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# Economic Studies Financial Assumptions Update

*ERCOT System Planning*

RPG Meeting  
July 21, 2015

# Economic Studies- Financial Assumptions

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- **ERCOT has reviewed the financial assumptions based on ERCOT Nodal Protocols, Section 3.11.2 (5) Planning Criteria**

*“The current set of financial assumptions upon which the revenue requirement calculations is based will be reviewed annually, updated as necessary by ERCOT, and posted on the Market Information System (MIS) Secure Area.”*

- **The information in the applications of TSP filed to PUCT for wholesale transmission rates pursuant to commission substantive rule 25.192(h)(1) was used to calculate the revenue requirement**

# Economic Studies- Financial Assumptions

Review Year	Average 1 <sup>st</sup> Year Annual Revenue Requirement	Weighted Average 1 <sup>st</sup> Year Annual Revenue Requirement
2013	16.4%	15.0%
2014	15.3%	14.9%
<b>2015</b>	<b>15.4%</b>	<b>15.0%</b>

Based on the review, ERCOT Economic studies will continue to use 15% of the capital cost of the project as the 1<sup>st</sup> year annual revenue requirement to determine societal benefit until next annual review.

# 2015 Financial Assumptions – MIS posting

- MIS --> Reports --> Reports and Extracts Index --> “Economic Planning Criteria - Financial assumptions”

Reports - Google Chrome

<https://mis.ercot.com/pps/tibco/mis/Pages/Reports/Reports>

- Daily Real-Time Congestion Report - Exceeded Constraints Not Activated
- Day Ahead Market Market Operating Day Extract
- Day Ahead Point-to-Point Option Price Report
- Day-Ahead PSS-E Network Operations Model and Supporting Files
- Deselected Daily RUC Recommendations
- Deselected Hourly RUC Recommendations
- Dynamic Data Studies
- E
- ERCOT Dynamic Assessment
- ERCOT Fundamentals Training Manual
- ERCOT Letter of Credit Concentration Limits
- ERCOT Market Information List
- ERCOT Summary Dispute Report
- ERCOT Wind Forecasting Design Documentation
- ERS Procurement Results
- ERS Split Deployment Methodology
- Economic Planning Criteria - Financial assumptions**
- Electrical Bus Mapping for Heuristic Pricing
- Electrical Bus to Hub List
- Extract Data Definitions