

Vistra Announces Plans to Add Up to 2,000 MW of Gas-Fueled Dispatchable Power in ERCOT

IRVING, Texas, May 30, 2024 /PRNewswire/ -- Vistra (NYSE: VST) today announced its intention to add up to 2,000 megawatts of dispatchable, natural-gas-fueled power capacity in West, Central, and North Texas.

Vistra's plan includes:

- **New gas plants** – Vistra intends to build up to **860 MW** of advanced simple-cycle peaker plants to be located in West Texas to support the increasing power needs of the region, including the state's growing oil and gas industry.
- **Repowering a retired coal plant** – Vistra's coal-fueled Coletto Creek Power Plant near Goliad is set to retire in 2027 to comply with federal Environmental Protection Agency rules. The company intends to repower it as a gas-fueled plant, enabling up to **600 MW** of additional capacity after the coal facility retires.
- **Upgrades of existing gas plants** – Vistra will complete several projects at its existing gas plants that will add more than **500 MW** of summer capacity and 100 MW of winter capacity.

"Vistra is committed to providing reliable and affordable electricity to our customers while decarbonizing our generation fleet at a responsible pace. Texas is in the enviable position of experiencing sustained economic growth, which includes rapidly increasing power demand as a result of population growth and electrification activities in a number of areas, including transportation, data centers, manufacturing, and industrial activities," said Jim Burke, president and chief executive officer of Vistra. "Texas policymakers are implementing several enhancements to our competitive, energy-only electricity market to incentivize construction of much-needed dispatchable generation, and gas plants are able to meet that need. Based on these market enhancements, Vistra is pleased to announce our investment to bring approximately 2,000 MW of dispatchable power generation to the ERCOT grid, and we look forward to being part of the solution as our industry strives to meet the growing power needs of Texas."

Bolstering Texas Grid Reliability

As Texas continues to develop its vast wind and solar resources, these quick-start gas units help to back up the grid when renewable resources are not available and the battery storage limits have been reached, with the goal of reliable, affordable, and sustainable 24/7 power for Texans. Vistra is planning to file on Friday, May 31, a Notice of Intent to apply for the Texas Energy Fund for these new peakers.

Vistra's Coletto Creek Power Plant is set to retire in 2027 to comply with EPA rules. Upon retirement, the company plans to repower the site by using natural gas instead of coal as the fuel source. This results in lower carbon emissions while taking advantage of Texas' abundant gas supply. By utilizing existing infrastructure, including the existing grid interconnection, Vistra can bring this project online in a shorter timeframe compared to a new greenfield location.

Finally, the fastest way to add dispatchable energy to the grid is by investing in existing power plants to increase their generation output, without the lag associated with new construction, permit approval, interconnection agreements, new transmission, and other hurdles to new plant construction. Vistra currently operates approximately 11,300 MW of natural gas power plants across Texas. The company is upgrading some of these existing facilities to increase fleet output by more than 500 MW in the summer months. Thanks to the hard work of the Vistra team, nearly half of this capacity will come online this summer with the remainder coming by summer 2025.

Market Certainty is Required for Investment

Vistra is announcing its new peaker plants, the repowered Coletto Creek plant, and the upgrade projects based on the market reforms that policymakers passed in the 2023 Texas legislative session and that ERCOT and the Public Utility Commission of Texas are currently implementing. With successful implementation, this robust set of market reforms, focused on grid reliability and proper market

signals, has the potential to offer the regulatory framework that is needed to provide confidence to make the long-term investments Vistra is announcing today. These reforms include a suite of ancillary services, the performance credit mechanism (PCM), and an effective reliability standard – a first for Texas.

"Since the market opened to competition, over \$100 billion has been invested by a wide range of investors in a variety of power generation technologies to meet the growing needs of Texans," said Burke. "The ERCOT market has a history of attracting generation owners who put their capital at risk when there are investment signals. We look forward to building upon our 140-year history of powering Texas."

In addition to ERCOT market design reforms, Vistra's decision to move forward with these projects is contingent upon other various factors, including state and federal environmental regulations and long-term wholesale trends that continue to support gas generation.

Vistra is the largest generator of electricity in Texas. In addition to its large fleet of dispatchable generation assets in Texas totaling more than 18,000 MW, the company also has three large solar farms and two battery energy storage assets totaling approximately 600 MW. This diversified fleet of resources helps Vistra ensure reliability for Texans and Texas businesses.

About Vistra

Vistra (NYSE: VST) is a leading Fortune 500 integrated retail electricity and power generation company that provides essential resources to customers, businesses, and communities from California to Maine. Based in Irving, Texas, Vistra is a leader in the energy transformation with an unyielding focus on reliability, affordability, and sustainability. The company safely operates a reliable, efficient, power generation fleet of natural gas, nuclear, coal, solar, and battery energy storage facilities while taking an innovative, customer-centric approach to its retail business. Learn more at vistracorp.com.

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