



## **Filing Receipt**

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**PUC PROJECT NO. 55718**

**RELIABILITY PLAN FOR THE  
PERMIAN BASIN  
UNDER PURA §39.167**

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**PUBLIC UTILITY COMMISSION  
OF TEXAS**

Lancium develops power infrastructure, technology, and campuses for gigawatt-scale, reliable datacenters, at the pace and scale demanded by the world's largest AI companies. We are exclusively located in Texas, have 6 campus locations currently, and work with the worlds leading data center and hyperscale technology companies to enable shared growth objectives while ensuring our campuses are assets to the grid and not liabilities.

Our Abilene clean campus is the Stargate 1 location and represents Lancium's unique resource design and power orchestration model to enable large data center campuses, always complemented by additional new generation and storage resources, to ensure grid reliability.

*1. In ERCOT's 345 kV-765 kV comparison document, the total capital cost estimates for each voltage's 2024 Regional Transmission Plan are comparatively close.*

*a. What other ongoing cost impacts should be given significant weight in this Decision?*

*b. What economic and reliability benefits in the report should be given significant Weight?*

Lancium has engaged with multiple companies to address this question, and looks forward to providing the results as soon as possible. We have begun an analysis of the transmission grid to determine what the impact to ratepayers and the wholesale market will be from a substantial buildout of the ERCOT 765 kV system.

With that said, it is absolutely clear to us that the 765 kV system will enable enormous investment of private capital into Texas, in ways that the 345 kV system will never be able to.

Lancium's initial campus is a 1.2 GW \$30 - \$40B capital project under construction now. We hear consistently from our current and prospective customers, some of the largest companies in the world, that they want to continue to grow and scale at a location. Projects of this scale with large counterparties will consume ever more power for many years to come. These projects are effectively permanent given the multi decade lease structures and the scale of capital deployed. Given these trends, the 765kV will be highly utilized with new projects and high utilization will result in a reduction to transmission costs to all rate payers. We will be in a position to share the results of 3<sup>rd</sup> party studies currently underway to analyze both resource adequacy and cost implications of the 765kV projects required to meet and enable this opportunity in just a few weeks. As part of this discussion, we will also be able to share additional detail to confirm the validity of our large load customers.

*2. On September 18, 2024, ERCOT hosted a 765 kV Vendor Workshop which provided information on many aspects of design, construction, and equipment sourcing of 765 kV infrastructure.*

*a. Regarding supply chain delays or disruptions, are there any impacts specific to either 765 kV or 345 kV, or are both impacted equally?*

Lancium believes this concern is critical to understanding to the question of 765 kV. We have had dozens of conversations with utilities, vendors, and industry experts to lead us to believe that the 765 kV supply chain is a safe bet. Indeed, moving quickly to commit to 765kV infrastructure will enable Texas to be at the front of the supply chain challenge. Critically, we believe that the major constraints are ultra high voltage switchgear and transformers, and natural gas availability and turbines. We have had conversations with major gas pipeline companies, generator OEM's and electrical OEM's that represent that all of the above constraints can be resolved by 2028. Additionally, at all Lancium campuses we are in process of bringing behind the meter generation and storage resources, including nat gas, and our work on this development further informs our visibility into the supply chain viability.

*b. Are there any critical 765 kV considerations that were not addressed during that workshop?*

*3. Regarding the already-approved Permian Basin import paths, please compare the timing of construction buildout-to-energization for the 345 kV and 765 kV imports. Will one take significantly longer than the other? Please explain why.*

*4. Given that there are uncertainties in long-term load forecasts as well as load and generation types and siting, which plan would provide the most flexibility for ERCOT Region?*

*5. What are the pros and cons of deciding to utilize 765 kV infrastructure in the ERCOT region now versus waiting to implement it in the future?*

Texas is widely known as the best location for siting large projects: Lots of land, a pro-business environment, competitive markets for electricity, abundant solar, wind, and natural gas, and short timelines for permitting generation and transmission have led investors to bring our wallets and our excitement for the future to Texas. Delaying a decision on 765 kV will inevitably lead fast-moving investors to look elsewhere. Texas' "can do" spirit is needed now more than ever, and instead of delay, the State should look to identify barriers and concerns and decisively overcome them. Without a new 765kV system, these large projects will go to other markets or be fully islanded which we will feel strongly is a sub optimal outcome vs highly utilizing a 765kV system.

*6. Are there any other benefits or drawbacks that have not been brought up and addressed which are critically important for Commission to consider? Please describe in detail.*

A newly highly utilized 765kV system with an "all of the above" build out of incremental generation is the best outcome for Texan ratepayers ensuring grid reliability and power affordability for all Texas.

/s/ Michael McNamara

Michael McNamara

CEO, Lancium