

ERCOT Quick Facts

At a glance

71,812 megawatts generating capacity
62,339 megawatts system peak demand (August 2006)
14.6% reserve margin for 2007 (12.5% target)
38,000 miles of transmission lines
500 generation units
20 million Texans served
305 billion kilowatt-hours of power delivered annually
85% of Texas load
75% of Texas land area; 200,000 square miles
95% bilateral wholesale market; \$27 billion
5% ERCOT-run balancing energy and ancillary services market; \$1.9 billion
1.19 million market transactions daily
\$1.53 billion in annual billings

What do we do?

Senate Bill 7 (1999) restructured the Texas electric market 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 and distribution
- Retail switching process for customer choice – Only ISO with responsibilities as registration agent for retail transactions
- Wholesale market settlement for electricity production and delivery

Other Organizational Functions

Real-time grid reliability operations
Wholesale market administration
Ancillary services market administration
System planning coordination
Renewable Energy Credits management
Market participant/stakeholder activity support

How are we doing?

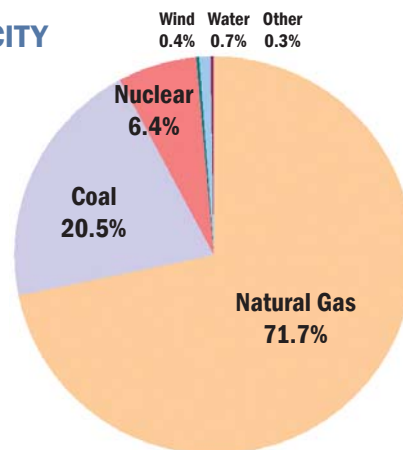
Generation Development

- 29,000 megawatts new generation added since 1996
- 2,800 megawatts retired; 8,700 megawatts mothballed (1,100 megawatts returned to service)
- 4,571 megawatts new generation committed (signed interconnection agreements completed)

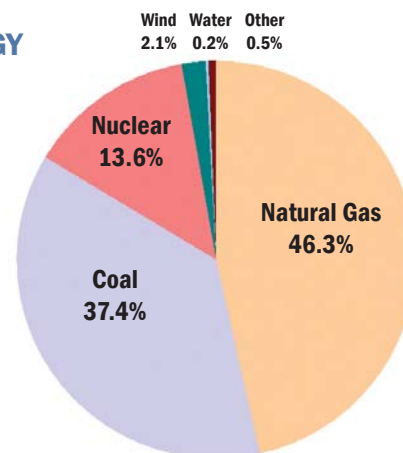
Transmission Investment

- 5,200 circuit miles of transmission built since 1999

CAPACITY



ENERGY



- 3,295 circuit miles of transmission under study
- \$3.5 billion investment in transmission placed in service since 1999
- \$3.1 billion under development

Retail Switching

- 44 percent of residential load switched to competitive provider
- 88 percent of small commercial load switched

What's ahead?

Comprehensive nodal market implementation in progress; new features online by January 2009 include:

- Nodal locational marginal pricing for generation
- Congestion revenue rights
- Day-ahead energy and ancillary services co-optimized market
- Day-ahead and hourly reliability unit commitment
- Price cap increases phased in through 2009