



Sharyland Utilities South Plains Transmission Project – ERCOT Independent Review Update

RPG Meeting
August 22, 2017

Status of South Plains Transmission Project RPG Review

- ❑ ERCOT presented the study scope in the March RPG.
http://www.ercot.com/content/wcm/key_documents_lists/108860/SU_South_Plains_Transmission_Project_ERCOT_Independent_Review_Scope.pdf
- ❑ ERCOT has made updates to the study assumptions, and is in the process of studying project options.

Study Assumption Updates

- ❑ Additional 328 MW wind capacity has met Planning Guide Section 6.9 requirements since the study scope was presented in March.
 - ❑ Panhandle Wind 3: 248MW
 - ❑ Pumpkin Farm Wind: 80MW addition

- ❑ As of August 15, 2017, the total capacity of the wind generators that are operational or have met Planning Guide Section 6.9 requirements in the Panhandle region is 5534 MW.

Study Assumption Updates Cont'd

- ❑ As presented in the March RPG meeting, the 2022 Economic study case from the 2016 RTP, which used the 2006 weather year condition, will be used as the base case for this RPG project. Consistent with the 2017 RTP assumption of switching to the 2009 weather year condition, the following were updated based on the 2009 weather year condition.
 - ❑ Renewable profiles.
 - ❑ Load profiles and forecast.
- ❑ Switchable unit/unit retirement information were updated based on the latest information.
- ❑ Recently endorsed AEP Oncor Far West Texas RPG project was added.

Fuel Assumption Update

- ❑ Natural gas: Average prices from the Energy Information Administration (EIA) reference case and high oil and gas production case from the 2017 EIA Annual Energy Outlook (AEO), modeled in nominal dollars, which is consistent with the 2017 RTP assumption.

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	4.34	4.32	4.25	4.06	4.06	4.07	4.11	4.14	4.14	4.16	4.27	4.43

Emission Cost Assumption Update

- ❑ Emission cost was updated based on the 2017 RTP assumption as follows.

	\$/ton
NOx (Seasonal)	200.00
NOx (Annual)	0.00
SO2	0.00
CO2	0.00

Other Study Updates

- ❑ Consistent with the 2017 RTP, weather year 2007 and 2010 scenarios may also be studied. The average production cost savings of the three weather year (2007, 2009 and 2010) scenarios will then be used as the production cost savings for project options.
- ❑ Transmission outages may be considered in the option evaluation process consistent with the 2017 RTP methodology.
- ❑ DWG future year 2020 HWLL Flat Start case was used for the Weighted Short Circuit Ratio (WSCR) calculation. The preliminary base case WSCR based Panhandle Interface Export limit is 3813 MW.

Next Steps

- ❑ Complete Economic Analysis for project options.
- ❑ Verify dynamic performance of the most economical project that meets ERCOT economic criteria.
- ❑ Finalize project option recommendation.
- ❑ Please send comments on the updated study assumptions to Prabhu Gnanam: Gnanaprabhu.Gnanam@ercot.com

Questions?