Resource Adequacy

Trip Doggett
President & CEO
ERCOT

State Affairs Committee
Texas House of Representative
February 9, 2012
New Records

New Peak Demand Record: 68,379 megawatts
- 68,379 megawatts (MW), Aug. 3, 2011
- The 2010 peak demand – 65,776 MW, Aug. 23, 2010 – was broken 3 consecutive days:
  - Aug. 1, 2011 66,867 MW
  - Aug. 2, 2011 67,929 MW
  - Aug. 3, 2011 68,379 MW

New Weekend Record
- 65,159 MW, Sunday, Aug. 28
  - 5 percent increase over 2010 previous record – 62,320 MW

Winter Peak Record
- 57,282 MW (February 10, 2011)
  - 3 percent increase over 2010 previous record - 55,878 MW

Wind Record
- A new wind record of 7,400 MW occurred on Oct. 7, 2011 at 15:06. This instantaneous value surpassed the previous value of 7,355 MW from June 19, 2011.
  - Wind was supplying 15.18% of the 48,733 MW load
May 2011 Capacity, Demand and Reserves (CDR) Report

Reserve margin target 13.75%
As of January 2012, reserve margin at 13.86% due to CSAPR stay.

Reserve margin target 13.75%
Dec 2011 CDR – Generation under study (no firm commitment to build)

<table>
<thead>
<tr>
<th>Fuel Type</th>
<th>Cancelled Studies (MW)</th>
<th>Suspended Studies (MW)</th>
<th>Active Studies (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas-All Other</td>
<td></td>
<td></td>
<td>547</td>
</tr>
<tr>
<td>Gas-Combined Cycle</td>
<td>1,939</td>
<td>2,890</td>
<td>7,770</td>
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<tr>
<td>Total Gas</td>
<td>1,939</td>
<td>2,890</td>
<td>8,317</td>
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<tr>
<td>Nuclear</td>
<td></td>
<td>5,900</td>
<td>0</td>
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<tr>
<td>Coal</td>
<td></td>
<td></td>
<td>3,635</td>
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<tr>
<td>Wind (calculated at 8.75% of nameplate capacity)</td>
<td>394</td>
<td>1,092</td>
<td>1,560</td>
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<tr>
<td>Solar</td>
<td>236</td>
<td>353</td>
<td>856</td>
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<tr>
<td>Biomass</td>
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<td>50</td>
<td>100</td>
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<tr>
<td>Storage (Compressed Air, Batteries, etc.)</td>
<td></td>
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<td>906</td>
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<td>Other</td>
<td>700</td>
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<td>1480</td>
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<td>Grand Total</td>
<td>7,400</td>
<td>21,747</td>
<td>16,854</td>
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</table>
Looking ahead

• ERCOT will continue to work with the PUC as they consider changes to market rules

• The issues are affected by additional factors including:
  ➢ Drought
  ➢ Federal regulatory uncertainty
  ➢ Investment environment