

ERCOT Quick Facts

At a glance

72,820 megawatts (MW) generating capacity
62,339 MW system peak demand (August 2006)
13.8% reserve margin for 2008 (12.5% target)
38,000 miles of transmission lines
550 generation units
21 million Texans served
307 billion kilowatt-hours of power delivered annually
85% of Texas load
75% of Texas land area
\$30 billion market size
95% bilateral wholesale market
5% ERCOT-run balancing energy and ancillary services market
\$1.9 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
- 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

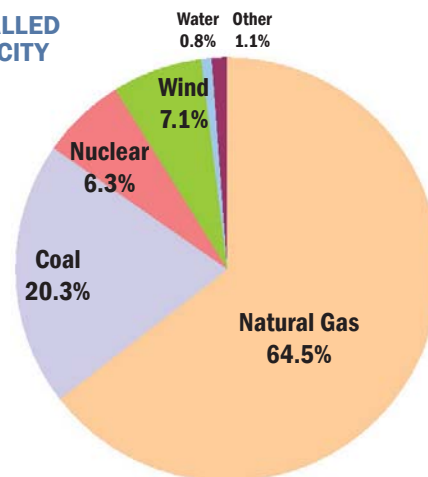
Wholesale market administration
Ancillary services market administration
System planning coordination
Renewable Energy Credits management (statewide)
Market participant/stakeholder activity support

How are we doing?

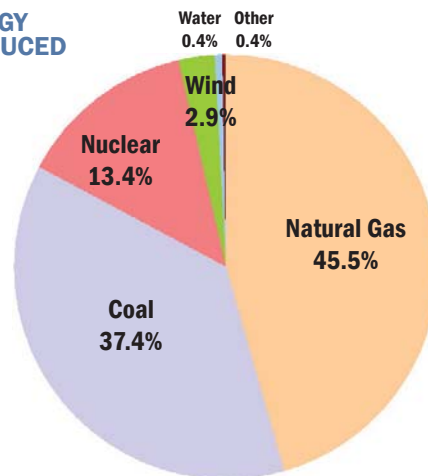
Generation Development

- 34,000 MW new generation added since 1996
- 10,245 MW of committed resources through 2013 (generation with interconnection agreements and air permits); includes 4,258 MW wind (effective load-carrying capacity of 370 MW)
- 104,000 MW of generation interconnection requests in the queue, including approximately 49,000 MW wind, 15,500 MW nuclear, 31,000 MW natural gas, and 8,500 MW coal (April 2008)

INSTALLED CAPACITY 2008



ENERGY PRODUCED 2007



Transmission Investment

- 6,200 circuit miles of transmission built since 1999
- 2,538 circuit miles of transmission under study
- \$3.9 billion investment in transmission placed in service since 1999
- \$3 billion under development

Retail Service by Competitive Retailers

- 46% of residential load
- 66% of small commercial load

What's ahead?

Comprehensive nodal market implementation, anticipated launch in 2009, to 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