

ERCOT Overview

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ERCOT Overview

RESPONSIBILITIES

The Texas Legislature restructured the Texas electric market in 1999 by unbundling the investor-owned utilities and creating retail customer choice in those areas, and assigned ERCOT four primary responsibilities:

- System Reliability Ensure reliability and adequacy of regional electric network
- Open Access to Transmission Ensure nondiscriminatory access to transmission/distribution systems for all buyers and sellers
- Competitive Retail Market Facilitate retail registration and switching
- Competitive Wholesale Market Ensure accurate accounting for electricity production and delivery among the generators and wholesale buyers and sellers in the region

NERC INTERCONNECTIONS NPCC MRO SERC FRCC INTERCONNECTION ERCOT INTERCONNECTION ERCOT INTERCONNECTION

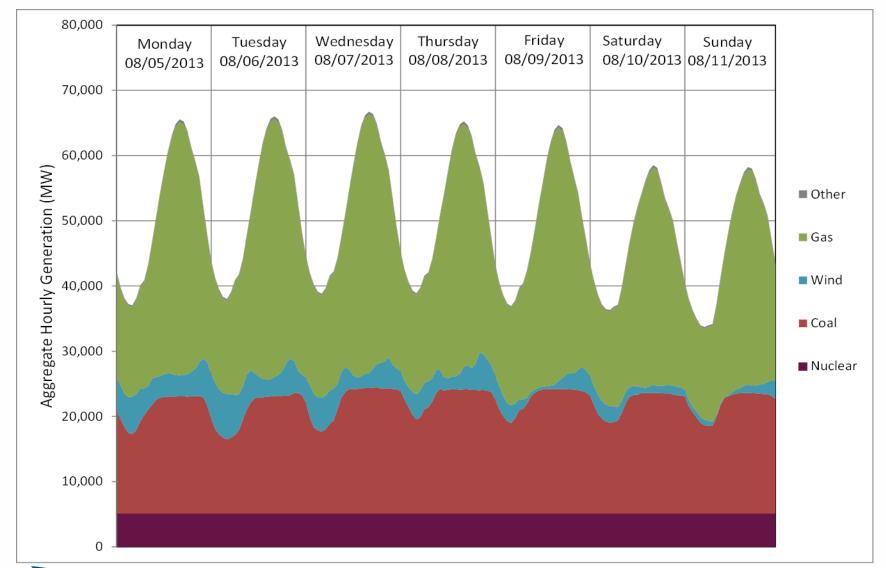
ERCOT connections to other grids are limited to direct current (DC) ties, which allow control over flow of electricity

QUICK FACTS

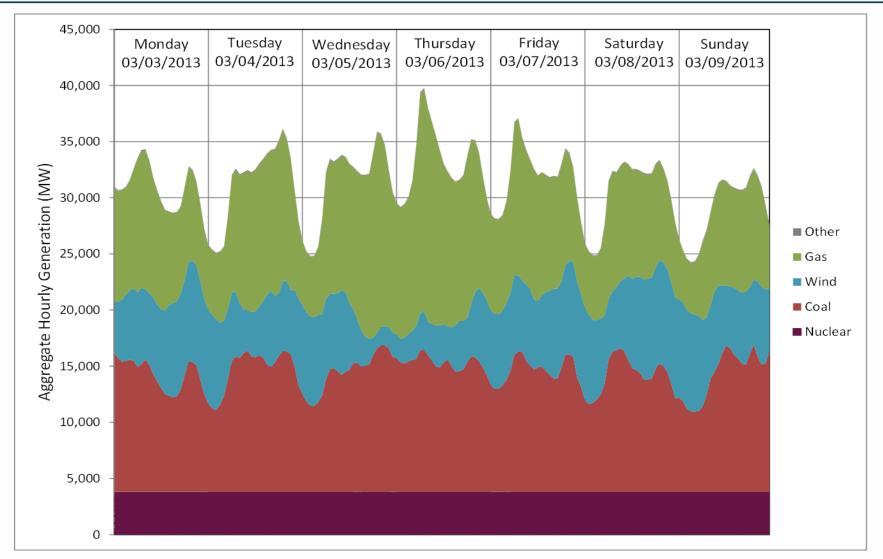
- 75% of Texas land
- 90% of Texas load
- More than 43,000 miles of transmission lines
- 550+ generation units
- 68,305 MW peak demand (set August 3, 2011)



Typical August Generation Output



Typical March Generation Output



Generation Development in ERCOT

ERCOT interconnection queue as of September 2, 2014:

Fuel Type	Initial Screening Study Projects (MW)	Full Interconnection Study Projects (MW)	Interconnection Agreement Executed (MW)	Total (MW)
Natural Gas	9,517	16,252	6,792	32,561
Coal	0	0	270	270
Wind (ELCC 8.7%)	2,875	13,650	8,852	25,377
Solar	588	3,208	265	4,061
Storage	0	594	0	594
Total	12,980	33,704	16,179	62,863

ERCOT has observed that approximately 15% of the interconnection queue project capacity will be built.