



MEMORANDUM

To: Board of Directors
From: John Dumas, Director, Wholesale Market Operations
Date: August 12, 2011
Re: Wholesale Market Operations Update

The attached slide is intended to address a request that was submitted to ERCOT after the Board Packet was sent on Tuesday. The request was for ERCOT to identify the issues that a Look-Ahead Security Constrained Economic Dispatch (SCED) will address.

Issues that a Look-Ahead SCED will address

- **Short-term generation ramp rate limitations**
 - A 60 minute dispatch study period instead of a 5-minute
- **Efficient commitment and dispatch of QSGRs.**
 - A two hour commitment study period
- **Consideration of Load Resources with Minimum Deployment Times and Energy Storage Resources with limited energy.**
- **Will consider future topology changes e.g. Outages.**
- **Will accommodate Real-Time Co-Optimization of Energy and Ancillary Services.**
- **Will provide non-binding short term forward prices.**
 - Self commitment decisions
 - Passive Load Response decisions