



## Item 11: CEO Update

*Pablo Vegas*  
ERCOT President and CEO

Board of Directors Meeting

June 1-2, 2026

### Purpose

This presentation highlights ERCOT's planning activities and strategic areas of focus.

### For information only

No action is requested; for discussion only.

### Key Takeaways

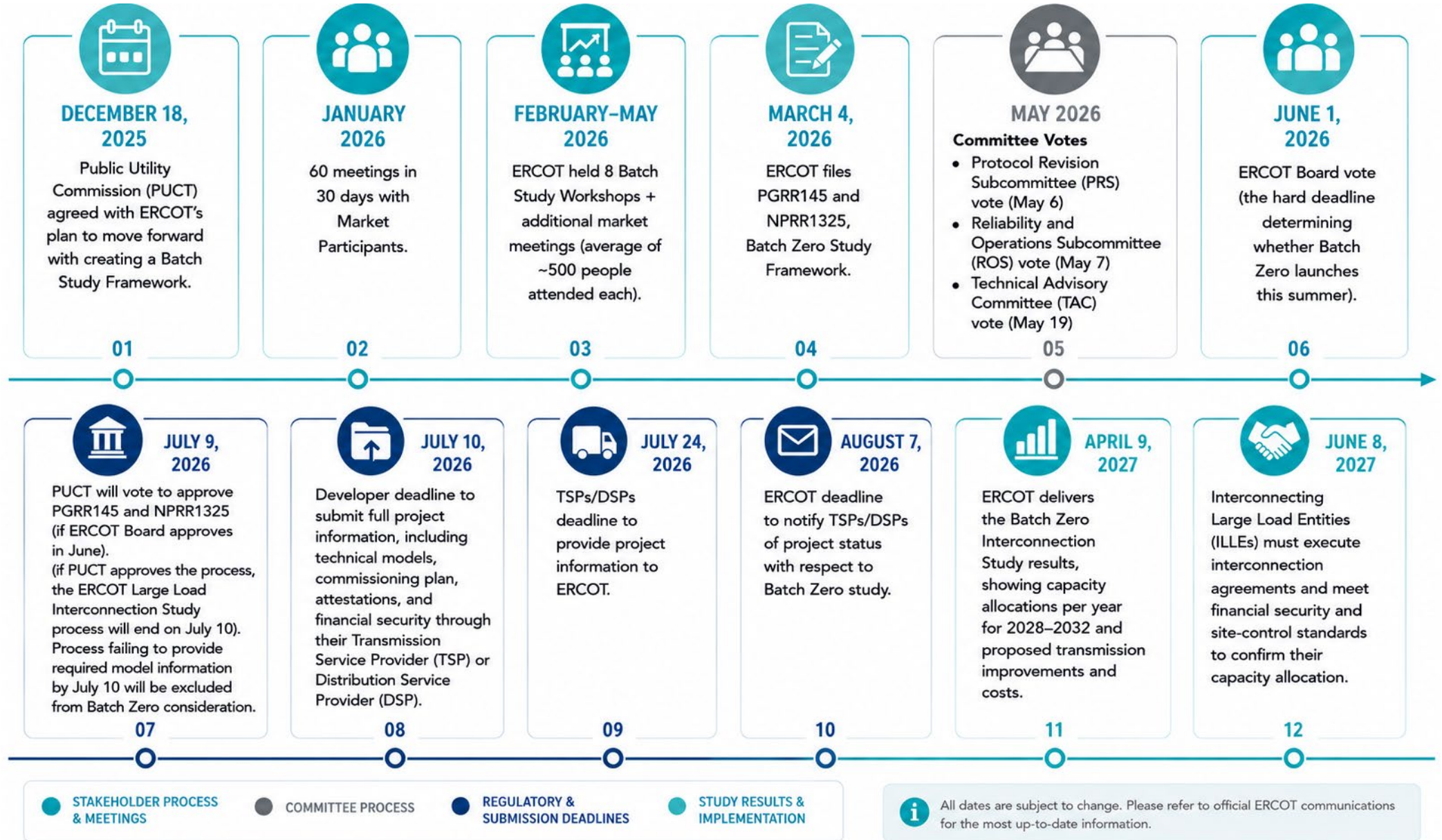
- ERCOT and the PUCT are working to create a more realistic Long-Term Load Forecast to accurately reflect the growing demand, which is largely driven by AI/data centers. ERCOT's proposed approach is to use the forecast that will be developed using the Batch Zero forecast methodology. This forecast proposal is being considered at the PUCT.
- ERCOT staff, Market Participants, and stakeholders have worked long and hard to create the framework for the Large Load Batch Zero Process.
- The ERCOT grid has seen more than 10,800 MW of new capacity since the summer of 2025, including more than 1,200 MW of natural gas.

# Long-Term Load Forecast Update

- At the May 7 Public Utility Commission (PUC) Open Meeting, ERCOT notified the PUC that it would propose to adjust the Long-Term Load Forecast (LTLF) required by the methodology in the PUC's load forecast rule by using either the Batch Zero Load Forecast or an Adjusted Load Forecast that discounts utility-reported figures based on historical realization rates.
- ERCOT prefers the Batch Zero Load Forecast.
- Adjustments to the LTLF methodology would impact ERCOT's Capacity, Demand, and Reserves (CDR) reports, the 2026 Regional Transmission Plan (RTP), and its Reliability Standard Assessment.
- Due to the time involved in developing the adjusted LTLF and receiving the PUC's formal forecast approval, ERCOT also filed a *good cause exception* with the PUC seeking approval not to release a May 2026 CDR or perform a 2026 RTP.
- In the interim, ERCOT created the Generation Resource Capacity Forecast in lieu of the May CDR to provide an April 2026 data snapshot of installed generation resource capacity typically prepared for the CDR report. (This limited report does not contain load forecast or planning reserve margin data).
- The PUC could consider ERCOT's load forecast proposal at the June 18 Open Meeting.

**Key Takeaway:** ERCOT and the PUC are working to create a more realistic Long-Term Load Forecast to accurately reflect the growing demand, which is largely driven by AI/data centers. ERCOT's preferred approach is to use the forecast that will be developed using the Batch Zero forecast methodology. This forecast proposal is being considered at the PUC.

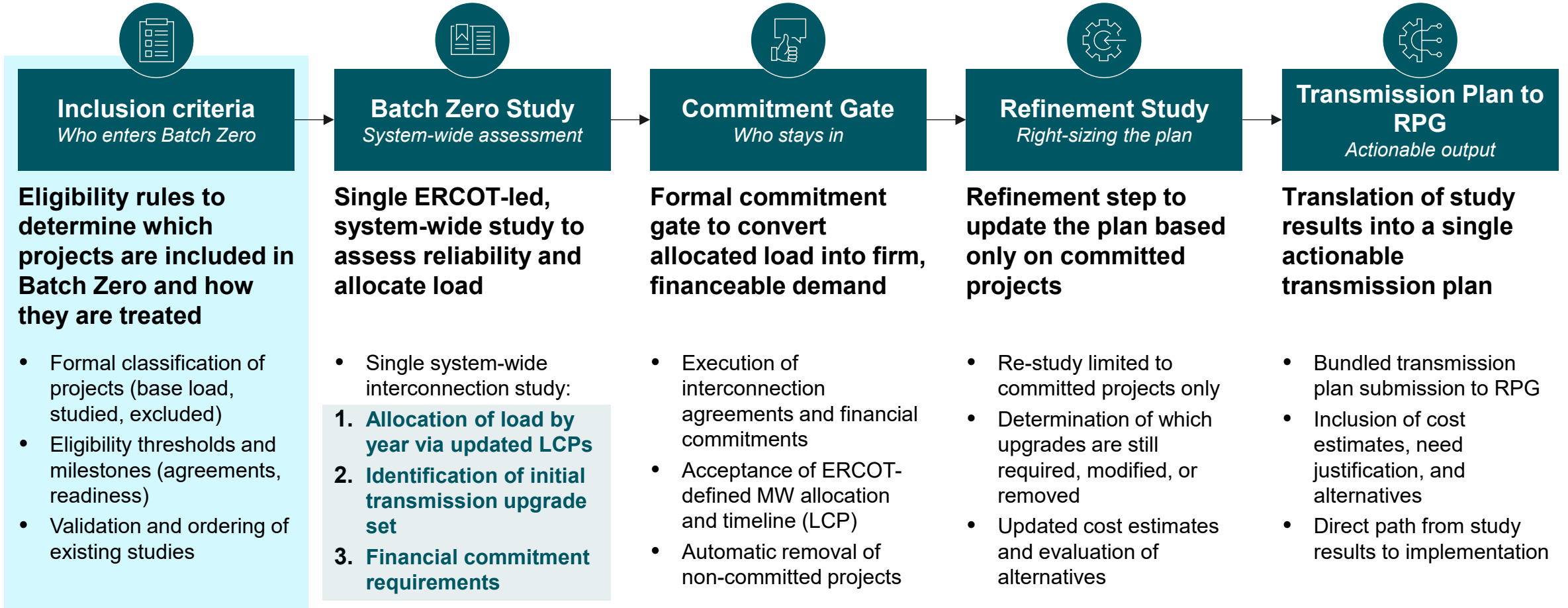
# Batch Study Framework Key Milestones



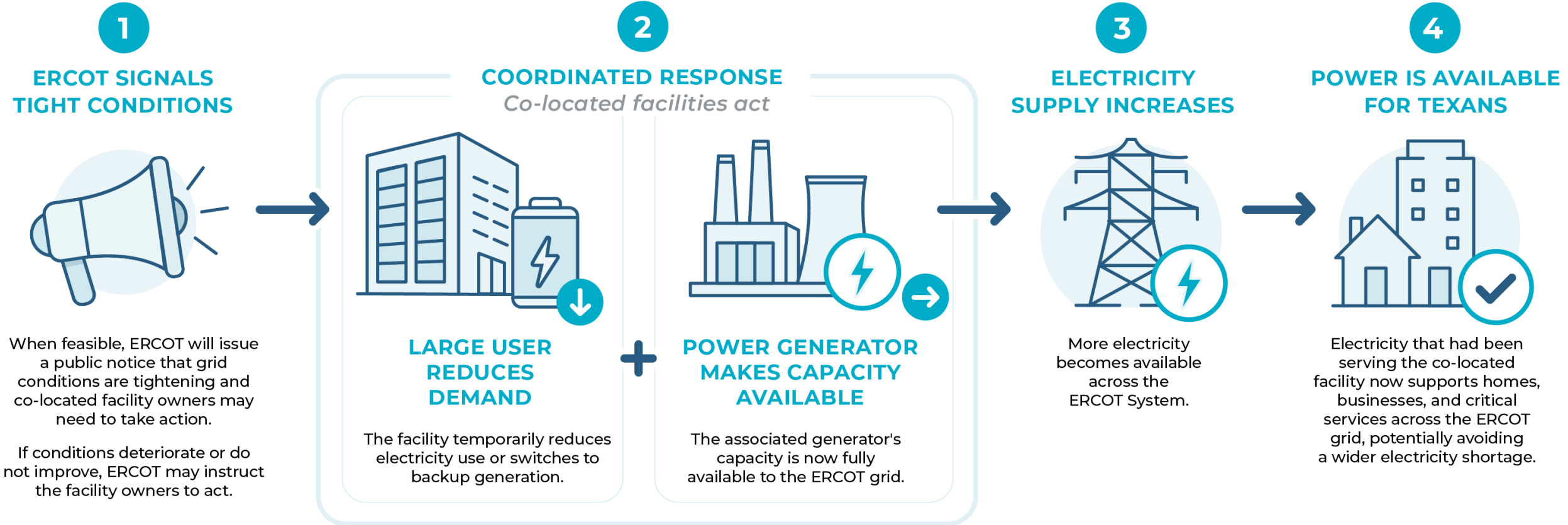
# PGRR145 defines Batch Zero as a Structured Process from Screening to Actionable Transmission Plan

Detailed next

## Batch Zero PGRR145 Building Blocks



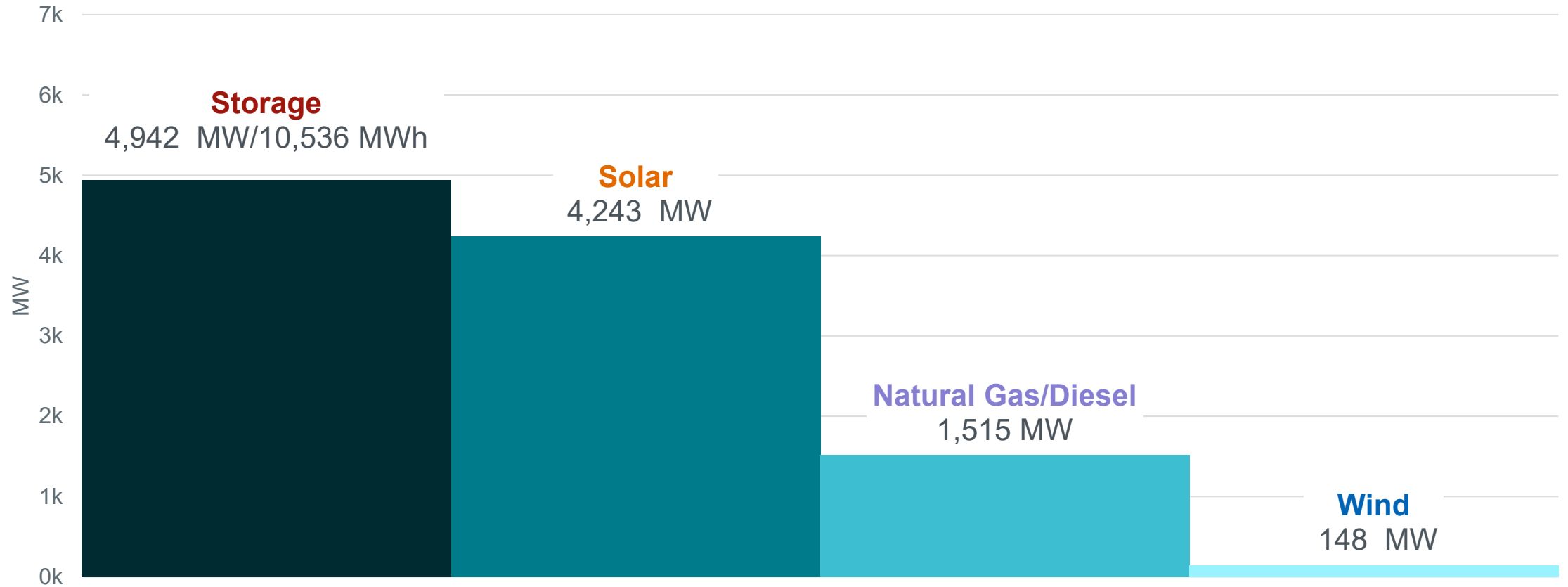
# An Example of Senate Bill (SB) 6 in Action



Note: this arrangement only applies to a co-located facility in which the generation resource existed prior to September 1, 2025. A generator that comes online now with a co-located load would not be subject to this same outcome.

**Key Takeaway:** ERCOT and the PUCT are carrying out SB6's directive to ensure large load additions at existing generation facilities do not jeopardize ERCOT's ability to use those generation facilities to serve the rest of the system during actual or anticipated grid emergencies. As of May 2026, the PUCT has approved two net metering arrangements with conditions. Three additional net metering proceedings have been initiated at the PUCT, with many more expected.

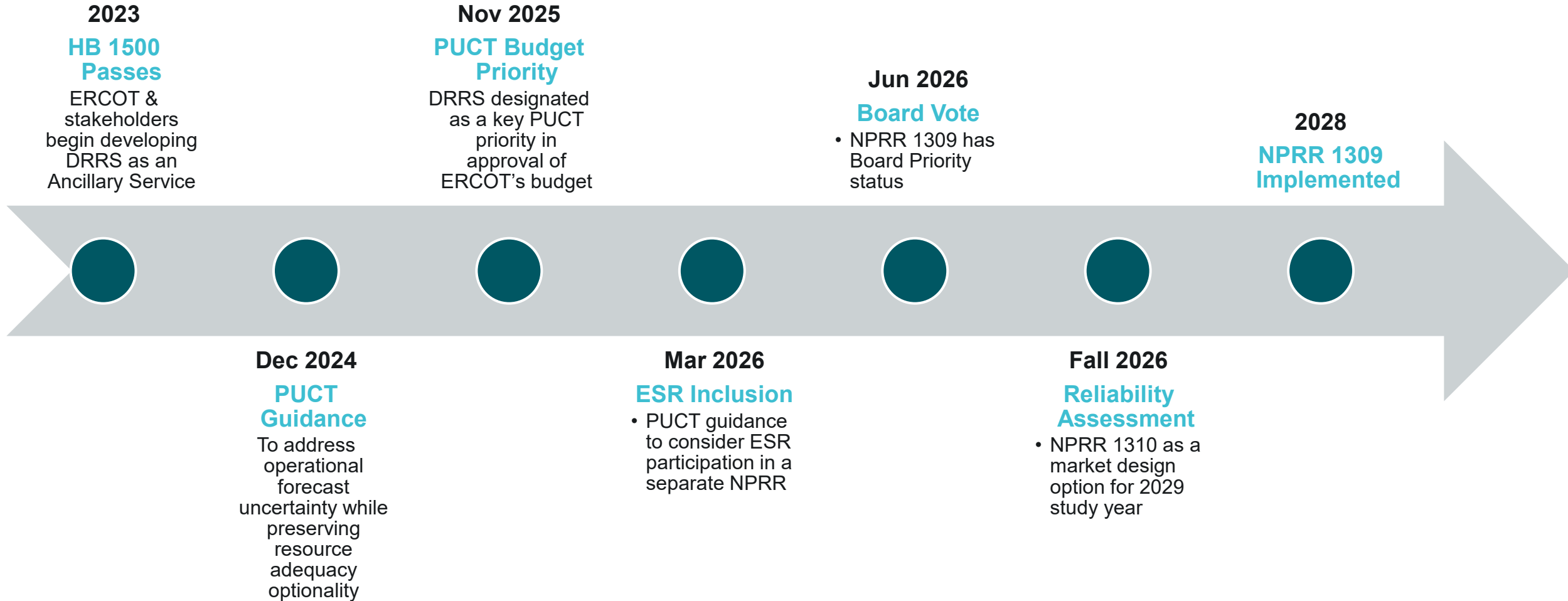
# New Generation Capacity Since Last Summer (October 15 – May 15)



**Key Takeaway:** The ERCOT grid has seen 10,848 MW of new capacity since last summer, including more than 1,200 MW of natural gas, approximately 900 MW from Texas Energy Fund projects. (Last summer at this time, the grid had a natural gas net loss of 366 MW due to retirements, derates, and indefinite mothballs).

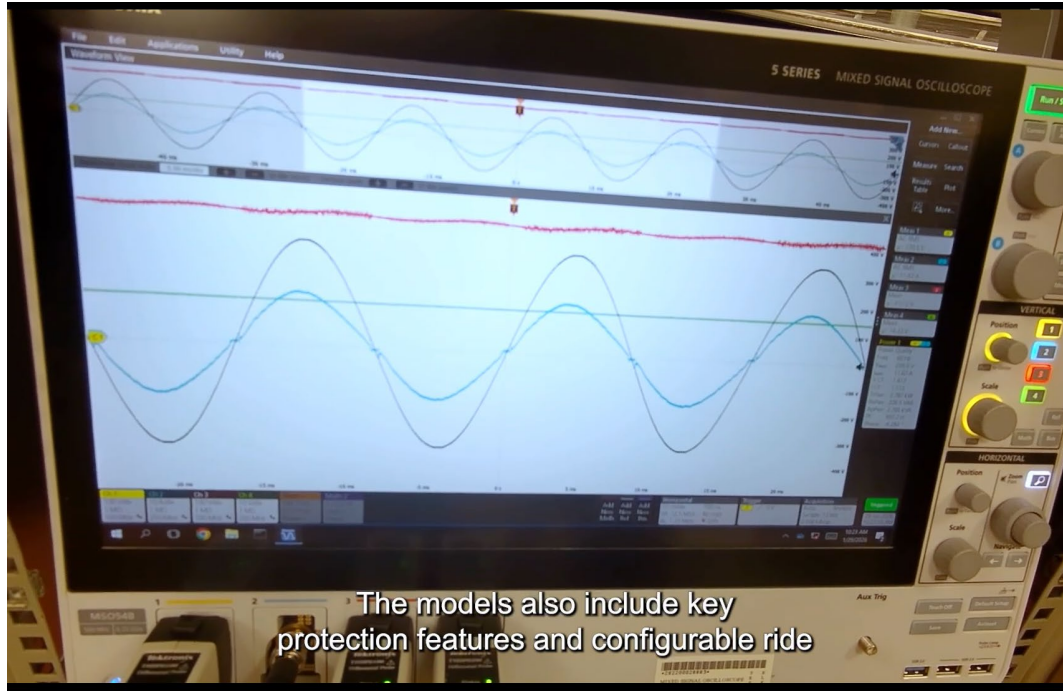
# Dispatchable Reliability Reserve Service (DRRS) Evolution

HB 1500 § 22 (88R) | PURA § 39.159(d)



# Grid Research, Innovation, and Transformation (GRIT) Initiatives

## Large Load Modeling



The models also include key protection features and configurable ride

## Energy Storage Resource (ESR) State of Charge Optimization

1. Ensuring stored energy was available for critical periods
2. Appropriate Reliability Unit Commitments
3. Improved Congestion Management
4. Check on ESR's Current Operating Plan

**Key Takeaway:** Aligning with our vision to be the most innovative and reliable grid in the world, ERCOT's GRIT Program is focusing on advancing research and prototyping of emerging concepts and solutions to deeply understand the implications of rapid grid and technology evolution, positioning ERCOT to lead in the future energy landscape.

# ERCOT Employee Recognition



## PGRR145/NPRR1325 Batch Zero Study Initiative

### Project Leads

Jeff Billo  
Agee Springer  
Christina Switzer  
Matt Mereness  
Evan Rowe

### Additional Team

Dana Anders  
Janice Ayson  
Nathan Bigbee  
Britton Davis  
Freddy Garcia  
Rolando Garza  
Prabhu Gnanam  
Kristi Hobbs  
Curry Holden  
Caleb Holland  
Fred Huang  
Sun Wook Kang

Ryan King  
Joel Koepke  
Eric Meier  
Sheri Messer  
Sai Moorty  
Kenneth Ragsdale  
Priya Ramasubbu  
Jesus Silva Rodriguez  
Jonathan Rose  
Trey Schober  
Kenisha Webber  
Ping Yan