



GENERAL SESSION MINUTES OF THE BOARD OF DIRECTORS MEETING OF ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.

8000 Metropolis Drive (Building E), Suite 100, Boardroom B
Austin, Texas 78744
February 09–10, 2026

Pursuant to notice duly given, the meeting of the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) convened on the above-referenced date.

Meeting Attendance:

Present: William Flores (Chair), Peggy Heeg (Vice Chair), Benjamin Barkley, Linda Capuano[†], Julie England, Thomas Gleeson, Courtney Hjaltman^{*†}, Chris Krummel, Kathleen McAllister, Bill Mohl, John Swainson, and Pablo Vegas

Attending: Kathleen Jackson, Chad Seely, Brandon Gleason, Caitlin Smith, Jeff McDonald, Jayapal Parakkuth, Woody Rickerson, Richard Scheel, Jeff Billo, Drew Bonser, Keith Collins, Bryan Hanley, Kristi Hobbs, Gilbert Hughes, Ajay Mannepalli, Adam Martinez, Venkata Tirupati, Dan Woodfin, Dawn Herms, Penny Rychetsky, Roti Akanni-Owoo, Rebecca Zerwas, Brandt Rydell, Kim Rainwater, Cynthia Hahne, and Amie Vanella

Apologies: Linda Capuano was not present on Monday, February 9, 2026.

**Attended remotely:* Commissioner Hjaltman joined remotely on February 9, 2026, at approximately 1:54 p.m.

†Attended for part of the meeting: Commissioner Hjaltman attended the meeting in person on Tuesday, February 10, 2026.

Convene General Session

The meeting commenced at approximately 1:36 p.m.

Call General Session to Order (Agenda Item 1)

Board Chair Bill Flores called the meeting to order and confirmed that a quorum was present. The meeting was webcast live. Commissioner Courtney Hjaltman was welcomed as the rotating Commissioner member of the ERCOT Board of Directors for 2026. Commissioner Hjaltman was not present at the time.

ERCOT Antitrust Admonition Disclaimer and Evacuation

Antitrust and security notices were included in the meeting materials.

Notice of Public Comment, if Any (Agenda Item 2)

Three individuals provided public comment:



- **Susan Bell**, Resident of Kerrville, Texas;
- **Linda Bullard**, Secretary, Hill Country Energy Sub-Regional Planning Commission; and
- **Jennifer McCall**, Kendall County Commissioner and Vice President, Hill Country Energy Sub-Regional Planning Commission.

Comments focused on battery installations in the Hill Country counties of Kendall, Kerr, and Gillespie concerning cybersecurity and foreign-manufactured components, coordination under the Texas Local Government Code, and implementation of the Lone Star Infrastructure Protection Act.

December 8-9, 2025 General Session Meeting Minutes (Agenda Item 3)

The Board reviewed the December 8-9, 2026 General Session meeting minutes. Board Director Linda Capuano was not present for the vote.

Motion: Julie England, seconded by John Swainson, moved to approve the minutes.

Key Decisions: Approved by unanimous voice vote with no abstentions.

Confirmation of 2026 Technical Advisory Committee (TAC) Chair and Vice Chair (Agenda Item 4)

The Board considered confirmation of Technical Advisory Committee (TAC) Chair and Vice Chair that TAC elected on January 21, 2026.

Motion: Peggy Heeg, seconded by Bill Mohl, moved to confirm Caitlyn Smith (Jupiter Power) as TAC Chair and Martha Hanson (Oncor Electric Delivery Company) as TAC Vice Chair for 2026.

Key Decisions: Approved by unanimous voice vote with no abstentions.

Consent Agenda; Unopposed Revision Requests Recommended by TAC for Approval: NPRR1304, Move OBD to Section 22 – Procedure for Identifying Resource Nodes; NPRR1305, Move OBD to Section 23 – Counter-Party Credit Application Form; NPRR1311, Correction to Real-Time Reliability Deployment Price Adders for Ancillary Services under Load Shed for RTC+B – URGENT; PGRR127, Addition of Proposed Generation to the Planning Models; PGRR132, Update to Standard Generation Interconnection Agreement (Agenda Items 5—5.1.5)

Chair Flores took up the Consent Agenda, consisting of five Revision Requests recommended by TAC with no opposing votes recorded. Chad Seely noted PGRR 127, *Addition of Proposed Generation to the Planning Models*, as having a budget impact of \$20,000–\$40,000 over approximately 3–4 months. The five Revision Requests included:

- NPRR1304, *Move OBD to Section 22 – Procedure for Identifying Resource Nodes*;
- NPRR1305, *Move OBD to Section 23 – Counter-Party Credit Application Form*;
- NPRR1311, *Correction to Real-Time Reliability Deployment Price Adders for Ancillary Services under Load Shed for RTC+B – URGENT*;
- PGRR127, *Addition of Proposed Generation to the Planning Models*; and



- PGRR132, *Update to Standard Generation Interconnection Agreement (SGIA) Requirement.*

Motion: Kathleen McAllister, seconded by Ben Barkley, moved to approve Consent Agenda as presented.

Key Decisions: Approved by unanimous voice vote with no abstentions.

High-Impact Policy Discussions; Update on Board Priority Revision Requests: NPRR1309, Dispatchable Reliability Reserve Service Ancillary Service, and NOGRR282, Large Electronic Load Ride-Through Requirements (Agenda Items 6—6.1)

Keith Collins, Jeff Billo, and Ms. Smith provided updates on stakeholder discussions and workshops regarding three Revision Requests:

- NPRR 1309, *Board Priority – Dispatchable Reliability Reserve Service Ancillary Service;*
- NPRR 1310, *Dispatchable Reliability Reserve Service Plus Energy Storage Resource Participation and Release Factor – Urgent;* and
- NOGRR 282, *Board Priority – Large Electronic Load Ride-Through Requirements.*

The Board discussed key topics in the presentations:

- Ongoing workshops and stakeholder engagement on Dispatchable Reliability Reserve Service Ancillary Service;
- Timing and treatment of Energy Storage Resources within Dispatchable Reliability Reserve Service Ancillary Service;
- Resource adequacy;
- Technical requirements for Large Electronic Load ride-through and exemptions from requirements; and
- ERCOT's authority when reliability concerns extend beyond Market Participant relationships to end-use customers.

Commissioner Hjaltman joined the meeting via Webex. PUCT Chairman Thomas Gleeson called to order an Open Meeting of the Commission.

High-Impact Policy Discussions in the Stakeholder Process (Agenda Item 6.2)

Rebecca Zerwas provided updates on High-Impact Policy Discussions in the Stakeholder Process:

- Implementation timeline for Dispatchable Reliability Reserve Service Ancillary Service;
- Large Load interconnection;
- Senate Bill 6 (89th Leg. R.S.) implementation, including rulemakings and compliance of the 2026 Regional Transmission Plan;
- Residential Demand Response (RDR) and NPRR 1286, *Establish Multi-Value Criteria for Resiliency-Related Transmission Project Evaluation;*



- NPPR 1275, *Expansion of Qualifying Pipeline Definition for Firm Fuel Supply Service in Phase 3*; and
- Reliability Must-Run (RMR) and Contract for Capacity potential process improvements.

TAC Report (Agenda Item 7)

Ms. Smith presented the TAC Report:

- TAC activity since the previous Board meeting;
- The five unanimously recommended Revision Requests on the Consent Agenda for today's meeting of the Board;
- Confirmation of subcommittee leadership; and
- Endorsement of the South Texas Electric Cooperative (STEC) Ammonia Plant Load Project (Option 1).

Chair Flores next took up a staff presentation and Board vote in Agenda Item 8, *25RPG012 STEC Ammonia Plant Load Project – Option 1*.

25RPG012 STEC Ammonia Plant Load Project – Option 1 (Agenda Item 8)

The Board considered the \$117 million transmission project to support a 300 MW load addition in the coastal area and address reliability criteria of ERCOT and the North American Electric Reliability Corporation (NERC). Ms. Hobbs presented key topics regarding Option 1:

- The ERCOT Independent Review process considered eight options;
- Least costly alternative;
- Provided more future load carrying capability;
- Least number of new rights-of-way; and
- Cost was higher than STEC's original submission due to not using most current costs in original estimates and tariffs on materials.

Motion: Mr. Krummel, seconded by Ms. McAllister, moved to approve 25RPG012 STEC Ammonia Plant Load Project (Option 1).

Key Decisions: Approved by unanimous voice vote with no abstentions.

System Planning and Operations; System Planning and Weatherization Update (Agenda Items 9—9.1)

Ms. Hobbs reported on the System Planning and Weatherization Update and discussed key topics with the Board:

- Winter weatherization inspections underway;
- Strong fleet performance during Winter Storm Fern;
- \$14+ billion in endorsed 2025 transmission projects;
- Declining inflation-adjusted transmission cost per consumer; and
- Resource adequacy projections showing declining reserve margins absent additional dispatchable generation.



Interconnection and Grid Analysis Update (Agenda Item 9.2)

Mr. Billo presented the Interconnection and Grid Analysis Update, including:

- Ongoing NOGRR245 compliance review;
- Large Load interconnection growth (primarily data centers);
- Continued battery-dominated generation interconnection requests; and
- Progress of Texas Energy Fund (TEF) projects.

System Operations Update (Agenda Item 9.3)

Dan Woodfin presented the System Operations Update, highlighting operations during Winter Storm Fern:

- Grid operated reliably;
- Transmission outages low for total observed winter precipitation;
- Effective use of Real-Time Co-optimization (RTC);
- Analysis of a Demand forecast variance is ongoing; and
- Successfully sought Department of Energy (DOE) 202(c) emergency authority (not implemented operationally) and Texas Commission on Environmental Quality (TCEQ) enforcement discretion.

Commercial Markets; Independent Market Monitor (IMM) Report (Agenda Items 10—10.1)

Jeff McDonald presented the Independent Market Monitor (IMM) report and discussed key issues with the Board:

- Real-Time Co-optimization Plus Batteries (RTC+ B) implementation performance;
- Ancillary Service Demand Curve (ASDC) pricing behavior;
- Out-of-market mechanisms; and
- Resource adequacy in Energy-Only markets.

Commercial Markets Update (Agenda Item 10.2)

Mr. Collins presented the Commercial Markets Update. Key topics addressed:

- Development of a study to estimate the benefits of RTC+ B performance;
- Reduction in Reliability Unit Commitments (RUCs) since RTC+B implementation;
- RTC+B stabilization;
- Winter Storm Fern pricing;
- Demand-side resources and ongoing study of Texas demand response programs by Charles River Associates; and
- Market credit exposure and collateral performance.



Market Credit Risk Corporate Standard (Agenda Item 10.2.1)

The Board conducted the annual review of the Market Credit Risk Corporate Standard. The only modification was updating reporting structure to reflect Board committee changes.

Motion: Mr. Mohl, seconded by Ms. McAllister, moved to approve the revised Market Credit Risk Corporate Standard.

Key Decisions: Approved by unanimous voice vote with no abstentions.

Recess Meeting until 10:00 a.m., Tuesday, February 10, 2026

Chair Flores recessed General Session at approximately 3:36 p.m. on February 9, 2026. The Board will reconvene February 10, 2026 at 10:00 a.m.

Reconvene General Session 10:00 a.m., Tuesday, February 10, 2026

Board Chair Bill Flores reconvened the February 9–10, 2026 Board meeting at approximately 10:00 a.m. A quorum was confirmed. The meeting was publicly noticed and webcast.

PUCT Chair Thomas Gleeson reconvened the Open Meeting of the Commission.

No requests for public comment were received.

CEO Update (Agenda Item 11)

President and CEO Pablo Vegas provided updates on:

Winter Storm Fern

- Strong grid performance;
- Low level of transmission forced outages;
- Effective use of Firm Fuel Supply Service;
- Development of a process for DOE 202(c) orders for data center backup generation;
- RTC+B provided operational benefits; and
- Lifecycle relocated generation resources supported reliability.

Weatherization performance metrics showed continued improvement in thermal fleet outage ratios relative to storm severity.

ERCOT communications performance included:

- Significant increase in website traffic and public engagement; and
- Effective coordination with state agencies and legislative leadership.

Large Load Interconnection Reform

Mr. Vegas discussed the importance of innovating a Large Load interconnection process through a batch study framework to support growth in a cost-effective way.



Transmission Investment

- Continued transmission development to support load growth; and
- Inflation-adjusted transmission cost per MWh remains flat to slightly declining, due to growing load base.

Operational Excellence Recognition

ERCOT was named runner-up at the Business Transformation World Summit for achievements in the Driving Change and Transforming Organizational Culture category.

Employee Recognition

Recognition was given to:

- ERCOT Control Room and System Operations staff;
- Weatherization and inspection teams; and
- Planning and reporting teams.

Large Load Interconnection Process Update (Agenda Item 12)

Mr. Billo presented proposed improvements to the Large Load interconnection process, including:

- Transition from individual interconnection studies to a batch study framework;
- Implementation of a transitional Batch Zero process to move existing projects into the new framework; and
- Development of ongoing batch processes for future requests.

Stakeholder engagement included a workshop attended by approximately 900 participants (remotely and in-person).

Target timelines:

- Batch Zero Revision Requests to June 2026 Board; and
- Ongoing batch process revisions targeted for September 2026 Board.

Far West Load Growth and Transmission Timing Issues (Agenda Item 13)

Dan Woodfin presented operational reliability risks associated with rapid load growth in Far West Texas.

Key points:

- Load growth may exceed import capability during low wind/solar conditions, after batteries discharge;
- Current import capability into the region is approximately 9,500 MW;



- Delaware Basin Phase 2 transmission upgrades expected summer 2026; and
- Additional significant improvements (Phase 5) expected later in the decade.

The Board discussed potential mitigation measures, including:

- Nighttime dynamic transmission ratings;
- Coordinated outage management;
- Request for Proposals (RFPs) to contract capacity;
- Crypto mining facilities as controllable load participation;
- Engagement with oil and gas operators; and
- Mobile generation.

Board Committee Reports; Human Resources and Governance (HR&G) Committee; Election of Chief Executive Officer and Ratification of Officers of ERCOT; Ratification of Officers of Texas Electric Market Stabilization Funding M LLC; Ratification of Officers of Texas Electric Market Stabilization Funding N LLC (Agenda Items 14—14.1.3)

Ms. Heeg presented the report of the February 9th meeting of the Human Resources and Governance (HR&G) Committee.

Motion: Ms. Heeg, seconded by Mr. Swainson, moved to approve Agenda Items 14.1.1, 14.1.2, and 14.1.3:

- Election of Pablo Vegas as President and CEO for a term not to exceed one year while employed at ERCOT and ratification of ERCOT officers for 2026;
- Ratification of officers of Texas Electric Market Stabilization Funding M LLC; and
- Ratification of officers of Texas Electric Market Stabilization Funding N LLC.

Key Decisions: Approved by unanimous voice vote with no abstentions.

Finance and Audit (F&A) Committee; Financial Corporate; Investment Corporate Standard (Agenda Item 14.2—14.2.2)

Mr. Krummel presented the report of the February 9th meeting of the Finance and Audit (F&A) Committee.

Motion: Mr. Krummel, seconded by Mr. Mohl, moved to approve Agenda Items 14.2.1 and 14.2.2:

- Financial Corporate Standard (minor revisions); and
- Investment Corporate Standard (no changes).

Key Decisions: Approved by unanimous voice vote with no abstentions.

Mr. Krummel also reported that the Committee approved the Internal Audit Department Charter (no Board action required), and that staff reported preliminary 2025 financial results showing approximately \$109.7 million favorable variance to budget.

Technology and Security (T&S) Committee (Agenda Item 14.3)

Mr. Swainson presented the report of the February 9th meeting of the Technology and Security (T&S) Committee. Key topics:



- Battery technology trends and long-duration storage considerations;
- RTC+B stabilization progress; and
- Information Technology project priorities.

Revisions to Charter of the T&S Committee (Agenda Item 14.3.1)

Motion: Mr. Swainson, seconded by Ms. England, moved to approve revisions to the T&S Committee Charter to explicitly address Artificial Intelligence (AI).

Key Decisions: Approved by unanimous voice vote with no abstentions.

2025 Internal Revenue Service Form 990 Questionnaire (Agenda Item 15)

Richard Scheel notified the Board of the upcoming Form 990 questionnaire process. The draft Form 990 will be presented in June 2026 for review prior to filing.

Other Business (Agenda Item 16)

The Board recessed General Session at approximately 11:37 a.m.

Convene Executive Session

Chair Flores convened Executive Session at approximately 11:39 a.m.

Reconvene General Session

General Session reconvened at approximately 2:06 p.m.

Vote on Matters from Executive Session (Agenda Item 17)

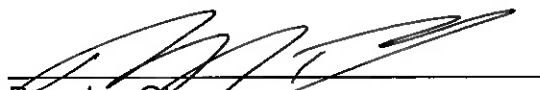
Motion: Ms. Heeg, seconded by Mr. Krummel, moved to recommend Board approval of six personnel matters discussed in Executive Session: Agenda Items ES 2.4.2.1, ES 2.4.2.2, 2.4.2.3, ES 2.4.2.4, ES 2.4.2.5, and ES 2.4.2.6.

Key Decisions: Approved by unanimous voice vote with no abstentions.

Adjournment (Agenda Item 18)

The meeting adjourned at approximately 2:07 p.m.

Board materials and presentations from the meeting are available on ERCOT's website at <https://www.ercot.com/committees/board>.


Brandon Gleason
Assistant Corporate Secretary