



2020 Regional Transmission Plan Economic Analysis Assumptions

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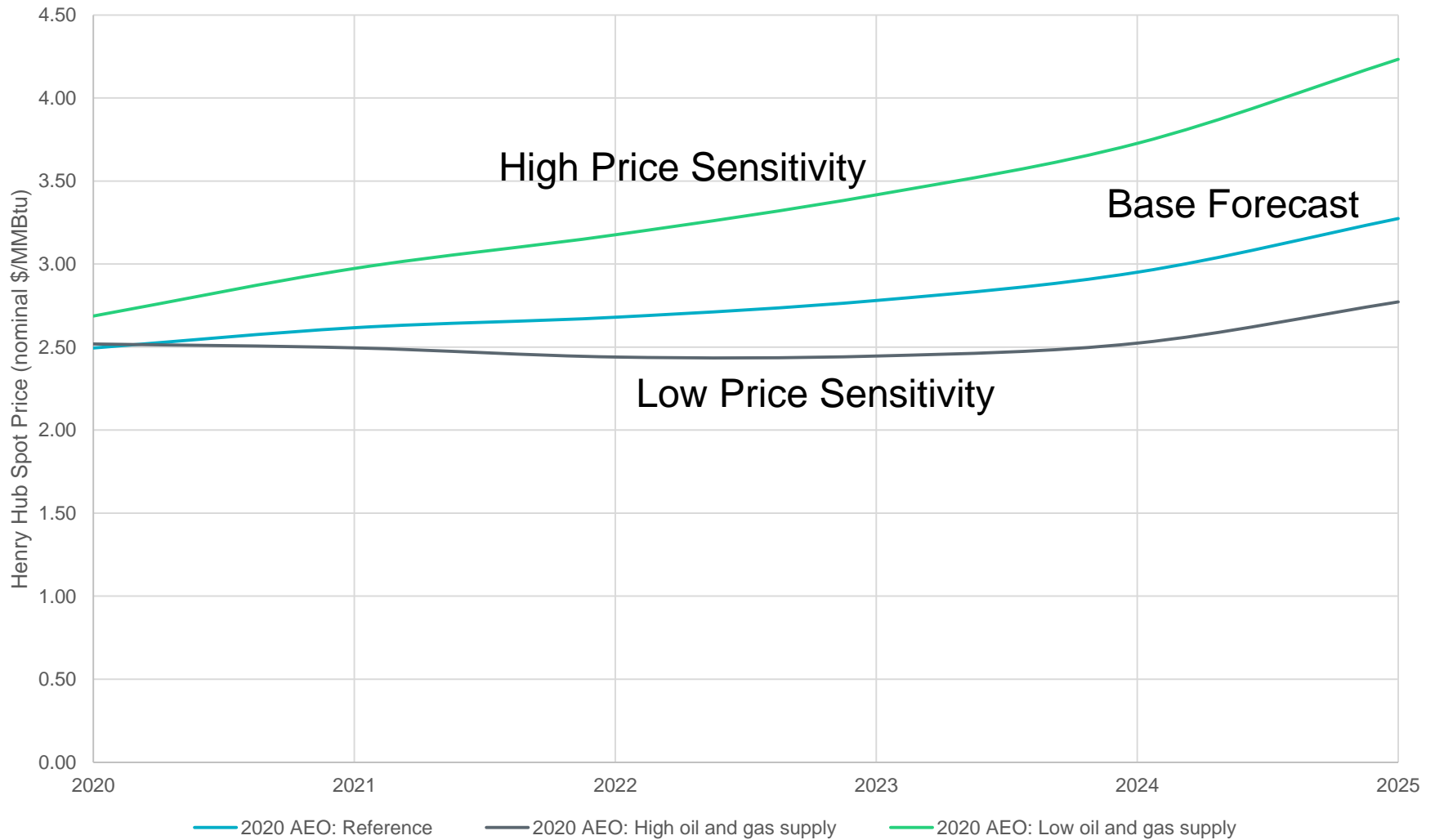
Agenda

- Natural Gas Price Forecasts
- Miscellaneous Updates
 - Study Years
 - Weather Year Assumptions
 - Interface Limits

Natural Gas Price Forecasts

- A base forecast and forecasts for high and low natural gas price sensitivities were selected
- The base forecast will be used for the determination of whether or not a proposed project meets the economic planning criteria
- High and low natural gas price sensitivities will be performed for projects with annual production cost savings close to the first-year revenue requirement
 - These sensitivities are intended for informational purposes and will not be used to alter the determination of whether or not a project is considered to have met the economic planning criteria

Natural Gas Price Forecasts



Miscellaneous Updates

- 2022 and 2025 will be the years studied for the 2020 RTP economic analysis
- Weather year assumptions will remain the same as the 2019 RTP
 - Base weather year: 2013
 - Sensitivity weather years: 2004 and 2010
 - Load, wind, and solar profiles will be updated to match the patterns in the selected weather year(s)
- ERCOT will review recent stability studies and GTC documentation and model interface limits as appropriate
 - Only N-1 limits are modeled and enforced in the base analysis

Questions

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Appendices

References

- The first year revenue requirement used for economic transmission planning is currently 14%
- An update on financial assumptions used for economic transmission planning was presented at the September 2019 RPG meeting and can be found at http://www.ercot.com/content/wcm/key_documents_lists/165302/Financial_Assumptions_Update_-_Sept_2019.pptx
- Weather year analysis was presented at the January 2019 RPG meeting and can be found at http://www.ercot.com/content/wcm/key_documents_lists/165270/2019_RTP_Economic_Analysis_Input_Assumptions.pptx

Natural Gas Price Forecast Comparisons

