric Reliability Council of Texas, Inc. (ERCOT) Protocols in effect at the time South Texas Electric Cooperative submitted the Nueces Green Ammonia Load Interconnection project, projects with an estimated capital cost of \$100 million or greater are Tier 1 projects, for which Section 3.11.4.7 requires endorsement by the ERCOT Board of Directors (Board); and

WHEREAS, after due consideration of the alternatives, the ERCOT Board of Directors (Board) deems it desirable and in the best interest of ERCOT to accept ERCOT staff's recommendation to endorse the need for the Tier 1 STEC Nueces Green Ammonia Load Interconnection Regional Planning Group Project (Option 3), which ERCOT staff has independently reviewed and which the Technical Advisory Committee (TAC) has voted unanimously to endorse based on North American Electric Reliability Corporation (NERC) and ERCOT reliability planning criteria;

THEREFORE, BE IT RESOLVED that ERCOT is hereby authorized and approved to endorse the need for the Tier 1 STEC Nueces Green Ammonia Load Interconnection Regional Planning Group Project (Option 3), which ERCOT staff has independently reviewed, and which TAC has voted unanimously to endorse based on NERC and ERCOT reliability planning criteria.

**CORPORATE SECRETARY'S CERTIFICATE**

I, Brandon Gleason, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its April 20-21, 2026 meeting, the Board passed a motion approving the above Resolution by \_\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 2026.

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Brandon Gleason  
Assistant Corporate Secretary