

Vistra Announces Investigation Findings and Corrective Actions Related to Fall 2021 Incident at Moss Landing Energy Storage Facility

IRVING, Texas — Jan. 21, 2022 — Vistra (NYSE: VST) today announced its principal investigation findings and corrective actions related to the Sept. 4 incident that caused limited battery damage at its Phase I (300 megawatts/1,200 megawatt-hours) Moss Landing Energy Storage Facility in Monterey Bay, California.

The investigation found that in response to detection of very low levels of smoke in one area of the facility, the water-based heat suppression system armed and, because of failures of a small number of couplings on flexible hoses and pipes, improperly sprayed water on battery racks. The smoke is believed to have originated from a failed bearing in an air handling unit, which is separate from the battery system. The water damaged the batteries and caused some to overheat, thus creating more smoke which, in turn, resulted in the release of more water and caused damage to additional batteries. In total, roughly 7% of the facility's battery modules were damaged.

At the time water was first released by the heat suppression system, all battery module temperatures were recorded as within established temperature limits. Accordingly, the investigation found that the batteries were not the initial source of smoke or a cause of the incident.

The incident was controlled and contained without the need for outside assistance and, importantly, did not have any impact on employee safety or on the community. Phase II (100 MW/400 MWh) of the facility has remained online and operational throughout the incident and investigation.

Vistra has implemented a number of corrective actions to reduce the potential for a similar incident occurring in the future. A summary of the investigation findings and corrective actions [can be found here](#).

"Our priority was to conduct a safe and thorough investigation as quickly as possible, and implement any necessary corrective actions," said Curt Morgan, chief executive officer at Vistra. "The Moss Landing Energy Storage Facility is playing a key role in helping California achieve lower emissions and improve grid reliability, and systems like these will become more necessary as additional renewable power is integrated into electric grids across the US. Vistra is committed to continuing to invest in these and other technologies, in a responsible and safe manner, to support the ambitious energy transition goals of both California and the nation."

Since the Sept. 4 incident, Vistra has been in regular communication with state regulators and local officials and has briefed them on the investigation findings and corrective actions.

With the corrective actions now implemented, Vistra is working with regulators and local officials to return the Phase I facility to service in a staggered manner. The expectation is for 100 MW to be online by the end of the first quarter in 2022 and the remaining 200 MW returned to service in the second quarter, prior to the all-important summer season when demand for electricity reaches peak levels.

About Vistra

Vistra (NYSE: VST) is a leading Fortune 275 integrated retail electricity and power generation company based in Irving, Texas, providing essential resources for customers, commerce, and communities. Vistra combines an innovative, customer-centric approach to retail with safe, reliable, diverse, and efficient power generation. The company brings its products and services to market in 20 states and the District of Columbia, including six of the seven competitive

wholesale markets in the U.S. and markets in Canada and Japan, as well. Serving nearly 4.3 million residential, commercial, and industrial retail customers with electricity and natural gas, Vistra is one of the largest competitive electricity providers in the country and offers over 50 renewable energy plans. The company is also the largest competitive power generator in the U.S. with a capacity of approximately 39,000 megawatts powered by a diverse portfolio, including natural gas, nuclear, solar, and battery energy storage facilities. In addition, Vistra is a large purchaser of wind power. The company owns and operates the 400-MW/1,600-MWh battery energy storage system in Moss Landing, California, the largest of its kind in the world. Vistra is guided by four core principles: we do business the right way, we work as a team, we compete to win, and we care about our stakeholders, including our customers, our communities where we work and live, our employees, and our investors. Learn more about our environmental, social, and governance efforts and read the company's sustainability report at <https://www.vistracorp.com/sustainability/>.

Cautionary Note Regarding Forward-Looking Statements

The information presented herein includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements, which are based on current expectations, estimates and projections about the industry and markets in which Vistra Corp. ("Vistra") operates and beliefs of and assumptions made by Vistra's management, involve risks and uncertainties, which are difficult to predict and are not guarantees of future performance, that could significantly affect the financial results of Vistra. All statements, other than statements of historical facts, that are presented herein, or in response to questions or otherwise, that address activities, events or developments that may occur in the future, including such matters as activities related to our financial or operational projections, the potential impacts of the COVID-19 pandemic on our results of operations, financial condition and cash flows, projected synergy, value lever and net debt targets, capital allocation, capital expenditures, liquidity, projected Adjusted EBITDA to free cash flow conversion rate, dividend policy, business strategy, competitive strengths, goals, future acquisitions or dispositions, development or operation of power generation assets, market and industry developments and the growth of our businesses and operations (often, but not always, through the use of words or phrases, or the negative variations of those words or other comparable words of a future or forward-looking nature, including, but not limited to: "intends," "plans," "will likely," "unlikely," "believe," "confident", "expect," "seek," "anticipate," "estimate," "continue," "will," "shall," "should," "could," "may," "might," "predict," "project," "forecast," "target," "potential," "goal," "objective," "guidance" and "outlook"), are forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking statements. Although Vistra believes that in making any such forward-looking statement, Vistra's expectations are based on reasonable assumptions, any such forward-looking statement involves uncertainties and risks that could cause results to differ materially from those projected in or implied by any such forward-looking statement, including, but not limited to: (i) adverse changes in general economic or market conditions (including changes in interest rates) or changes in political conditions or federal or state laws and regulations; (ii) the ability of Vistra to execute upon its contemplated strategic, capital allocation, performance, and cost-saving initiatives and to successfully integrate acquired businesses; (iii) actions by credit ratings agencies; (iv) the severity, magnitude and duration of pandemics, including the COVID-19 pandemic, and the resulting effects on our results of operations, financial condition and cash flows; (v) the severity, magnitude and duration of extreme weather events (including winter storm Uri), contingencies and uncertainties relating thereto, most of which are difficult to predict and many of which are beyond our control, and the resulting effects on our results of operations, financial condition and cash flows; and (vi) those additional risks and factors discussed in reports filed with the Securities and Exchange Commission by Vistra from time to time, including the uncertainties and risks discussed in the sections entitled "Risk Factors" and "Forward-Looking Statements" in Vistra's annual report on Form 10-K for the year ended December 31, 2020, and any subsequently filed quarterly reports on Form 10-Q.

Any forward-looking statement speaks only at the date on which it is made, and except as may be required by law, Vistra will not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible to predict all of them; nor can Vistra assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement.

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