



# Emergency Interruptible Load Service (EILS)

## **Annual Report to TAC and WMS for Program Year 2009**

WMS Meeting April 21, 2010

TAC Meeting May 6, 2010

Paul Wattles, ERCOT Staff

## **PUC Subst. R. 25.507 (f):**

**ERCOT shall review the effectiveness and benefits of the EILS and report its findings to the commission annually within 70 days of the completion of the EILS program year. The report shall contain, at a minimum, the number of MW procured in each period, the total dollar amount spent, the number and level of EECF events, and the number and duration of deployments.**

*(This report was filed on April 5; Project No. 27706)*

## **Protocols Section 6.5.12:**

- (19) ERCOT will review the effectiveness and benefits of the EILS every twelve (12) months from the start of the program and report its findings to TAC.**

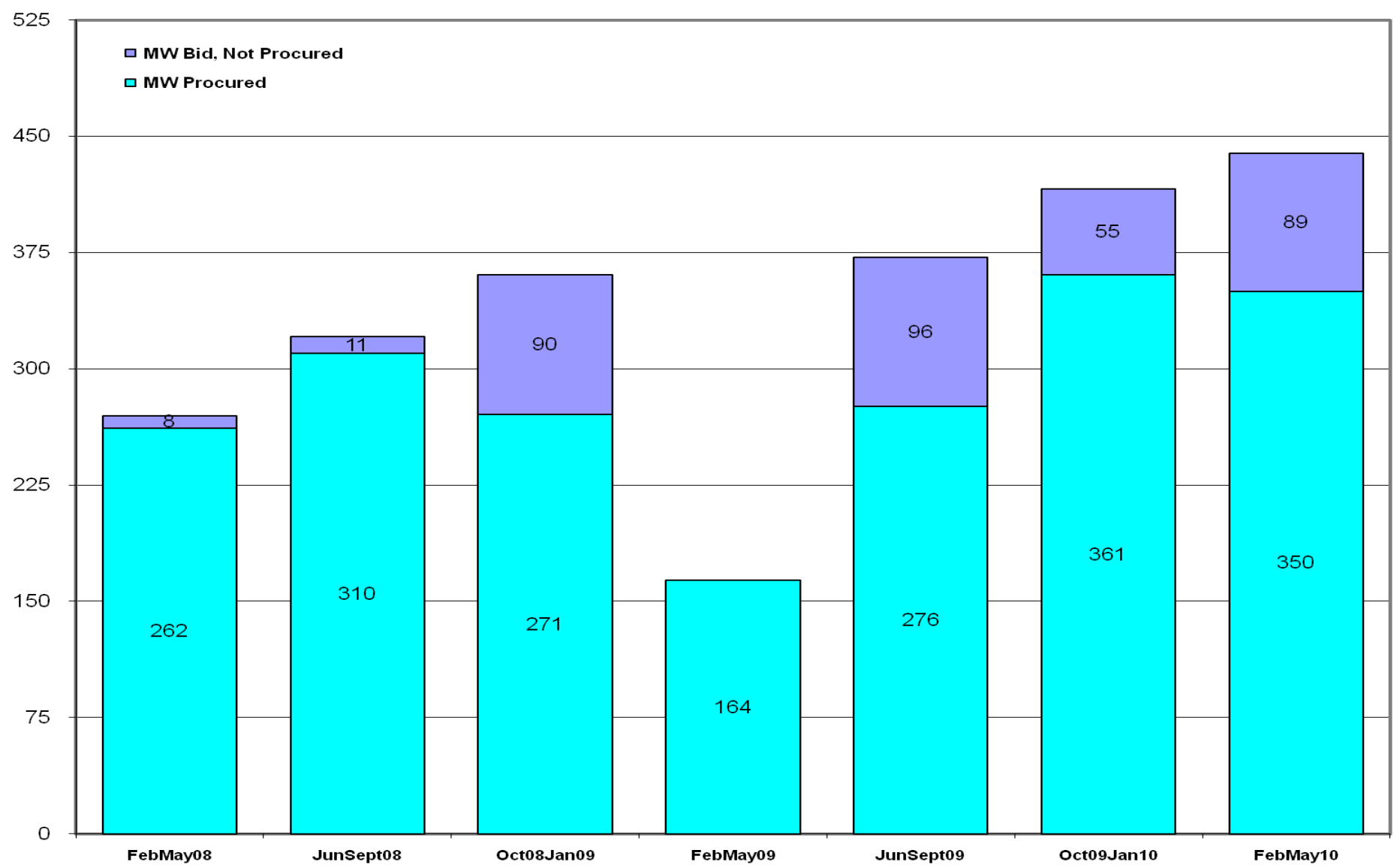
- **Procurement Summary**
  - Capacity (MW) bid and procured
  - Number of procured EILS Resources and average EILS Resource size
  - Number of participating individual Loads
- **Suspensions due to availability factors below 95%**
- **Settlement Summary**
- **Detailed results by Contract Period**

- **EILS is procured 3 times annually for 4-month Contract Periods**
  - February thru May
  - June thru September
  - October thru January
- **Participants may bid to provide the service for one or more Time Periods:**
  1. Business Hours 1: 8AM to 1PM Monday-Friday\*
  2. Business Hours 2: 1PM to 4PM Monday-Friday\*
  3. Business Hours 3: 4PM to 8PM Monday-Friday\*

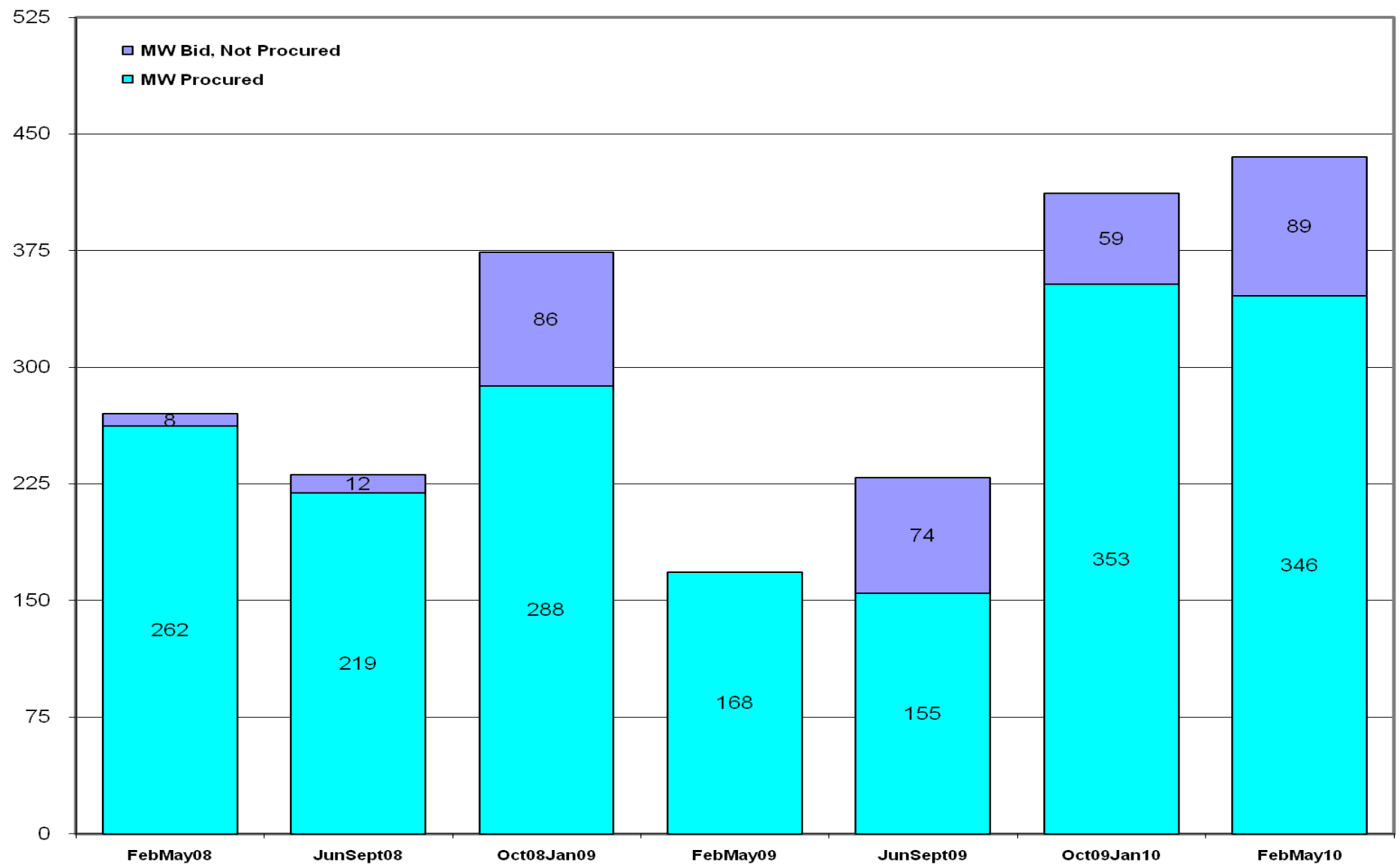
\* Except ERCOT Holidays

  4. Non-Business Hours: All other hours
- **Time Periods are designed to allow flexibility in for customers during traditional business hours**
- **Time Periods have been in effect in current form since the June-September 2008 EILS Contract Period**

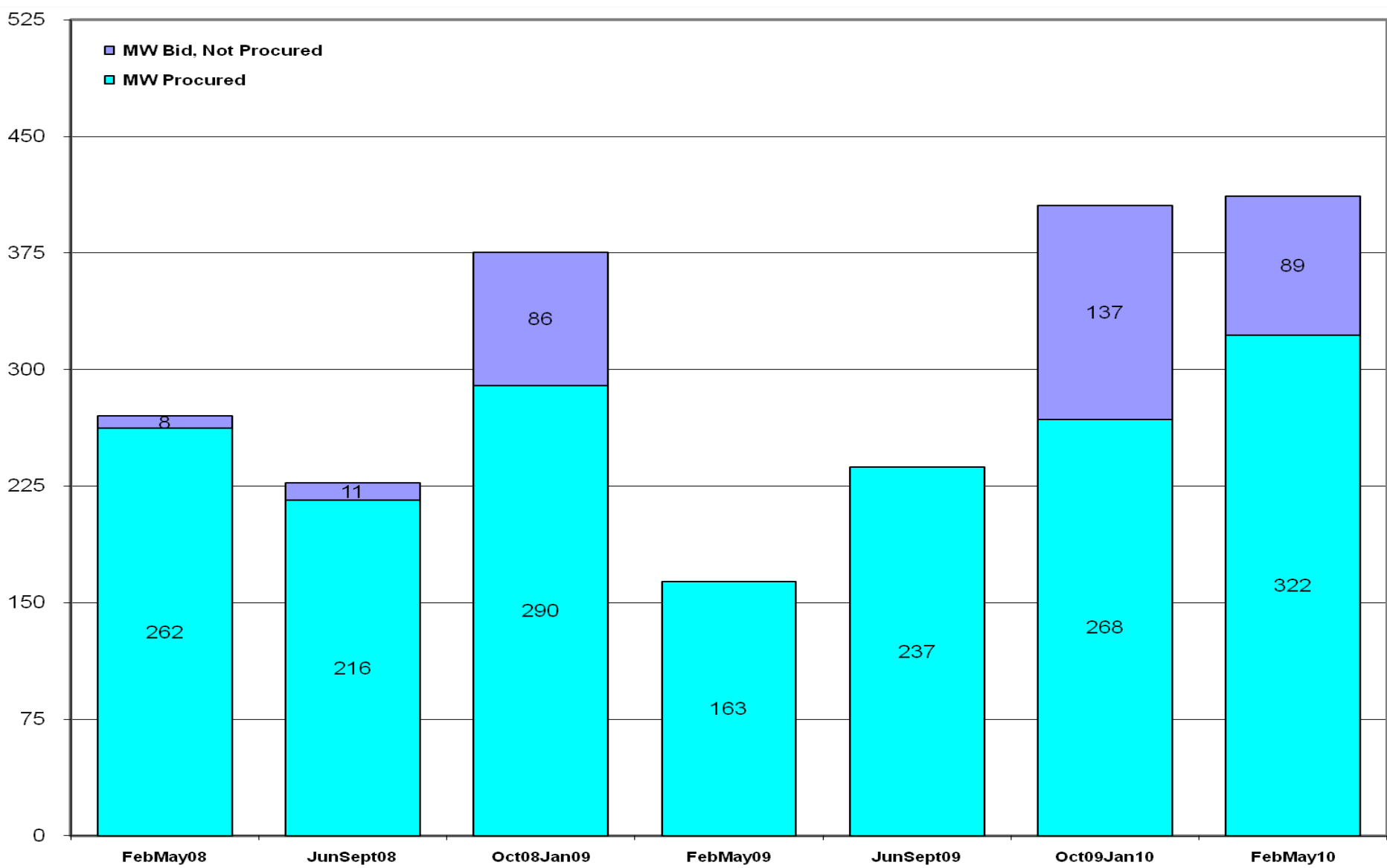
# Capacity Procurement Trends (Business Hours 1)



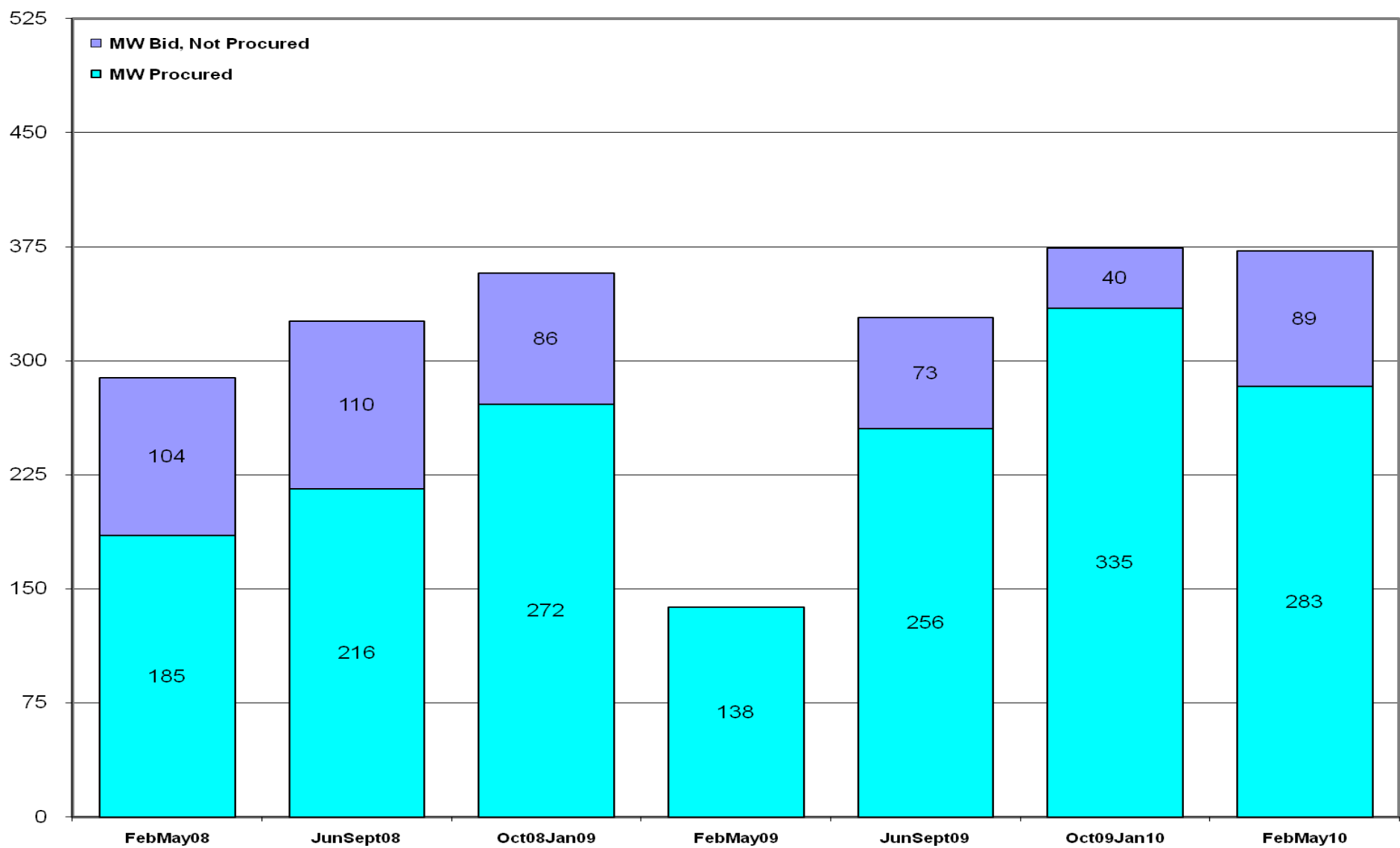
# Capacity Procurement Trends (Business Hours 2)



# Capacity Procurement Trends (Business Hours 3)

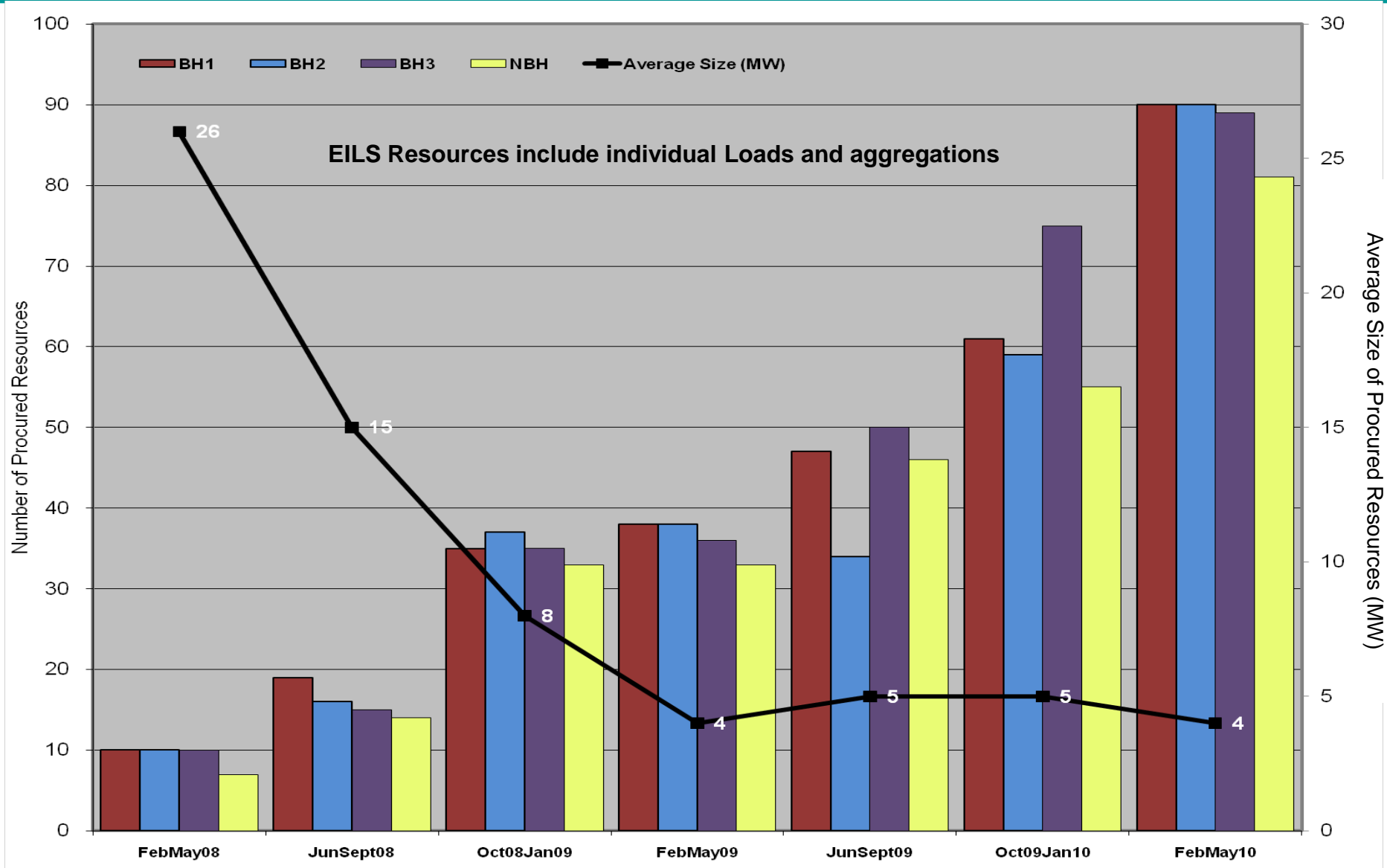


# Capacity Procurement Trends (Non-Business Hours)

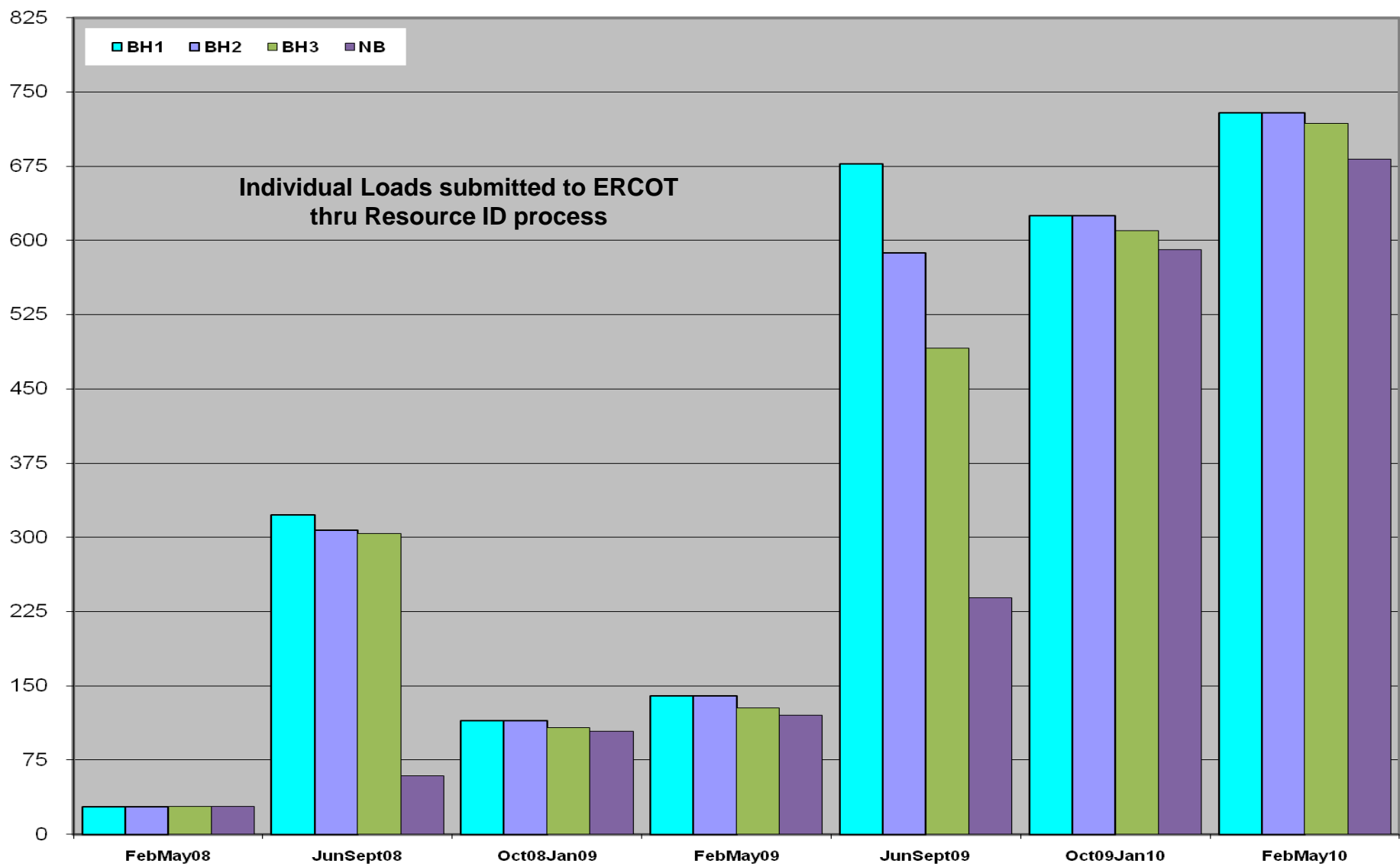




# Procurement Trends (number & avg. size of resources)

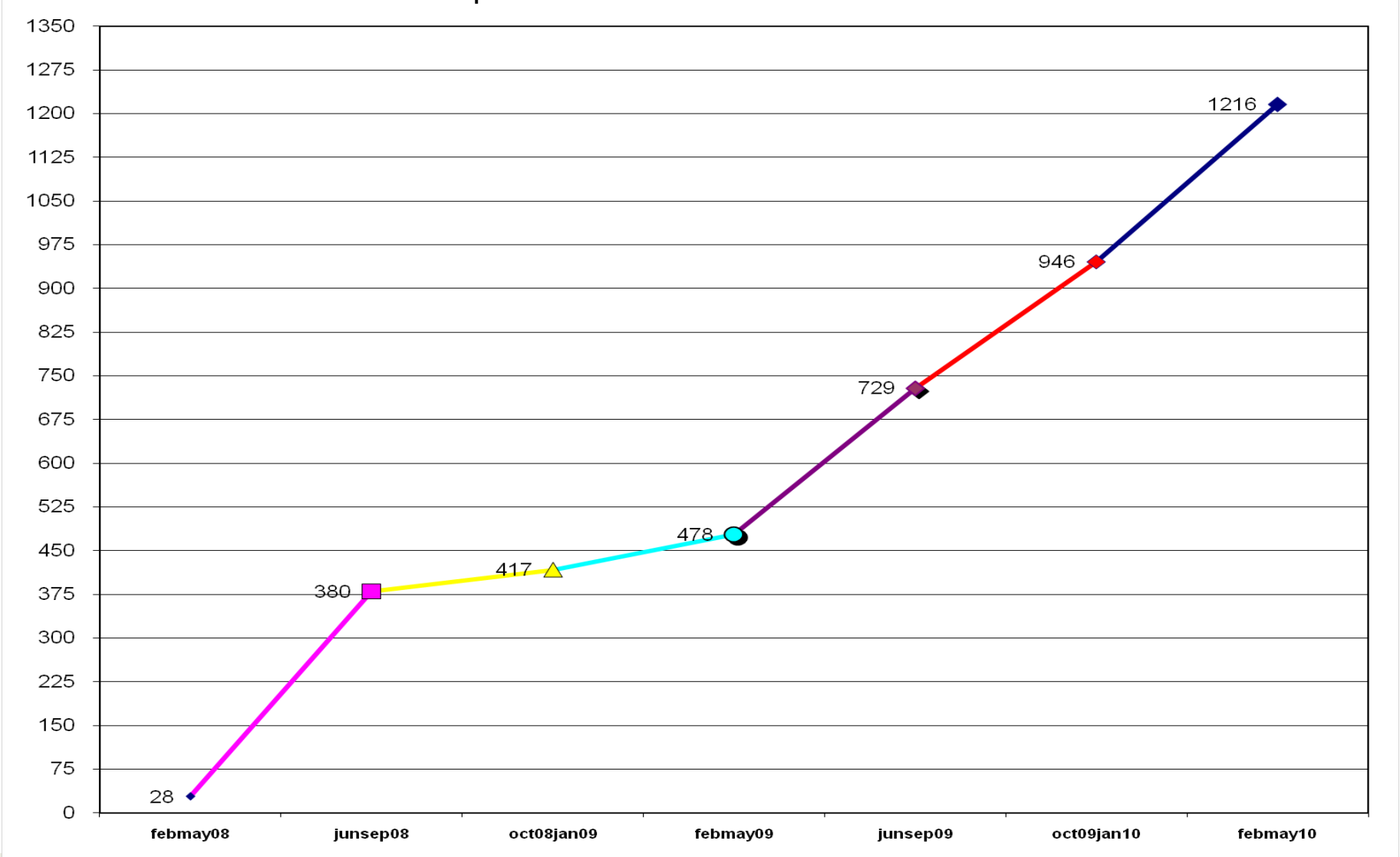


# Procurement Trends (number of individual Loads)



# Individual Load Participation

## Cumulative number of unique individual loads submitted into EILS



- **EILS Resources suspended due to availability factors of less than 95%**
  - Pursuant to Subst. R. §25.507(e) and Protocols §6.10.13.4

<b>Contract Period</b>	<b>No. of Resources</b>	<b>Approx. curtailable MW</b>
Feb.-May 2009	12	38
June-Sept. 2009	13	32
Oct.09-Jan.10	To be determined	

- **EILS Resources with availability factors of <95% also have their payments reduced by the corresponding amount**
- **Suspended Loads may regain eligibility only after submitting a corrective action plan and successfully completing a load-shed test administered by ERCOT**

# Settlement Summary

EILS CONTRACT PERIOD	Projected cost based on procurement*	Final cost after availability adjustments	Final % of original
Feb.-May 08	\$ 5,340,790.32	\$ 5,298,600.17	99.2%
June-Sept. 08	\$ 6,584,675.82	\$ 6,399,048.95	97.2%
Oct.08-Jan 09	\$ 8,225,943.52	\$ 4,940,075.36	60.1%
<b>TOTAL 2008</b>	<b>\$ 20,151,409.66</b>	<b>\$ 16,637,724.48</b>	<b>82.6%</b>
Feb.-May 09	\$ 4,508,954.75	\$ 4,198,560.86	93.1%
June-Sept. 09	\$ 6,361,774.13	\$ 6,142,071.96	96.5%
Oct. 09-Jan. 10	\$ 7,789,961.33	\$ 7,400,219.56	95.0%
<b>TOTAL 2009</b>	<b>\$ 18,660,690.21</b>	<b>\$ 17,740,852.38</b>	<b>95.1%</b>
<b>TOTAL 2008-09</b>	<b>\$ 38,812,099.87</b>	<b>\$ 34,378,576.86</b>	<b>88.6%</b>
Feb-May 10	\$ 6,692,995.39	Settlement Aug. 2010	
<b>TOTAL to date (Projected)</b>	<b>\$</b>	<b>41,071,572.25</b>	

\* Projected costs are based on procured EILS capacity as reflected in executed contracts with QSEs and EILS Resources. These numbers may differ slightly from the amounts cited in Market Notices released prior to the start of a Contract Period. Any such differences are related to downward adjustments made by ERCOT to the capacity values of specific bids pursuant to ERCOT's authority under Protocols Section 6.5.12 (11). It is ERCOT's policy to consult with the QSE representing the EILS Resource prior to making any such adjustment.





# Results by Contract Period

# Procurement History

<b>Contract Period</b>	<b>Time Period</b>	<b>Capacity Offered</b>	<b>Capacity Procured</b>
<b>April - May 2007</b>	<b>Business Hours<sup>[1]</sup></b>	<b>156 MW</b>	<b>0</b>
	<b>Non-Business Hours<sup>[2]</sup></b>	<b>156 MW</b>	<b>0</b>
<b>June - Sept. 2007</b>	<b>Business Hours</b>	<b>213 MW</b>	<b>0</b>
	<b>Non-Business Hours</b>	<b>213 MW</b>	<b>0</b>
<b>Oct. 2007 - Jan. 2008</b>	<b>Business Hours</b>	<b>170 MW</b>	<b>0</b>
	<b>Non-Business Hours</b>	<b>180 MW</b>	<b>0</b>

EILS was not procured for these Contract Periods, as bids did not meet 500 MW minimum requirement in effect at the time.

<sup>[1]</sup> Hour Ending (HE) 0900 through 2000, Monday thru Friday, except ERCOT Holidays.

<sup>[2]</sup> All other hours.



# February-May 2008 Contract Period

<b>Time Period</b>	<b>Business Hours</b> HE 0900 – 2000, M-F except Holidays	<b>Non-Business Hours</b> All Other Hours
<b>Capacity Procured</b>	<b>262 MW</b>	<b>185 MW</b>
<b>Capacity Offered</b>	<b>270 MW</b>	<b>289 MW</b>
<b># of EILS Resources Procured</b>	<b>10</b> (includes 5 aggregations)	<b>7</b> (includes 2 aggregations)
<b>Avg. Cost</b> MW / Hour	<b>\$9.73</b>	<b>\$7.86</b>

- **Total adjusted cost for this Contract Period: \$5,298,600.17**



# June-September 2008 Contract Period

<b>Time Period</b>	<b>Business Hrs.</b> HE 0900 – 1300, M-F except Holidays	<b>Peak Hrs. 1</b> HE 1400 – 1600, M-F except Holidays	<b>Peak Hrs. 2</b> HE 1700 – 2000, M-F except Holidays	<b>Non-Bus. Hrs.</b> All Other Hours
<b>Capacity Procured</b>	<b>310 MW</b>	<b>219 MW</b>	<b>216 MW</b>	<b>216 MW</b>
<b>Capacity Offered</b>	<b>321 MW</b>	<b>231 MW</b>	<b>227 MW</b>	<b>326 MW</b>
<b># of EILS Resources Procured</b>	<b>19</b> (incl. 13 agg's)	<b>16</b> (incl. 10 agg's)	<b>15</b> (incl. 9 agg's)	<b>14</b> (incl. 8 agg's)
<b>Avg. Cost MW / Hour</b>	<b>\$10.92</b>	<b>\$11.07</b>	<b>\$11.29</b>	<b>\$8.97</b>

- **Total adjusted cost for this Contract Period: \$6,399,048.95**

# October 2008 – January 2009 Contract Period

<b>Time Period</b>	<b>Bus. Hrs. 1</b> HE 0900 – 1300, M-F except Holidays	<b>Bus. Hrs. 2</b> HE 1400 – 1600, M-F except Holidays	<b>Bus. Hrs. 3</b> HE 1700 – 2000, M-F except Holidays	<b>Non-Bus. Hrs.</b> All Other Hours
<b>Capacity Procured</b>	<b>272 MW</b>	<b>289 MW</b>	<b>291 MW</b>	<b>273 MW</b>
<b>Capacity Offered</b>	<b>361 MW</b>	<b>374.3 MW</b>	<b>376.2 MW</b>	<b>358.2 MW</b>
<b># of EILS Resources Procured</b>	<b>35</b> (incl. 25 agg's)	<b>37</b> (incl. 25 agg's)	<b>35</b> (incl. 23 agg's)	<b>33</b> (incl. 21 agg's)
<b>Avg. Cost MW / Hour</b>	<b>\$10.83</b>	<b>\$11.28</b>	<b>\$11.39</b>	<b>\$9.61</b>

- **Total adjusted cost for this Contract Period:      \$4,940,075.36**
- **Total cost for the 2008 EILS program year:      \$16,637,724.48**



# February – May 2009 Contract Period

<b>Time Period</b>	<b>Bus. Hrs. 1</b> HE 0900 – 1300, M-F except Holidays	<b>Bus. Hrs. 2</b> HE 1400 – 1600, M-F except Holidays	<b>Bus. Hrs. 3</b> HE 1700 – 2000, M-F except Holidays	<b>Non-Bus. Hrs.</b> All Other Hours
<b>Capacity Procured</b>	<b>163.6 MW</b>	<b>168.2 MW</b>	<b>163.4 MW</b>	<b>137.9 MW</b>
<b>Capacity Offered</b>	<b>163.6 MW</b>	<b>168.2 MW</b>	<b>163.4 MW</b>	<b>137.9 MW</b>
<b># of EILS Resources Procured</b>	<b>38</b> (incl. 24 agg's)	<b>38</b> (incl. 24 agg's)	<b>36</b> (incl. 22 agg's)	<b>32</b> (incl. 20 agg's)
<b>Avg. Cost</b> MW / Hour	<b>\$11.10</b>	<b>\$11.56</b>	<b>\$11.62</b>	<b>\$10.15</b>

- **Total adjusted cost for this Contract Period: \$4,198,560.86**

# June - September 2009 Contract Period

<b>Time Period</b>	<b>Bus. Hrs. 1</b> HE 0900 – 1300, M-F except Holidays	<b>Bus. Hrs. 2</b> HE 1400 – 1600, M-F except Holidays	<b>Bus. Hrs. 3</b> HE 1700 – 2000, M-F except Holidays	<b>Non-Bus. Hrs.</b> All Other Hours
<b>Capacity Procured</b>	<b>276.4 MW</b>	<b>154.7 MW</b>	<b>237.3 MW</b>	<b>255.6 MW</b>
<b>Capacity Offered</b>	<b>372.1 MW</b>	<b>229.0 MW</b>	<b>237.3 MW</b>	<b>328.5 MW</b>
<b># of EILS Resources Procured</b>	<b>47</b> (incl. 34 agg's)	<b>34</b> (incl. 27 agg's)	<b>50</b> (incl.s 34 agg's)	<b>46</b> (incl. 30 agg's)
<b>Avg. Cost MW / Hour</b>	<b>\$ 8.64</b>	<b>\$ 8.29</b>	<b>\$ 9.90</b>	<b>\$ 8.66</b>

- **Total adjusted cost for this Contract Period: \$6,142,071.96**

# October 2009 – January 2010 Contract Period

<b>Time Period</b>	<b>Bus. Hrs. 1</b> HE 0900 – 1300, M-F except Holidays	<b>Bus. Hrs. 2</b> HE 1400 – 1600, M-F except Holidays	<b>Bus. Hrs. 3</b> HE 1700 – 2000, M-F except Holidays	<b>Non-Bus. Hrs.</b> All Other Hours
<b>Capacity Procured</b>	<b>360.9 MW</b>	<b>353.3 MW</b>	<b>268.0 MW</b>	<b>334.5 MW</b>
<b>Capacity Offered</b>	<b>416.0 MW</b>	<b>411.7 MW</b>	<b>405.3 MW</b>	<b>374.4 MW</b>
<b># of EILS Resources Procured</b>	<b>61</b> (incl. 37 agg's)	<b>59</b> (incl. 35 agg's)	<b>75</b> (incl. 46 agg's)	<b>55</b> (incl. 35 agg's)
<b>Avg. Cost MW / Hour</b>	<b>\$8.01</b>	<b>\$8.12</b>	<b>\$8.87</b>	<b>\$7.77</b>

- **Total adjusted cost for this Contract Period: \$ 7,400,219.56**
- **Total cost for 2009 Program Year: \$17,740,852.38**

# February – May 2010 Contract Period

<b>Time Period</b>	<b>Bus. Hrs. 1</b> HE 0900 – 1300, M-F except Holidays	<b>Bus. Hrs. 2</b> HE 1400 – 1600, M-F except Holidays	<b>Bus. Hrs. 3</b> HE 1700 – 2000, M-F except Holidays	<b>Non-Bus. Hrs.</b> All Other Hours
<b>Capacity Procured</b>	<b>349.9 MW</b>	<b>345.8 MW</b>	<b>322.1 MW</b>	<b>283.2 MW</b>
<b>Capacity Offered</b>	<b>439.2 MW</b>	<b>435.1 MW</b>	<b>411.4 MW</b>	<b>372.5 MW</b>
<b># of EILS Resources Procured</b>	<b>90</b> (incl. 61 agg's)	<b>90</b> (incl. 61 agg's)	<b>89</b> (incl. 60 agg's)	<b>81</b> (incl. 55 agg's)
<b>Avg. Cost MW / Hour</b>	<b>\$7.76</b>	<b>\$7.75</b>	<b>\$8.38</b>	<b>\$7.44</b>

- **Projected cost for this Contract Period:           \$ 6.67 million**