



**2020 LTSA**  
**Long-Term Economic Downturn Scenario**

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# 2020 LTSA Scenario Addendum

- The economic impacts of COVID-19 have led ERCOT to consider the need for an additional scenario for the 2020 LTSA – Long-Term Economic Downturn
- A high-level description of the Long-Term Economic Downturn Scenario and proposed assumptions are included on the following slides
- ERCOT proposes to share the results of the Long-Term Economic Downturn scenario as an addendum to the 2020 LTSA in early 2021

# Long-Term Economic Downturn

## Background

- Existing scenarios generally assume a robust economy and do not consider an economic downturn
- Economic impacts related to the pandemic may extend well into the future

## Story

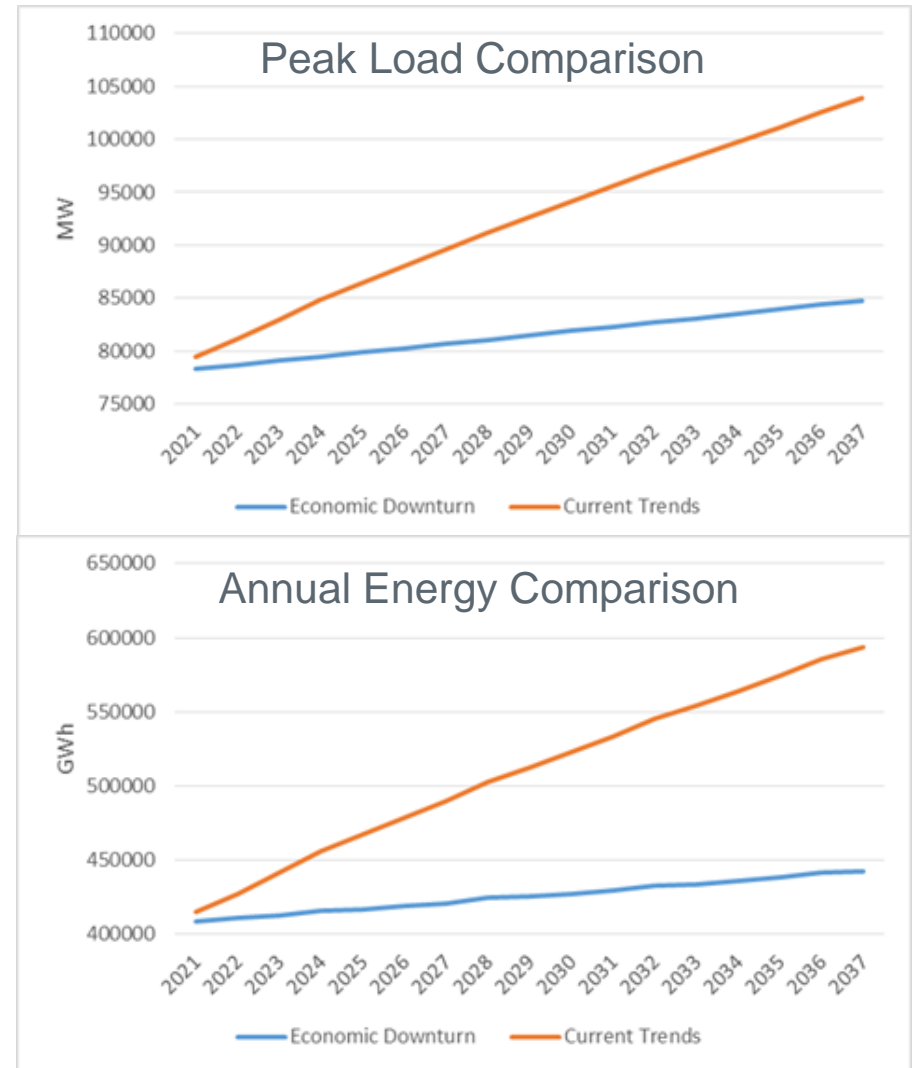
- The worldwide economy experiences a long-term downturn
- Load growth is limited
- Global supply chains experience limitations
- Adoption of electric vehicles (EV) slows

## Implementation

- Reduce capital costs for all resources
- Reduce annual solar cap
- Reduce load growth across ERCOT
- Reduce EV assumptions

# Reduced Load Growth

- The graphs to the right compare peak load and annual energy for Current Trends and Long-Term Economic Downturn without adjustments for EV, distributed solar, or PUN load
- No non-confirmed large industrial loads were included in the load forecast



## Other Assumptions

- All capital costs reduced by 20% from Current Trends
- Annual solar cap set to 1500 MW
- 2019 EIA EV outlook used
- 2020 AEO Low Economic Growth used for natural gas price forecast

# Questions or Comments

- Please share your feedback with ERCOT by EOB on May 29, 2020

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# Appendix

# EV Outlooks

## EV Outlooks then and now

