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Item Number - 76

Public Utility Commission of Texas

Memorandum

TO: Chairman Thomas J. Gleeson
Commissioner Kathleen Jackson
Commissioner Courtney K. Hjaltman

FROM: Tracie Tolle, Texas Energy Fund Director

DATE: May 15, 2025

RE: May 15, 2025, Open Meeting – Item No. 29
Project No. 56896 – Texas Energy Fund In-ERCOT Loan Program Reports and Filings

At the August 29, 2024, December 12, 2024, January 16, 2025, March 13, 2025, and April 24, 2025, open meetings, the Commission advanced a portfolio of applications seeking funding under the Texas Energy Fund (TEF) In-ERCOT Generation Loan Program to due diligence review.

Commission Staff has identified one application from the pool of remaining applications to recommend for advancement to due diligence. Staff recommends that the Commission advance the one application outlined below and presented in Attachment 1 of this memo – Application 209 – to due diligence review.

Application Number	Sponsor Name	Capacity (MW)¹
APP – 209	EMPower USA LLC; Emerging America Financiera, SAPI de CV; Integrated Gas Services de Mexico, S de RL de CV	123

Application 209 represents 123¹ megawatts (MW) of potential new generation. The advancement of Application 209 to due diligence would result in a portfolio of 19 total applications, \$5.15¹ billion in requested loaned TEF funds, and 9,341 megawatts¹ in potential new dispatchable generation.

¹ The application's capacity and the total value of requested loans are the amounts identified in each of the original applications.

Attachment 1 shows aggregated application information for the portfolio, and invitation to due diligence of Application 209 recommended herein.

Methodology

Staff arrived at its recommendation of Application 209 by completing a comparative analysis of applications remaining in the pool. As stated in Staff's April 24, 2025, memorandum, applications were assessed based on responses to six major categories of application information: (1) project technical and regional attributes, (2) project financial attributes, (3) application sponsor history, (4) application sponsor financial characteristics, (5) response to Request for Information (RFIs), and (6) response to PUCT's Term Sheet Framework. In its review of applications, Staff aimed to meet the commissioners' stated priorities: (1) diversity among applicant types, (2) diversity in siting location, (3) speed to market, (4) ability to relieve transmission constraints, and (5) diversity of generation resource types. Finally, Staff also assessed whether each applicant has made arrangements to obtain required equity and equipment to begin timely construction of the TEF project.

In response to lessons learned from the first round of applications invited to due diligence, Staff performed an enhanced Know Your Customer review to ensure that the recommended application would result in a suitable TEF borrower.

Staff Recommendation to Due Diligence

Based upon the results of the aforementioned methodology, Staff recommends that the Commission approve the advancement of Application 209 to due diligence review. In due diligence, applications will be analyzed to determine their eligibility for TEF funding. Due diligence is expected to take between four to seven months to complete.

Staff has attached a Proposed Order Approving Loan Application Advancement and Delegation of Authority to Executive Director for your consideration.

Update to Reported Total Capacity

Through the due diligence process, applicants have refined the scope of their projects. As part of this process, applicants have more accurate technical information, including updates to nameplate capacities of their projects. Based on these changes, Staff reports that the latest available nameplate capacity information for the portfolio is 9,592 MW. Due to the confidentiality of application materials, the PUCT cannot publicly disclose individual project MW changes at this time. Individual MWs and loan amounts will be communicated for each project upon loan execution.

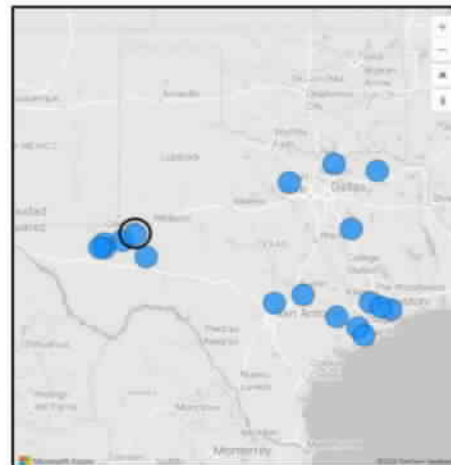
Staff will be available to discuss any part of this memo at the May 15, 2025, open meeting.

In-ERCOT General Loans Program – Recommended Portfolio, May 2025

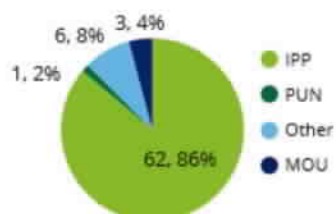
Locations of 72 Applications



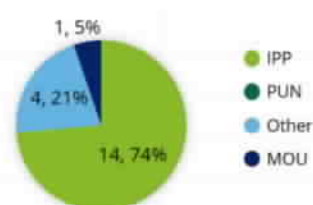
Locations of Portfolio of 19



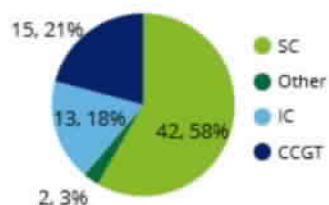
Entity Type² of Loan Applications



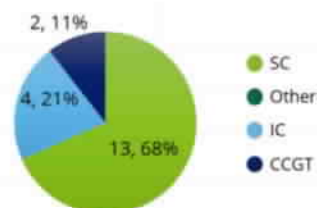
Entity Type of Loan Portfolio



Technology Type³ of Loan Applications



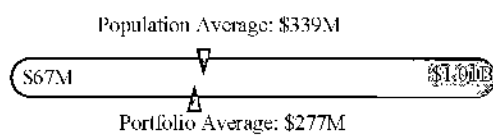
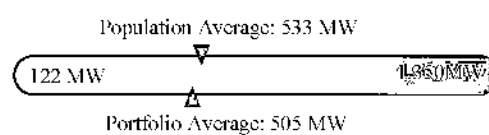
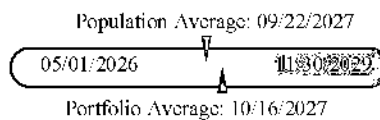
Technology Type of Loan Portfolio⁴



² Independent Power Producer (IPP), Private Use Network (PUN), Municipal Owned Utility (MOU).

³ Simple Cycle (SC), Internal Combustion (IC), Combined Cycle Gas Turbine (CCGT).

⁴ Data in pie charts is shown as (number of applications, percentage of applications).

Value of Loans**Megawatts (MW) of Projects****Resource Commissioning Date**

PROJECT NO. 56896

**TEXAS ENERGY FUND IN-ERCOT
LOAN PROGRAM REPORTS AND
FILINGS**

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**PUBLIC UTILITY COMMISSION

OF TEXAS**

**PROPOSED ORDER APPROVING LOAN APPLICATION ADVANCEMENT AND
DELEGATION OF AUTHORITY TO EXECUTIVE DIRECTOR**

This order addresses the set of applications submitted in accordance with 16 Tex. Admin. Code § 25.510 seeking funding under the Texas Energy Fund In-ERCOT Generation Loan Program. After reviewing that set of applications, the Commission determines that the following application will be advanced to due diligence review:

Application Number	Sponsor Name
APP – 209	EMPower USA LLC; Emerging America Financiera, SAPI de CV; Integrated Gas Services de Mexico, S de RL de CV

The Commission delegates authority to the executive director to approve any application identified in this order and enter into a loan agreement relating to that application, provided that the application undergoes due diligence review to the executive director's satisfaction. Additionally, the Commission delegates authority to the executive director to deny any application in this order for failure to meet due diligence requirements.

Signed at Austin, Texas the _____ day of _____ 2025.

PUBLIC UTILITY COMMISSION OF TEXAS

THOMAS J. GLEESON, CHAIRMAN

KATHLEEN JACKSON, COMMISSIONER

COURTNEY K. HJALTMAN, COMMISSIONER