



ERCOT Update

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Vice President & General Counsel
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State Affairs Committee
Texas House of Representatives
September 4, 2014

Current Records – As of August 25, 2014

All time Peak Demand Record:

68,305 MW, August 3, 2011

All time Winter Peak Record:

57,265 MW, February 10, 2011

2014 statistics:

March:

54,549 MW on March 3, 2014 -- compared to all time March record of 43,033 MW on March 4, 2002

Summer:

59,786 MW, June 30

63,532 MW, July 21

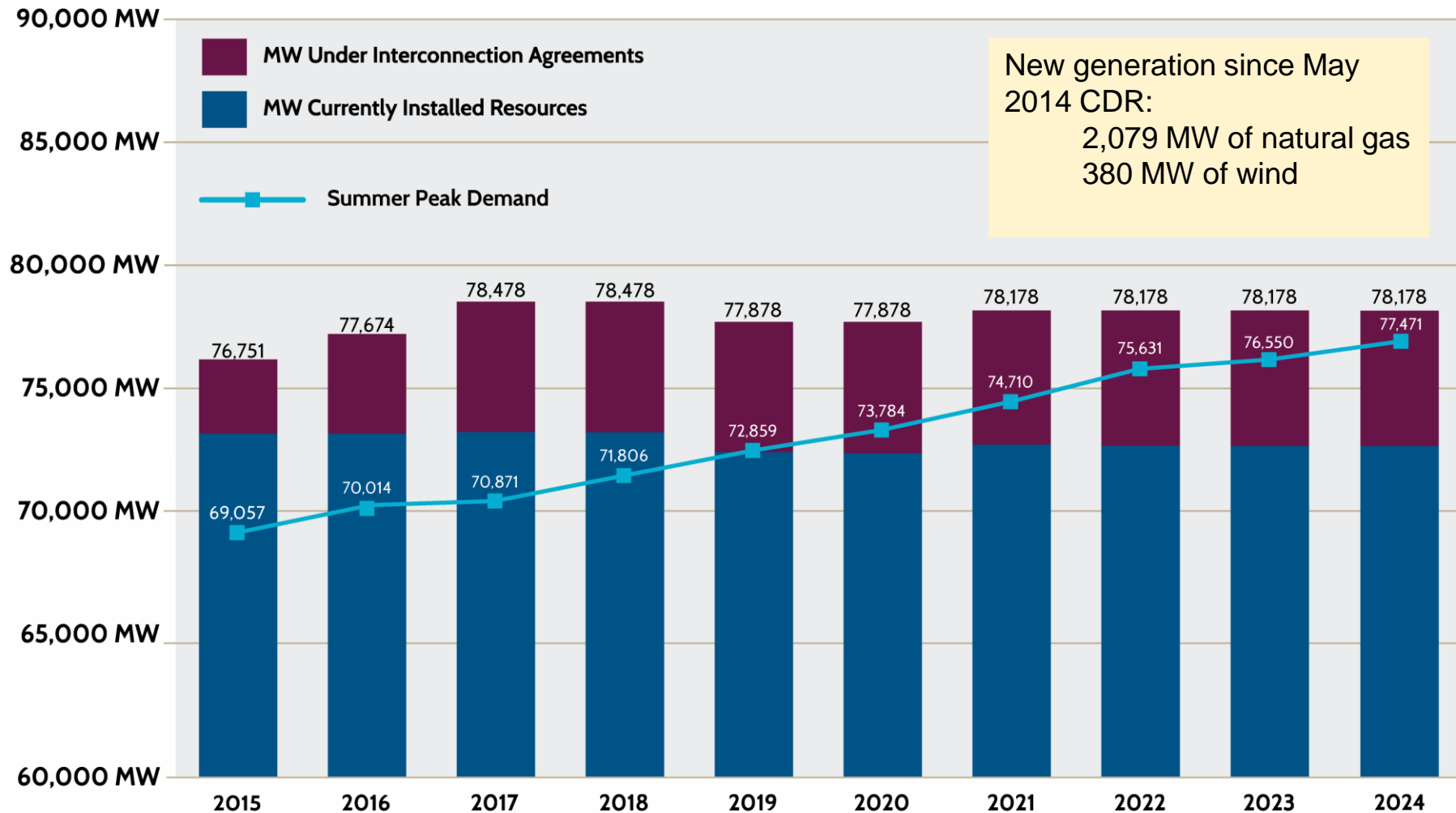
66,427 MW, August 25

No new records

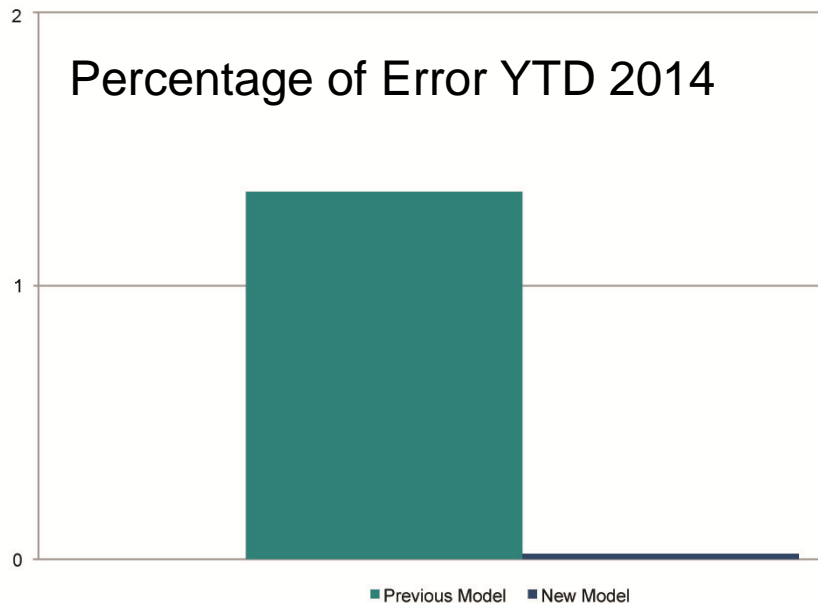
2014 Seasonal Assessment of Resource Adequacy (SARA)

- ERCOT expects to have sufficient installed generating capacity to serve forecasted peak demands both this fall and winter.
- Final fall SARA and preliminary winter SARA were released September 2, 2014.
- ERCOT runs scenarios that include extreme weather and generation outages.
- Drought and changing environmental regulations are also factors we note if they contribute to unit outages.

Capacity, Demand and Reserves (CDR) – May 2014

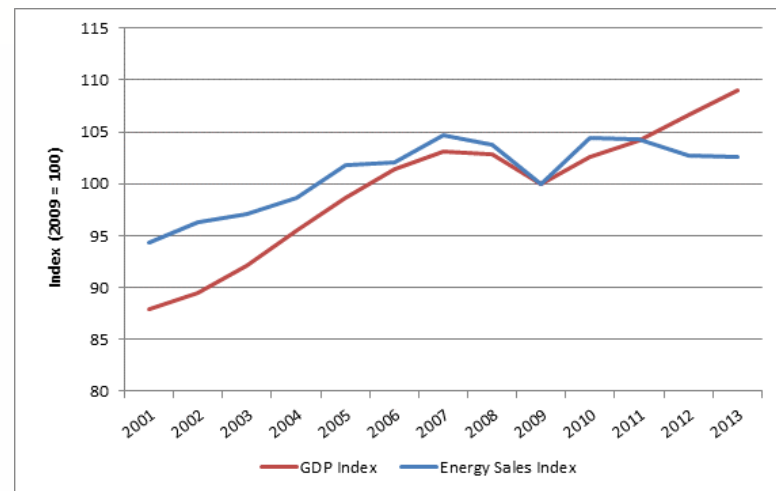


Performance of New Load Forecasting Methodology

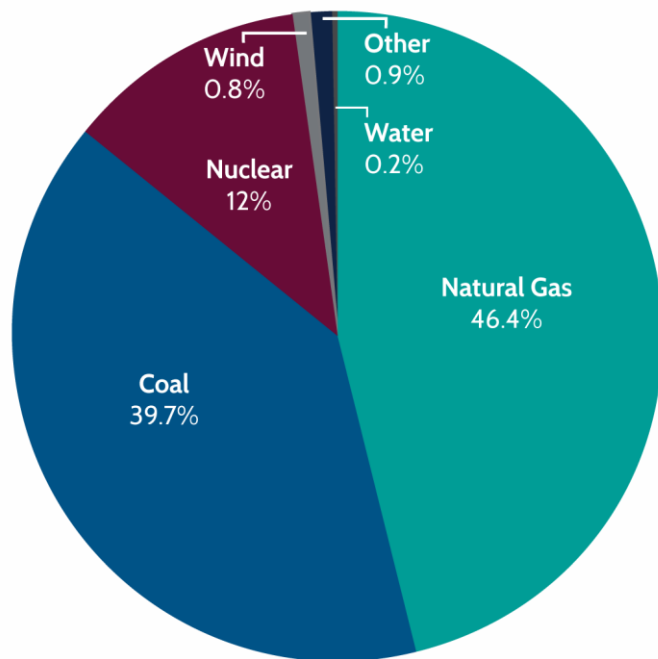


- ERCOT began using new load forecasting methodology in 2014. While we have limited data, so far results indicate it tracks against experience more closely than previous model.
- We expect the new model will be more accurate by 1,000 - 2,000MW over the long term.

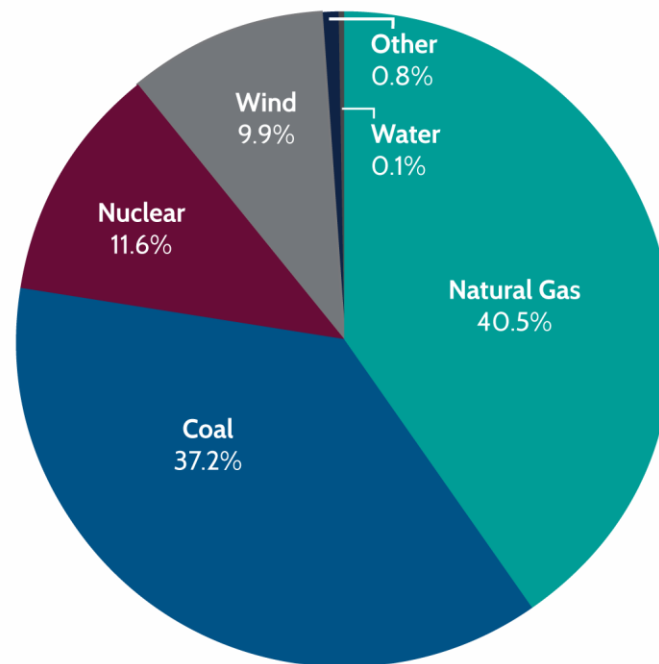
- New model reflects national trend of total energy growing at a different rate than peak demand (the CDR is based on peak demand estimates).



Energy by Fuel Type

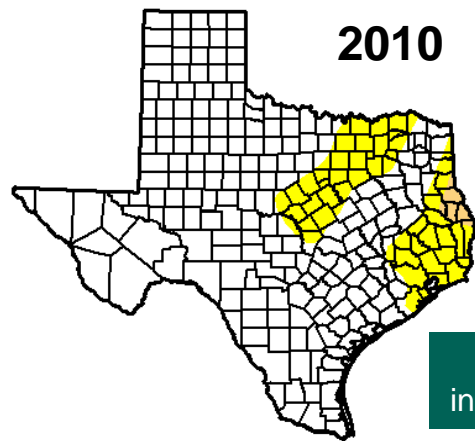


Energy Use 2003

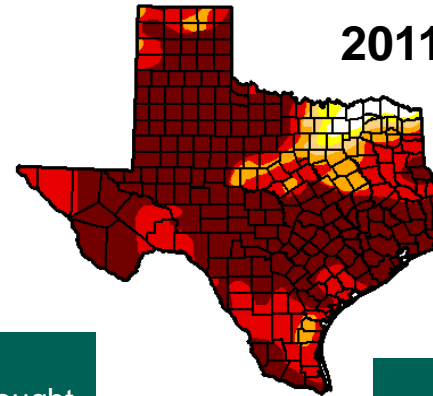


Energy Use 2013

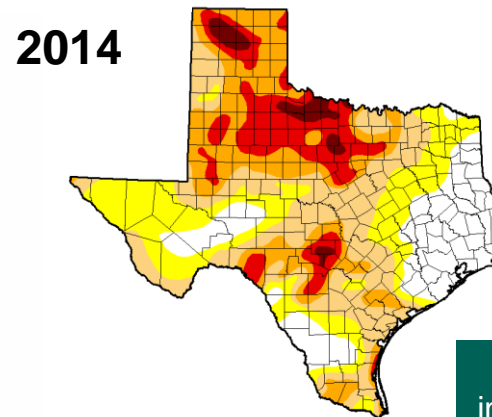
Tracking Drought Conditions



1% of the state
in moderate or worse drought



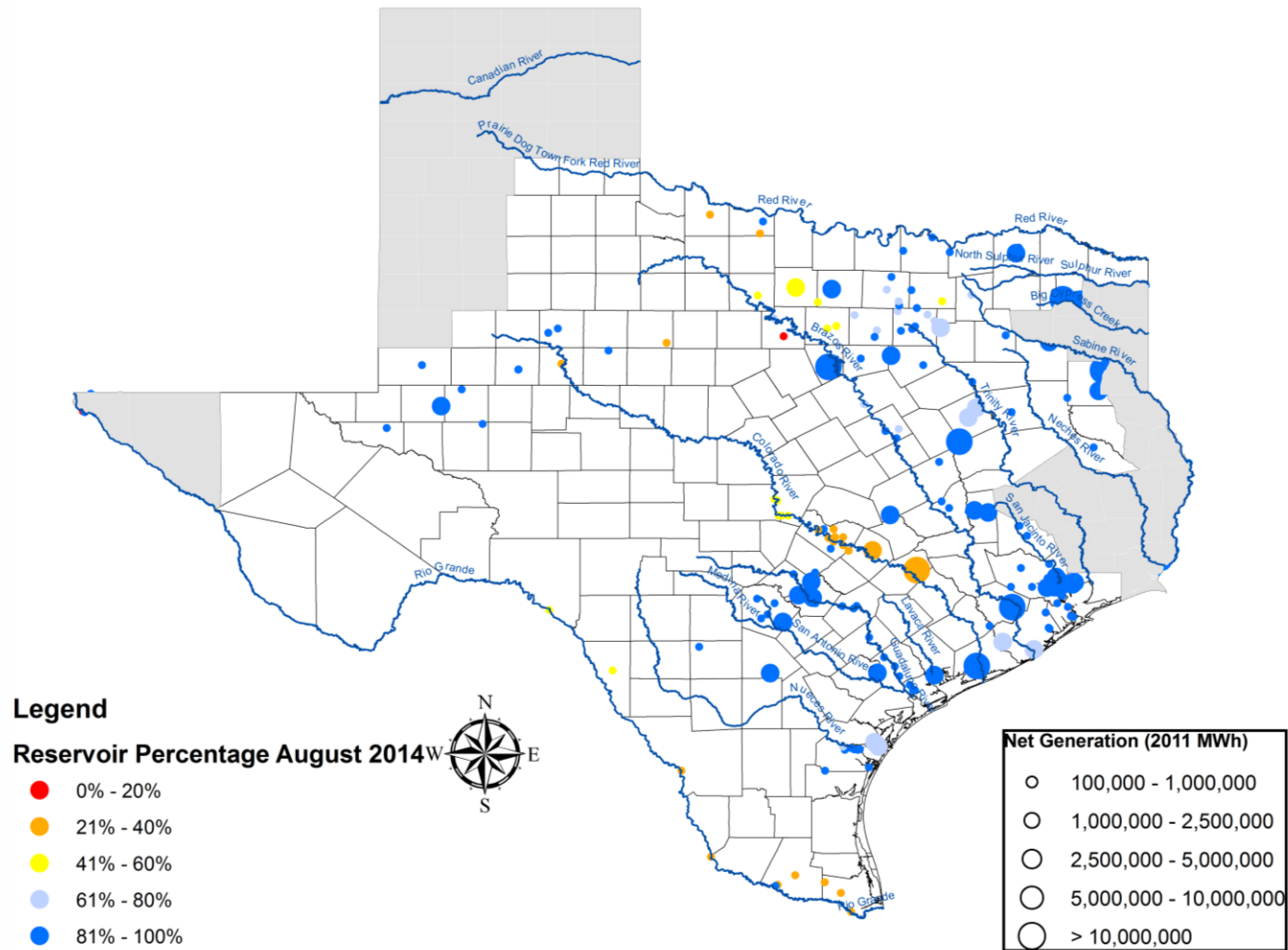
98% of the state
in moderate or worse drought



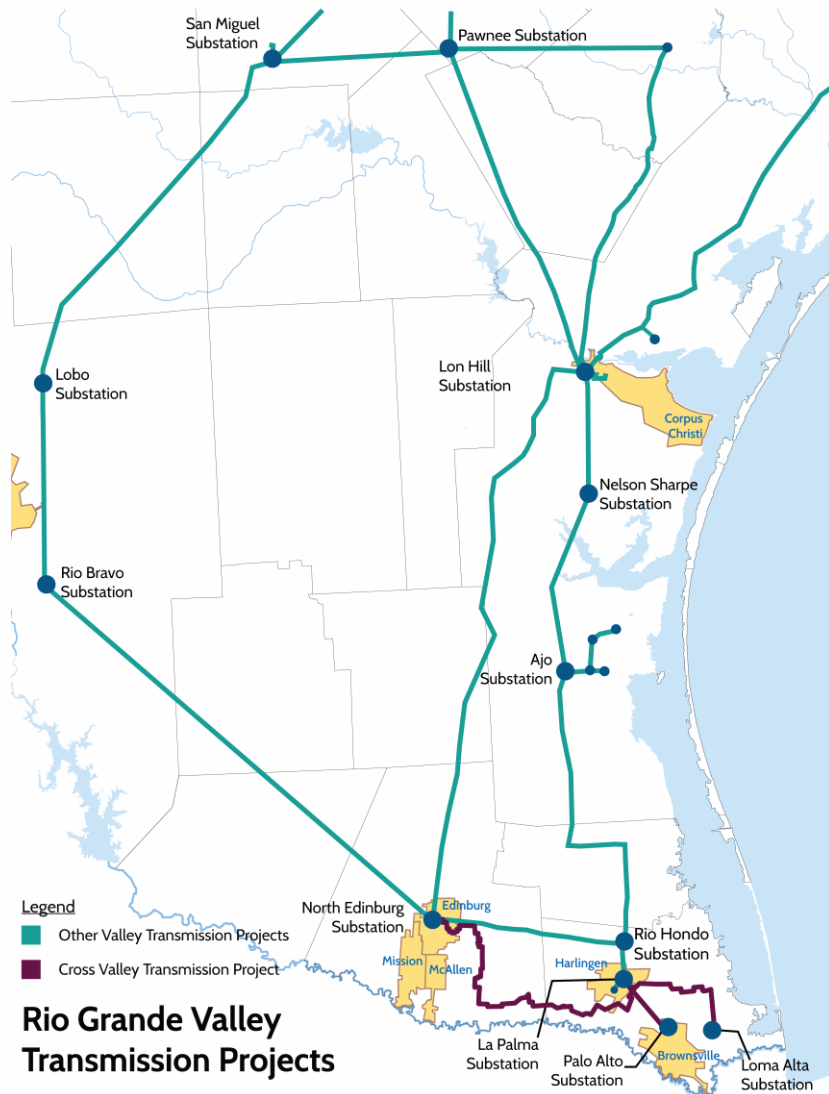
60% of the state
in moderate or worse drought

- Maps from National Drought Mitigation Center.

Lake Levels Update – August 1, 2014



Transmission Infrastructure Upgrades



ERCOT staff and stakeholders work together to address regional needs for new transmission infrastructure.

The Lower Rio Grande Valley project will upgrade and increase capacity of facilities that import power into the Valley from the Corpus Christi area and will provide a new circuit into the Valley from the Laredo area.

The Cross Valley project will provide a new circuit connecting facilities in Hidalgo County to the facilities at the Brownsville Ship Channel.

The ERCOT Regional Planning Group is evaluating a need for additional improvements to keep up with growth in the region.