



ERCOT Success Markers

Top Market in North America

ERCOT consistently ranks as the top market in North America, particularly related to ERCOT's success as registrar and facilitator of the retail market.

- Texas residential and commercial/industrial electric markets ranked #1 in competitive markets in North America for the last three years in the [Annual Baseline Assessment of Choice in Canada and the United States](#) (Distributed Energy Financial Group, 2010).
 - Texas was the only market that ranked “excellent” for both residential and commercial markets in 2010.
- Texas ranked #1 in US competitive markets and #3 in the world, behind the UK and New Zealand in the [Retail Energy Deregulation Index](#) (Center for the Advancement of Energy Markets, Edison Electric Institute, 2003)
- Harvard University Professor William Hogan, leading academic analyzing wholesale electric market structure issues, praised ERCOT's nodal market design in SNL Financial, Nov. 30, 2010:
 - "There's only one market model that actually works, and this is the one [ERCOT is] embracing. The reason it works is that the pricing system and the dispatch system, and the control system and the reliability rules, are all internally consistent.... [ERCOT's nodal model] makes it much easier to operate the system. It makes it more efficient, and it gives people the incentive to do things that are good for the system and invest in the right places."
- Largest market in the US based on net generation.
 - \$34 billion market based on 310,500 GWh at an average \$0.11/KWh rate (2010)
 - Approximately 200 counter-parties active in the market providing depth and liquidity

Leader in Transmission Planning

ERCOT's record in transmission planning and development is the most successful in the US.

- Nearly 8,500 circuit miles of transmission built since 1999
- \$6.57 billion in new transmission and upgrades since 1999

What's ahead?

- Up to \$9 billion in transmission improvements under review for 2011-2016 which could add an estimated 7,866 circuit miles of transmission and 27,026 megavolt amperes of autotransformer capacity to the grid.
 - Includes \$5 billion to support 18,000 MW of wind – part of the Competitive Renewable Energy Zones (CREZ) project



Leader in Generation Development

ERCOT has more than 85,000 megawatts (MW) of installed capacity and a significant amount of generation under study.

- 45,000 MW new generation added since 1999
 - 136 older units decommissioned since 1999
- Nearly 10,000 MW committed for the future and 65,000 MW under review (Dec. 2010)

Leader in Wind Integration

ERCOT has successfully integrated the highest level of wind power in the nation into its grid operations.

- 9,528 MW of installed wind capacity – #1 in the US and # 5 in the world
- Nearly 39,000 MW of wind generation requests in the interconnection review process (Dec. 2010)
- 7,227 MW of instantaneous wind generation recorded on Dec. 11, 2010 (25.8 percent of load)
- Developed first-of-its-kind [wind ramp forecasting tool](#) to help operators prepare for large and sudden changes in wind production

Leader in Innovation

- **Smart Meters** – Implemented financial settlement for advanced meters – more than 2 million as of January 2010
- **Demand Response** – Market-based demand response program for load resources has approximately 175 sources providing more than 2,200 MW of peak interruptible capacity
- **Macomber Map™** – a visualization tool developed by ERCOT to help system operators integrate multiple data sources and see all data for a single element of the grid across applications and systems; provides situational awareness for control room operators – allowing operators to navigate from high- to low-level network model, energy and market data, geographically and temporally; currently being used nationally, including at NERC and FERC