



Quick Facts

At a glance

- About 90% of Texas load
- 24 million consumers
- Competitive-choice customers: 75% of load
 - More than 7 million electric-service ID's (premises)
- More than 43,000 circuit miles of high-voltage transmission
- 550 generating units
- More than 74,000 megawatts (MW) of generation capacity
 - One megawatt of electricity can power about 200 Texas homes during periods of peak demand.
- Record peak demand: 69,621* MW (Aug. 10, 2015)
- Energy used in 2014: 340 billion kilowatt-hours
 - A 2.5 percent increase compared to 2013
- Market participants: More than 1,400 active entities that generate, move, buy, sell or use wholesale electricity

What we do

The Texas Legislature restructured the Texas electric market in 1999 by unbundling the investor-owned utilities and creating retail customer choice in those areas, and assigned ERCOT four primary responsibilities:

- System reliability – planning and operations
- Open access to transmission
- Retail switching process for customer choice
- Wholesale market settlement for electricity production and delivery

State of the Grid

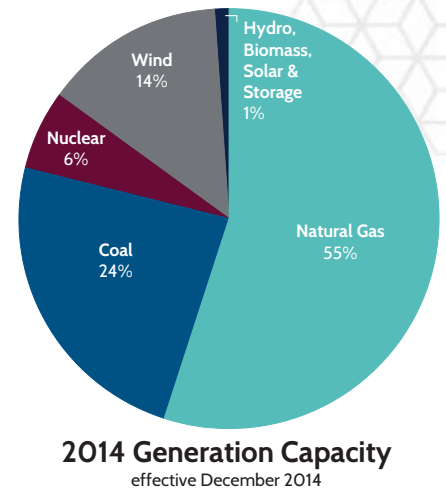
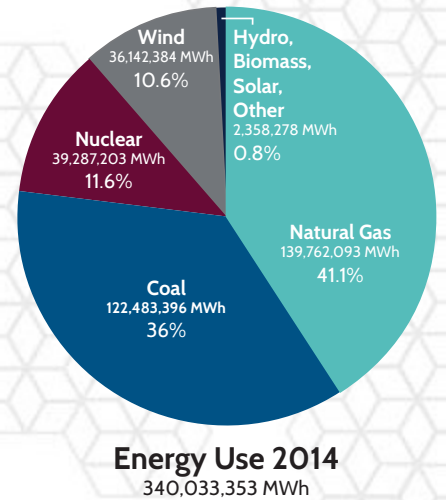
Transmission Investment and Development

- In 2014, \$218 million in transmission added
- 754 circuit miles of transmission improvements completed
- 1,553 circuit miles of transmission planned
- \$6.2 billion under development over the next five years

Generation Development

- 51,526 MW new generation added since 1999
 - 143 older units decommissioned
- 16,189 MW generation committed for the future (with transmission contract and air permit)
- 61,718 MW of active generation requests under review, including more than 24,500 MW of wind (December 2014)

*These numbers are preliminary. Final demand records are subject to change, pending final settlement in the ERCOT market.



Solar and Wind Generation

- More than 13,000 MW of installed wind capacity
 - Most of any state in the nation
- Wind generation record: 11,467 MW (September 13, 2015)
 - Nearly 30 percent of the load at the time
- Wind penetration record: 40.58 percent (March 29, 2015)
- 198 MW of installed solar capacity

Retail Service Switches

- 90% of residential customers (August 2014)
- 91% of small non-residential customers (August 2014)
- 97% of large non-residential customers (August 2014)
- 198 certified competitive retail electric providers

Advanced Meters and Demand Response

- 6.8 million advanced meters
 - 97 percent of ERCOT load in competitive areas settled with 15-minute interval data
- More than 2,100 MW in demand response resources, including:
 - Load resources (mostly large industrial) ~1,390 MW
 - Emergency response service (commercial and industrial) ~850 MW
 - Utility load management programs ~220 MW
- Additional economic demand response, voluntary public responses to conservation requests and more

ERCOT Governance

ERCOT Board of Directors

Craven Crowell
Chair
(unaffiliated)

Judy Walsh
Vice Chair
(unaffiliated)

Tonya Baer
Office of Public Utility Counsel
(residential consumer,
ex-officio)

Jorge Bermudez
(unaffiliated)

Mark Carpenter
Oncor Electric Delivery
(investor-owned utility)

Read Comstock
Direct Energy LP
(independent retail electric
provider)

Peter Cramton
(unaffiliated)

H.B. “Trip” Doggett
President and
Chief Executive Officer,
ERCOT (ex-officio)

Jack Durland
Valero Services Inc.
(industrial consumer)

Keith Emery
Tenaska Power Services
(independent power marketer)

Nick Fehrenbach
City of Dallas
(commercial consumer)

Kevin Gresham
E.ON Climate & Renewables
(independent generator)

Clifton Karnei
Brazos Electric Cooperative
(cooperative)

Donna Nelson
Chair, Public Utility
Commission
(ex-officio, non-voting)

Karl Pfirrmann
(unaffiliated)

Carolyn Shellman
CPS Energy
(municipal utility)

Segment Alternates

Kristy Ashley
Exelon Corporation
(independent generator)

Mike Kezar
South Texas Electric
Cooperative Inc.
(cooperative)

Jean Ryall Porter
CCNG Power
(independent power marketer)

Wade Smith
American Electric Power
(investor-owned utility)

John Werner
Source Power & Gas LLC
(independent retail electric
provider)

Phil Williams
Denton Municipal Electric
(municipal)

ERCOT Officers

H.B. “Trip” Doggett
*President &
Chief Executive Officer*

Betty Day
*Vice President, Governance,
Risk and Compliance*

Jerry Dreyer
*Sr. Vice President &
Chief Information Officer*

Theresa Gage
*Vice President,
External Affairs & Corporate
Communications*

Brad Jones
*Sr. Vice President and
Chief Operating Officer*

Bill Magness
*Sr. Vice President, General
Counsel and Governance,
Risk and Compliance*

Mike Petterson
*Vice President and
Chief Financial Officer*

Diane Williams
*Vice President,
Human Resources*

Board, Stakeholder Process

The ERCOT Board of Directors has general overall responsibility for managing the affairs of ERCOT, including approval of the budget and capital spending priorities, approval of revisions to ERCOT protocols and guides, and endorsement of major new transmission recommendations.

ERCOT’s 16-member “hybrid” board includes five independent (or unaffiliated) members; three consumer segment representatives (industrial, commercial and residential); the ERCOT CEO; the Public Utility Commission (PUC) chairman (nonvoting), and six representatives from each of the industry segments – investor-owned utilities (or transmission owners), municipally owned utilities, cooperatives, generators, power marketers and retail electric providers.

Under the Board’s oversight, ERCOT’s stakeholder process is responsible for developing policies, procedures and guidelines for power grid coordination, reliability and market operations.

The Electric Reliability Council of Texas (ERCOT) manages the flow of electric power to approximately 24 million Texas customers — representing about 90 percent of the state’s electric load. As the Independent System Operator for the region, ERCOT schedules power on an electric grid that connects more than 43,000 miles of transmission lines and 550 generation units. ERCOT also manages financial settlement for the competitive wholesale bulk-power market and administers customer switching for more than 7 million premises in competitive choice areas. ERCOT is a membership-based 501(c)(4) nonprofit corporation, governed by a board of directors and subject to oversight by the Public Utility Commission of Texas and the Texas Legislature.

Six standing committees and subcommittees supported by numerous working groups and task forces function within the stakeholder process.

PUC, Legislative Oversight

ERCOT is unique because its electricity grid is not synchronously connected outside of the state. Because of its separateness, ERCOT is primarily regulated by the Public Utility Commission of Texas (PUC) and the Texas Legislature, not federal authorities. The PUC approves the ERCOT system administration fee and has general oversight authority, including the ability to order audits.

For most purposes, ERCOT, like the PUC, is accountable to the Texas Legislature and its jurisdictional committees. For federal reliability standards, ERCOT is accountable to the Texas Reliability Entity, the North American Electric Reliability Corporation, and the Federal Energy Regulatory Commission.