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“With or Without You” – Coexistence, Not Choice

A Quick Assessment of How ERCOT/TX Weathered Storm Fern:

“I Want You to Know that it’s Our Time; PoV Vol. 12” - Part2

Summary

Electrification and renewable energy deployment will continue to accelerate, driven by cost, policy, and technology. At the same time, gas-fired generation and the power grid itself will not disappear. The critical question is no longer which energy source should prevail, but how different resources can coexist to maintain reliability, affordability, and system resilience in an increasingly complex energy landscape.

Disclaimer: The views expressed in this column are solely those of the author, based on personal experience and professional observations in the energy industry. They do not represent the views of any organization with which the author has been affiliated.

From Transition Narratives to Operational Reality

In recent years, the global energy conversation has been dominated by the language of transition. Electrification, renewable energy expansion, and decarbonization have been framed as a directional shift - from one system to another. Yet, in practice, energy systems do not move in straight lines. As electrification accelerates across transportation, industry, heating, and data infrastructure, electricity demand is not only growing but becoming more time-sensitive and reliability-critical. At the same time, renewable generation continues to expand rapidly, reshaping supply patterns with greater variability and weather dependency.

What is emerging is not a clean substitution of one resource for another, but a system under strain - forced to integrate multiple energy sources with very different characteristics.

1. Lessons from Extremes: Uri, Fern, and System Stress

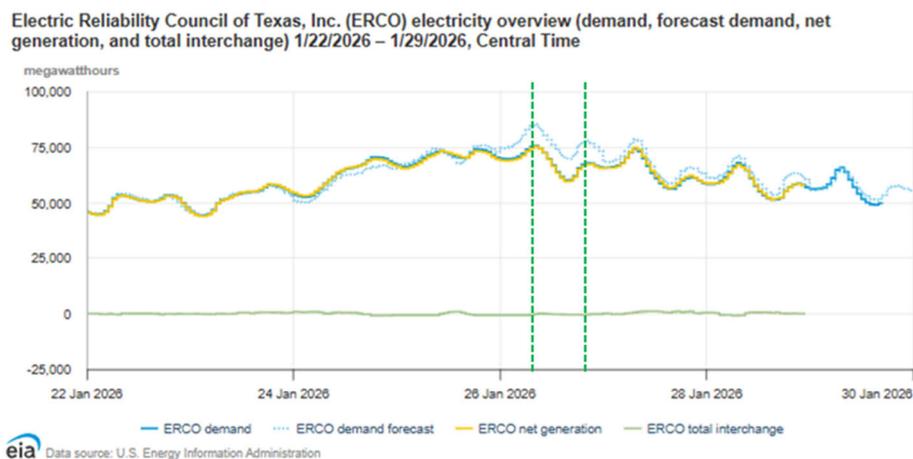
- Extreme weather events in Texas, from Winter Storm Uri in 2021 to recent extreme cold event Storm Fern, exposed the physical limits of simplified energy narratives. These events were not merely failures

of individual assets; they became system-wide stress tests. Importantly, the response did not stop at diagnosis.

- Following Winter Storm Uri, forecasting accuracy has improved, supported by better weather modeling, enhanced system monitoring, and more conservative operational assumptions. Planning scenarios increasingly reflected extreme conditions rather than historical averages.
- At the same time, renewable generation capacity and battery storage deployment accelerated. Wind and solar continued to expand, while storage moved from a supplementary role to an operational resource actively participating in system balancing and peak support

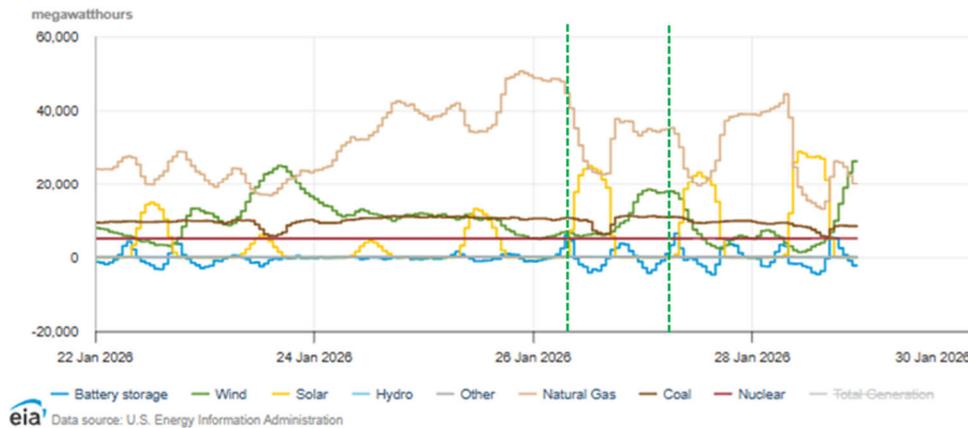
2. At A Glance: How ERCOT Performed

- Several observations stand out from subsequent stress events.
- First, actual electricity demand proved lower than earlier projections. Consumers and businesses responded to price signals and system conditions by curtailing usage - through reduced industrial activity, operational adjustments, and behavioral change. Demand, often treated as fixed in planning models, demonstrated real elasticity.
- Second, strong wind generation compensated for weaker solar output during critical periods. Rather than failing simultaneously, renewable resources exhibited diversification across time and conditions, contributing to overall system stability.
- Third, battery storage emerged as a material contributor to supply. During certain days and hours, electricity delivered from storage to the grid exceeded 7,000 MWh, confirming that storage is no longer experimental but an integrated component of real-time operations.
- These outcomes do not suggest that the system became comfortable or immune to stress.
- They do, however, indicate that ERCOT and the State of Texas engaged seriously in strengthening the power system, improving both operational readiness and structural resilience under increasingly complex conditions.



Source: DOE/EIA, Edited by Clavis EP

Electric Reliability Council of Texas, Inc. (ERCOT) electricity generation by energy source 1/22/2026 – 1/29/2026, Central Time



Source: DOE/EIA, Edited by Clavis EP

3. With or Without You?: Not Choice, but a Reality, Coexistence is Key

- The future energy system is often discussed as a series of choices: renewables or fossil fuels, centralized or distributed, grid-connected or off-grid.
- In reality, the system does not choose.
 - ✓ Electrification will continue - with or without policy alignment
 - ✓ Renewables will expand - with or without ideal conditions
 - ✓ Gas will remain for now - with or without preference
 - ✓ The grid will persist - with or without decentralization
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- What matters is not selecting winners, but designing systems that allow these elements to coexist without amplifying risk.

Conclusion

The energy transition will continue. It is no longer a policy-driven aspiration but an irreversible structural shift.

Electrification will accelerate further, and advances in energy storage technologies will, in turn, enable even greater deployment of renewable generation. Storage is no longer merely supporting renewables; it is actively reshaping how variability, reliability, and flexibility are managed within power systems.

At the same time, off-grid and grid-independent solutions will expand, particularly for data centers and residential or small commercial users. This trend does not weaken the grid. Rather, it redistributes system stress and enhances overall resilience by reducing peak dependency on centralized infrastructure.

Fossil fuels - especially natural gas - will not disappear. However, their role will evolve. Gas demand will increasingly concentrate in industrial applications and flexible power generation, while consumption in the residential sector is likely to decline as electrification progresses.

These dynamics offer a particularly important lesson for Japan.

Despite its status as a technology leader, Japan remains structurally dependent on imported fossil fuels and continues to operate with low energy self-sufficiency. In theory, being a latecomer to market liberalization and energy transition should offer an advantage - the ability to learn from others' experiences and avoid earlier missteps.

In practice, however, the challenge lies not in access to technology, but in translating technological capability into system-level transformation. Without doing so, even a latecomer risks falling behind - not for lack of innovation, but for lack of integration.

With or without individual resources, the system will adapt.

The question for Japan is whether it adapts deliberately - or by necessity.

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