



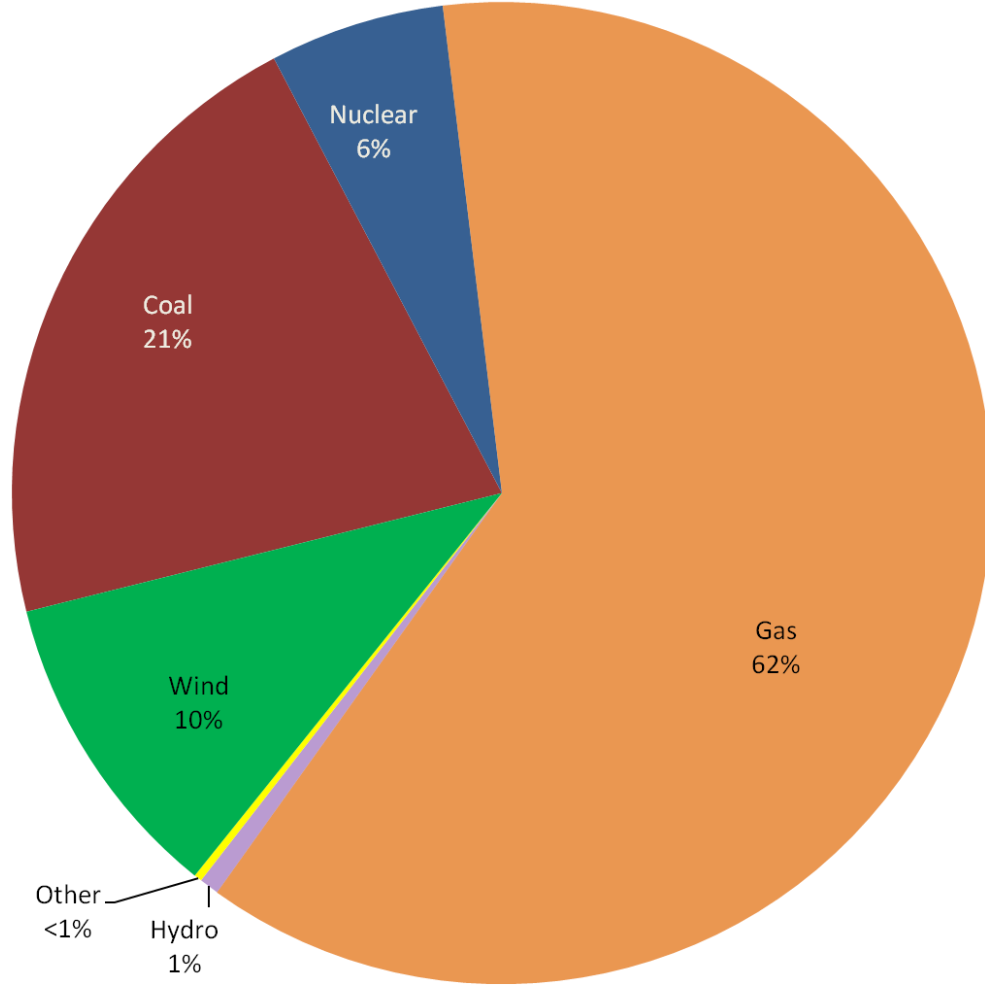
Presentation to House Committee on State Affairs and House Committee on Energy Resources

April 29, 2010

Trip Doggett

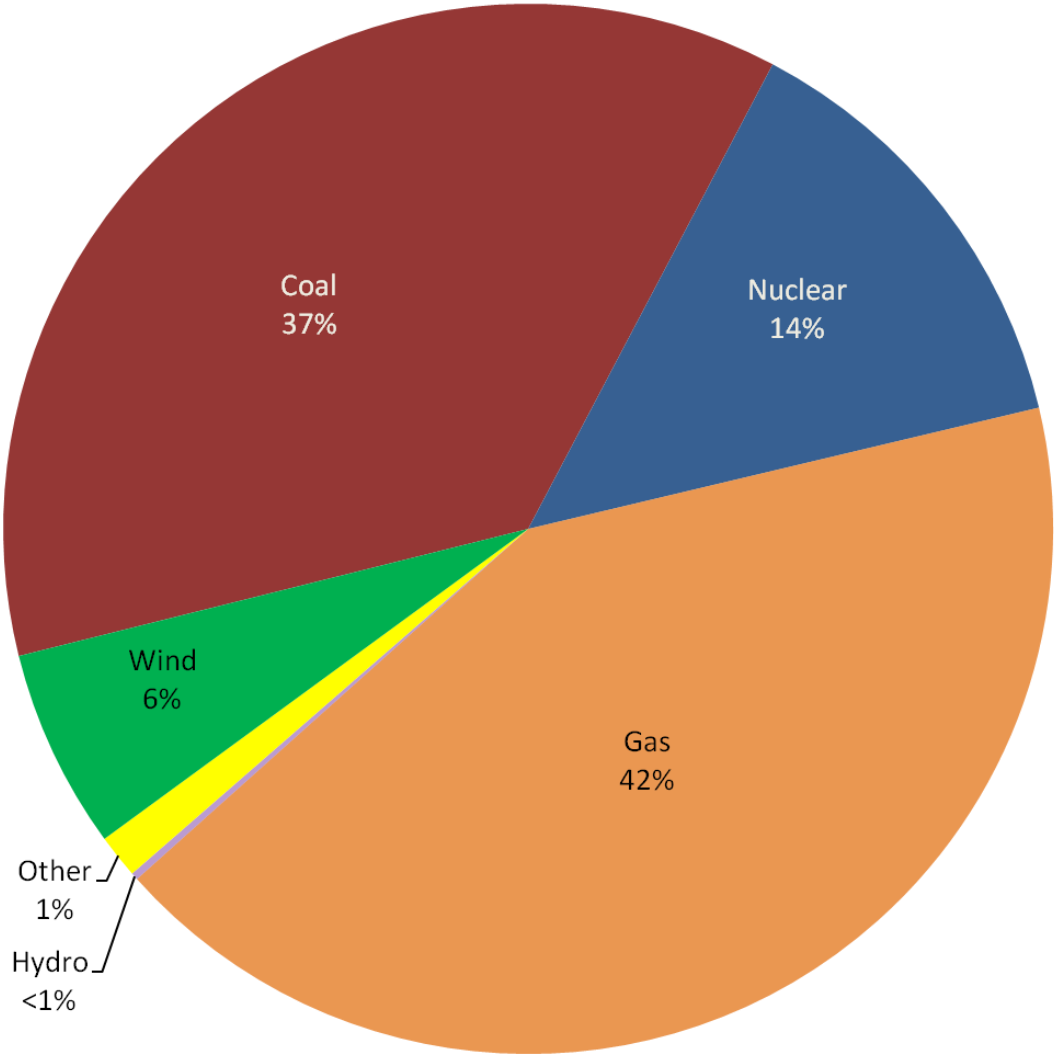
Interim President and Chief Executive Officer
The Electric Reliability Council of Texas

Installed Capacity – April 2010

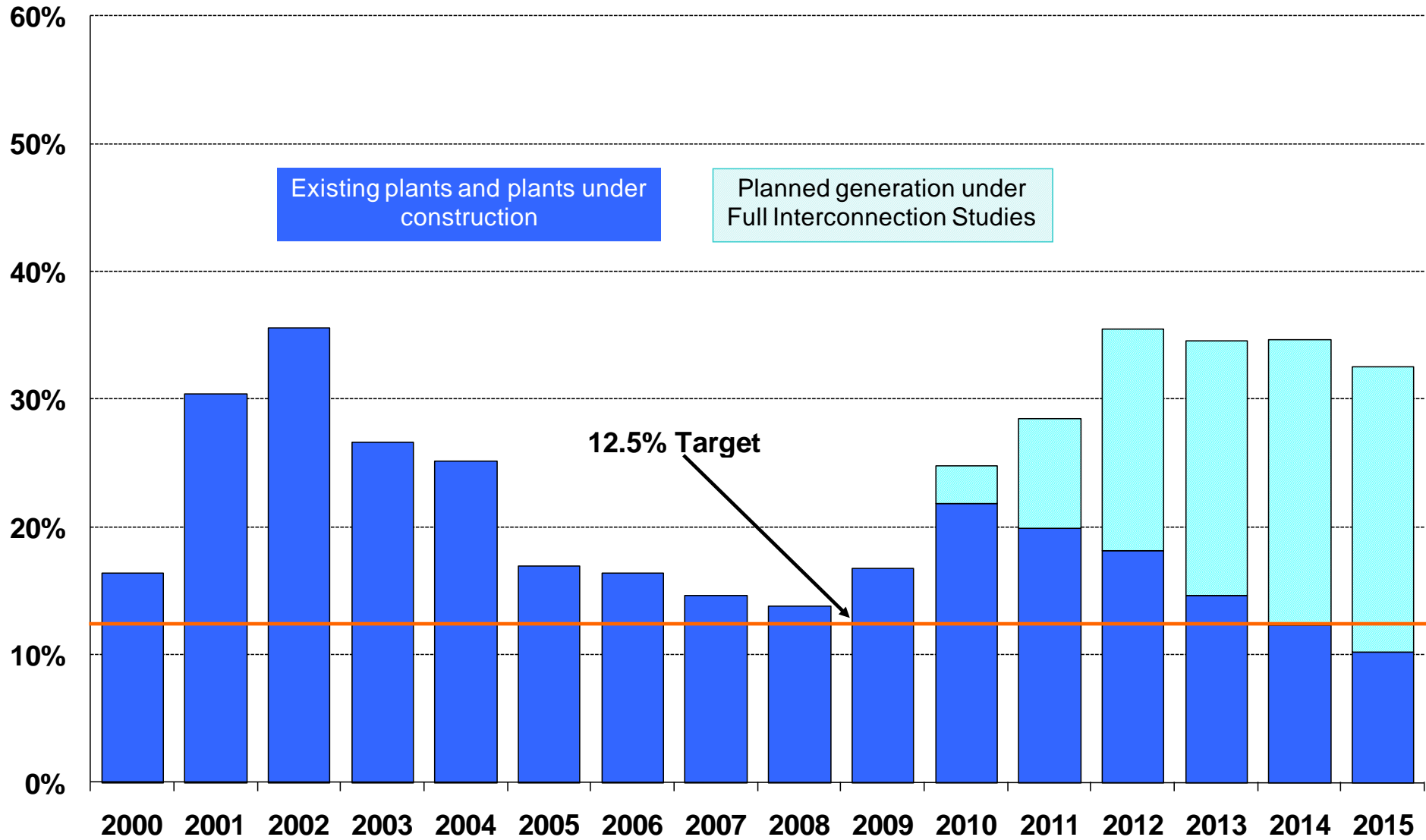


Installed Capacity

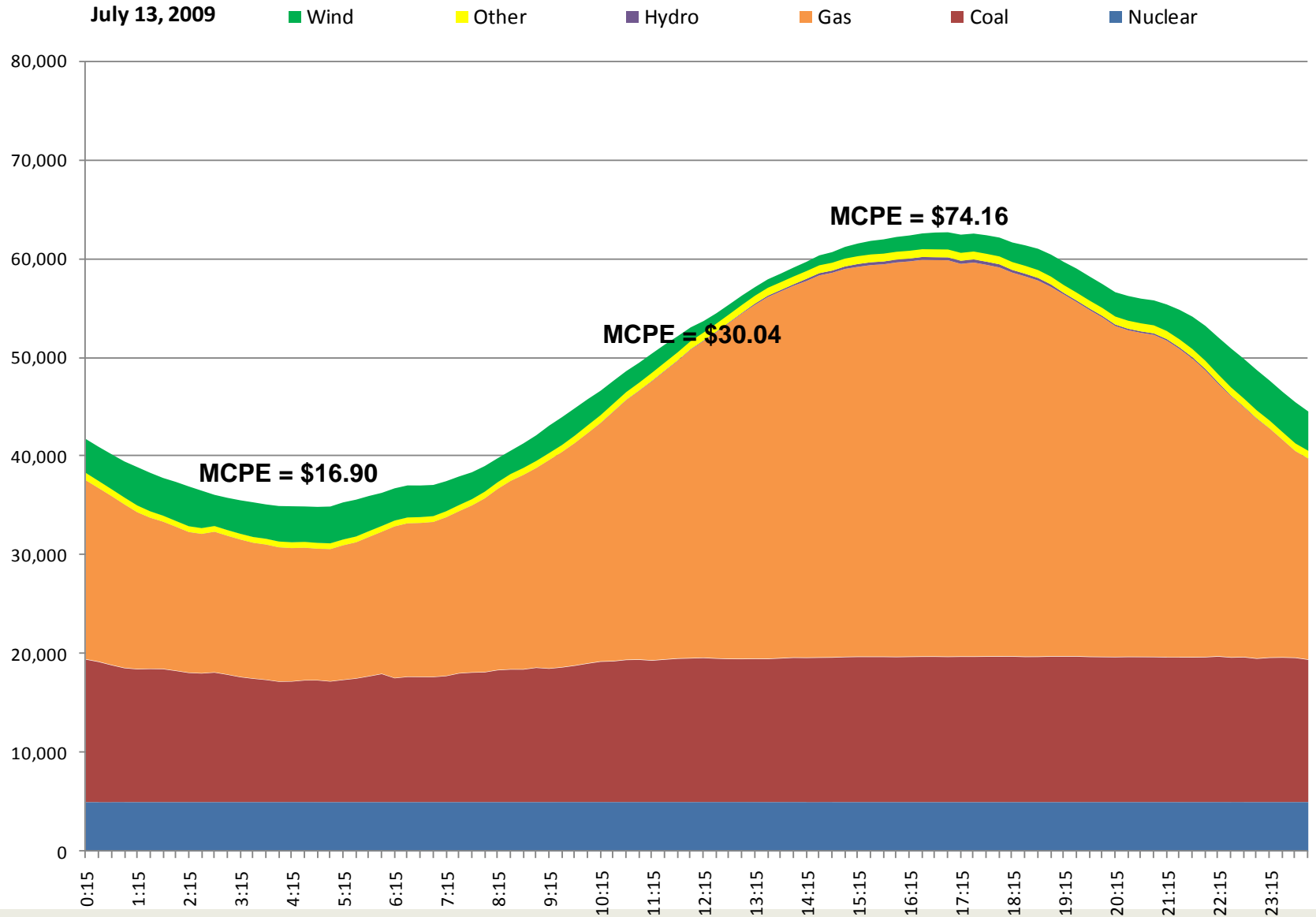
2009 Energy Production - by Fuel



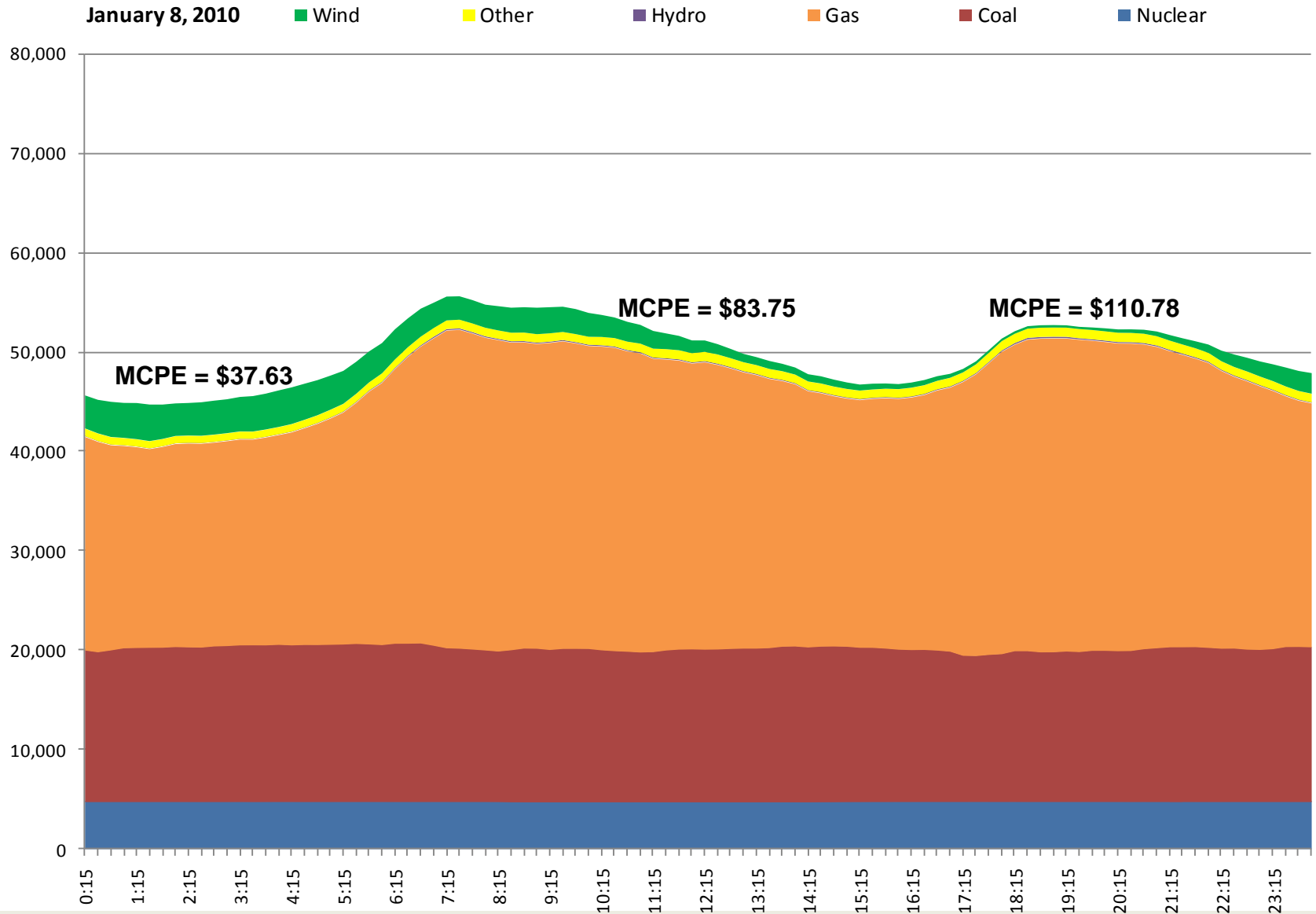
Reserve Margins for Years 2000 through 2015



Generation Output by Fuel – Summer Peak Day



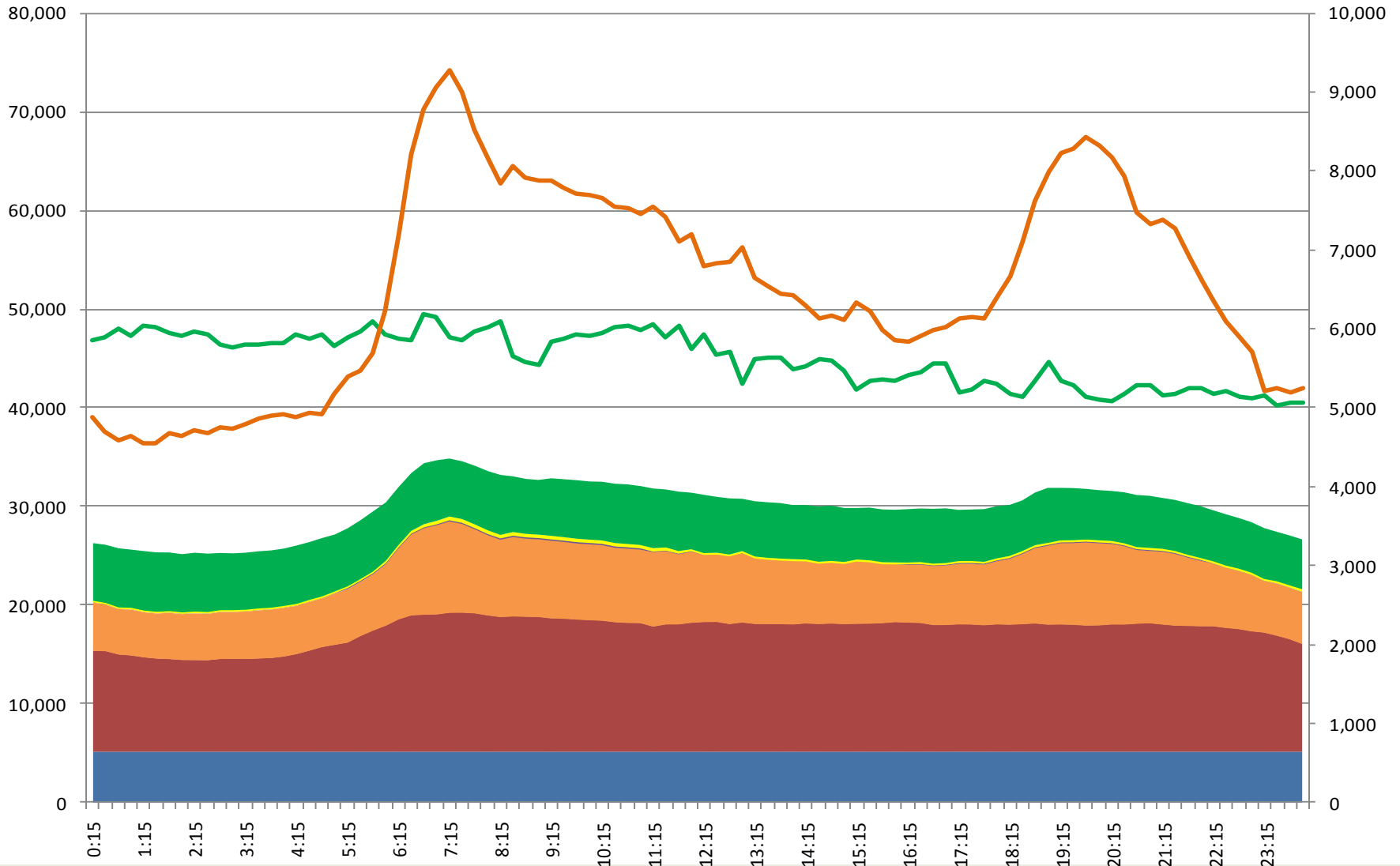
Generation Output by Fuel – Winter Peak Day



Generation Output by Fuel – High Daily Wind Output

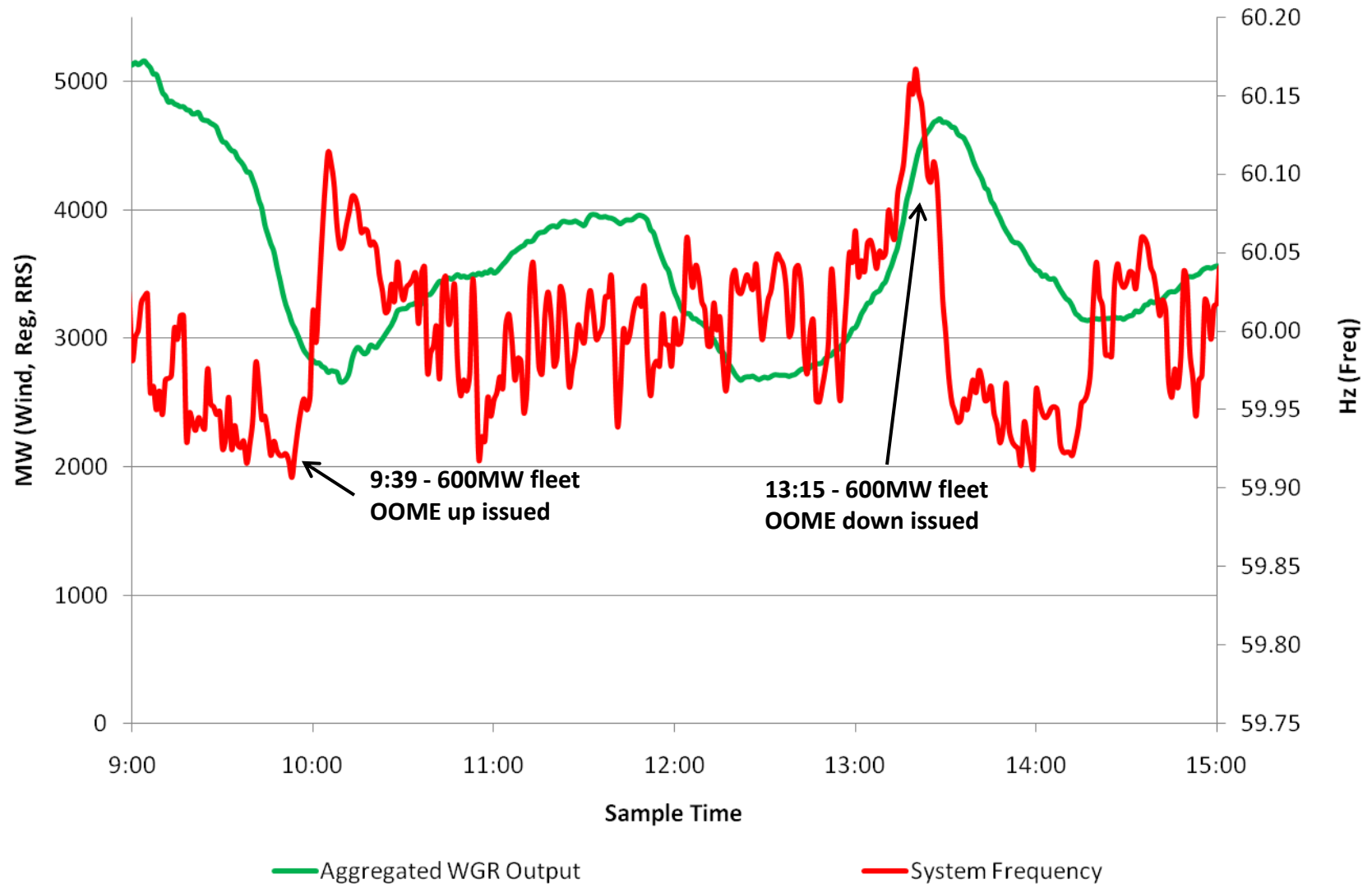
March 5, 2010

Wind Other Hydro Gas Coal Nuclear Wind Gas



Example: Challenge of Following Wind Variability

Wind Output, Frequency, Regulation and RRS for 1/28/10



Conclusions

- Reserve margins appear to be steady over the next few years with a significant amount of generation under study; continued development of conventional generation is needed to meet load growth.
- Update of the Reserve Margin calculation scheduled for late May 2010
- Reducing the ERCOT market's reliance on natural gas capacity would have positive implications for reliability and price volatility
- ERCOT is a world leader in wind generation and integration of renewable resources
- Conventional generation is required to respond to the variable nature of renewable resources, such as wind
- Demand response will be an integral part of meeting Texas' energy needs in the future and will affect ERCOT's load forecasts going forward
- Nodal will help in responding to steep ramps of variable generation. Nodal is likely to influence Reserve Margins in out years.