Preliminary
Seasonal Assessment of Resource Adequacy for the ERCOT Region
Summer 2012

Released March 1, 2012; To Be Updated May 1, 2012

SUMMARY

ERCOT expects tight reserves this summer. Based on expected resource availability and demand levels driven by anticipated above-normal temperatures, there is a significant chance that ERCOT will need to declare an Energy Emergency Alert (EEA) on multiple occasions during the summer of 2012 and issue corresponding public appeals for conservation; these EEA declarations are not likely to result in the need for rotating outages.

However, if a higher-than-normal number of forced generation outages occur during a period of high demand, or if record-breaking weather conditions similar to last summer lead to even higher-than-expected peak demands, the ERCOT system is likely to have insufficient resources available to serve those demands. This insufficiency would result in the need for rotating outages to maintain the integrity of the system as a whole.

Drought conditions have improved during the winter on many river basins. Reservoir levels are not expected to drop below power plant physical intake limits during summer 2012, but potential risks exist while Texas remains under drought conditions.

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Range of Likely Risks

	Installed Capacity, MW	64,735	Based on current Seasonal Maximum Sustainable Limits reported through Registration process
	Planned Units (not wind) with Signed IA and Air Permit, MW	105	Based on in-service dates provided by developers of generation resources
	Capacity from Private Networks, MW	4,390	Based on actual net PUN output during non-EEA periods of August 2011
	Switchable Units, MW	2,962	Installed capacity of units that can switch to other Regions
	less Switchable Units Unavailable to ERCOT, MW	(317)	Based on survey response of Switchable Unit owners
	RMR Units to be under Contract, MW	-	
	Effective Load-Carrying Capability (ELCC) of Wind Generation, MW	855	Based on 8.7% of installed capacity (Effective Load Carrying Capability) of wind per Planning Guide Section 8
	ELCC of Planned Wind Units with Signed IA, MW	18	Based on in-service dates provided by developers of generation resources
	50% of Non-Synchronous Ties, MW	553	Based on 50% of installed capacity of ties, per Planning Guide Section 8
a	**Total Resources, MW**	**73,301**	
b	**Peak Demand, MW**	**67,492**	Updated forecast based on 2010 actual weather due to Climate Prediction Center's 40% chance of hotter-than-normal weather for summer
c	**Reserve Capacity (a -b), MW**	**5,809**	

		Base Case	Extreme Load/Typical Gen Outages	Extreme Load/Extreme Gen Outages	
	Extreme Load Range	-	3,581	3,581	Based on load forecast using actual extreme weather year (2011) temperatures
	Typical Maintenance Outages	710	710	710	Based on average of historic planned outages for hour ending 3P-6P of Jun - Sep weekdays
	90th Percentile Maintenance Outages	-	-	-	
	Typical Forced Outages	3,080	3,080	3,080	Based on average of historic forced and delayed outages for hour ending 3P-6P of Jun - Sep weekdays
	90th Percentile Forced Outages		-	2,067	Based on historic forced and delayed outages for hour ending 3P-6P of Jun - Sep weekdays
	Forced Outages due to Drought (minimum)	24	24	24	Current unavailability
	Forced Outages due to Drought (maximum)	-			
d	**Total Uses of Reserve Capacity**	**3,814**	**7,395**	**9,462**	
e	**Capacity Available for Operating Reserves (c-d), MW**	**1995**	**-1586**	**-3653**	
	Less than 2300 MW indicates risk of EEA1				
f	Demand Adjustment during Scarcity *	750	750	750	
g	Adjusted Capacity Available for Operating Reserves (e+f)	2745	-836	-2903	

* represents effects of price responsive demand, conservation appeals, demand programs, etc. based on summer 2011 experience; does not include Load Resource or EILS activation