



MEMORANDUM

To: ERCOT Board of Directors
From: Dan Woodfin, Director of System Planning
Date: May 11, 2010
Re: May 2010 Load Forecast and Reserve Margin (Agenda Item 10)

Please note that the Emergency Interruptible Load Service (EILS) values reported on the Summer Summary tab of the Capacity, Demand & Reserves (CDR) Report is subject to change, based on the procurement of EILS for the upcoming summer 2010 Contract Period. That procurement cycle is currently underway, and final CDR with the actual procured amount will be provided to you prior to the meeting. The number shown in this version of the CDR is based on the EILS capacity procured for summer 2009. The result of updating to the summer 2010 EILS procurement is not expected to have an appreciable impact on the projected reserve margins.

EILS capacity is included in the CDR consistent with the methodology developed by the Generation Adequacy Task Force earlier this year and approved by the Board on March 23, 2010. That methodology calls for ERCOT to include the actual amount of EILS procured for the summer in the year of the report, increasing by 10 percent per year in the out years.

Please let me know if you have any questions.