



Item 11: 2019 State of the Market Report by the Independent Market Monitor (IMM)

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Urgent Board of Directors Meeting

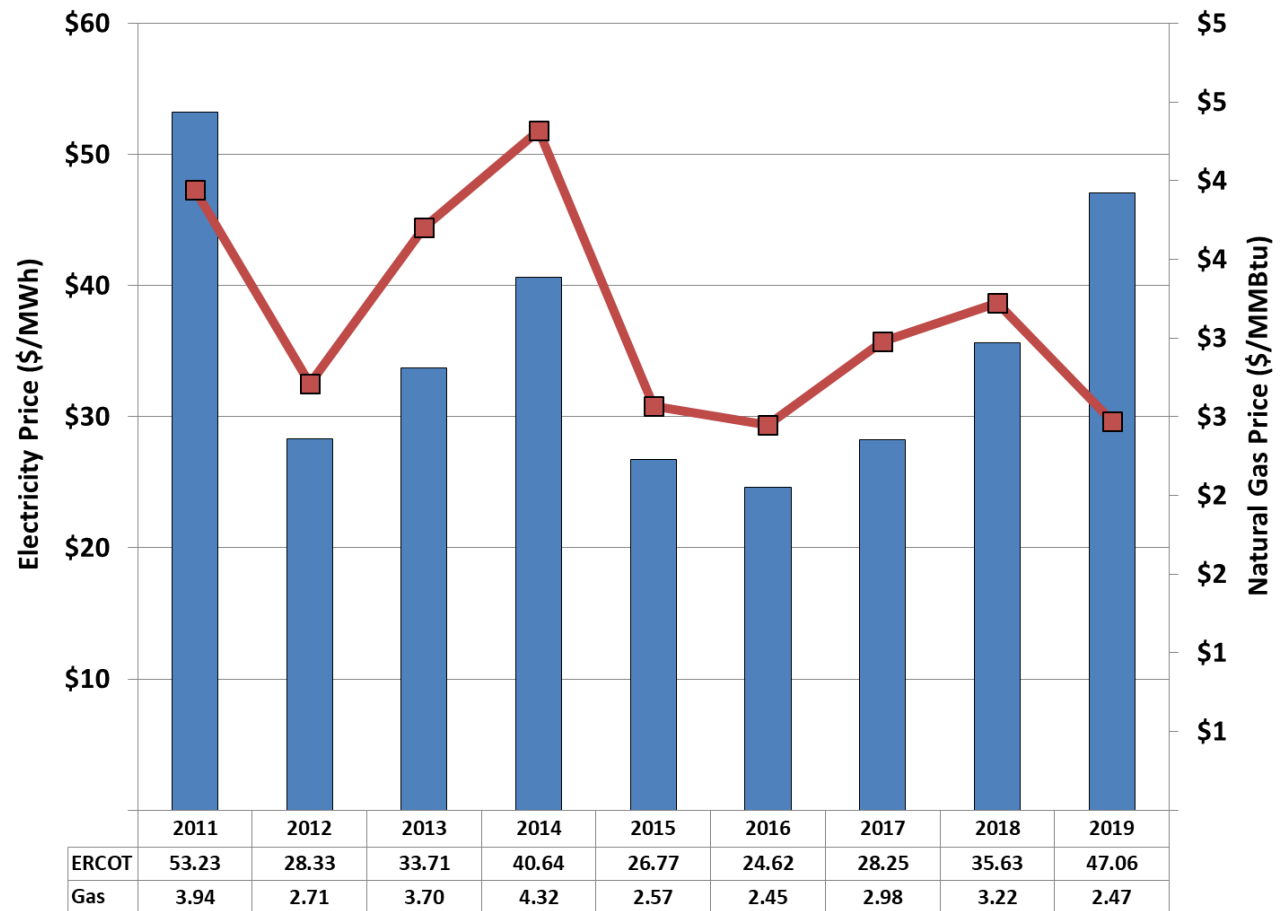
ERCOT Public

June 9, 2020

2019 Energy Prices

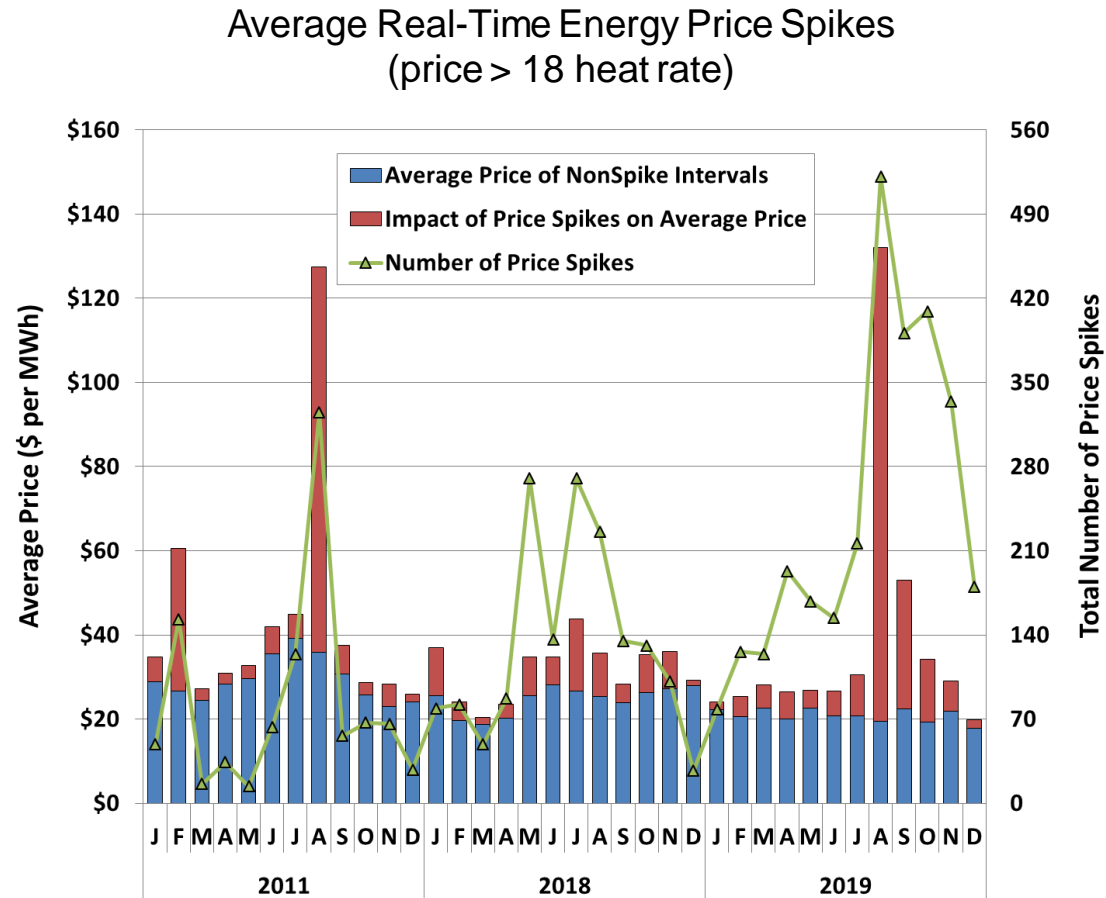
Real-time energy prices +32% in 2019, despite -23% natural gas prices

- attributable to shortage pricing in Aug and Sept



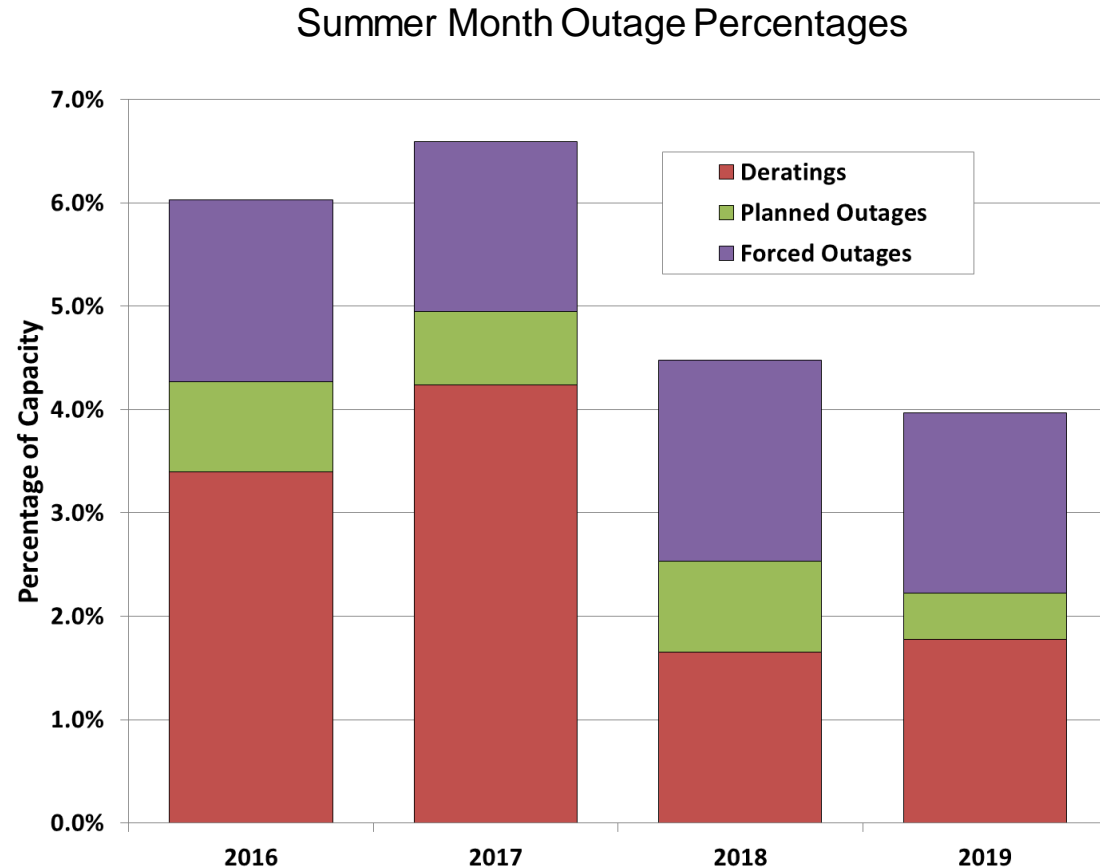
Shortage pricing is key in ERCOT's energy-only market

- 8.6% planning reserve margin heading into summer
- Generators were highly available during summer peak conditions



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2019 Prices at the Load Zones

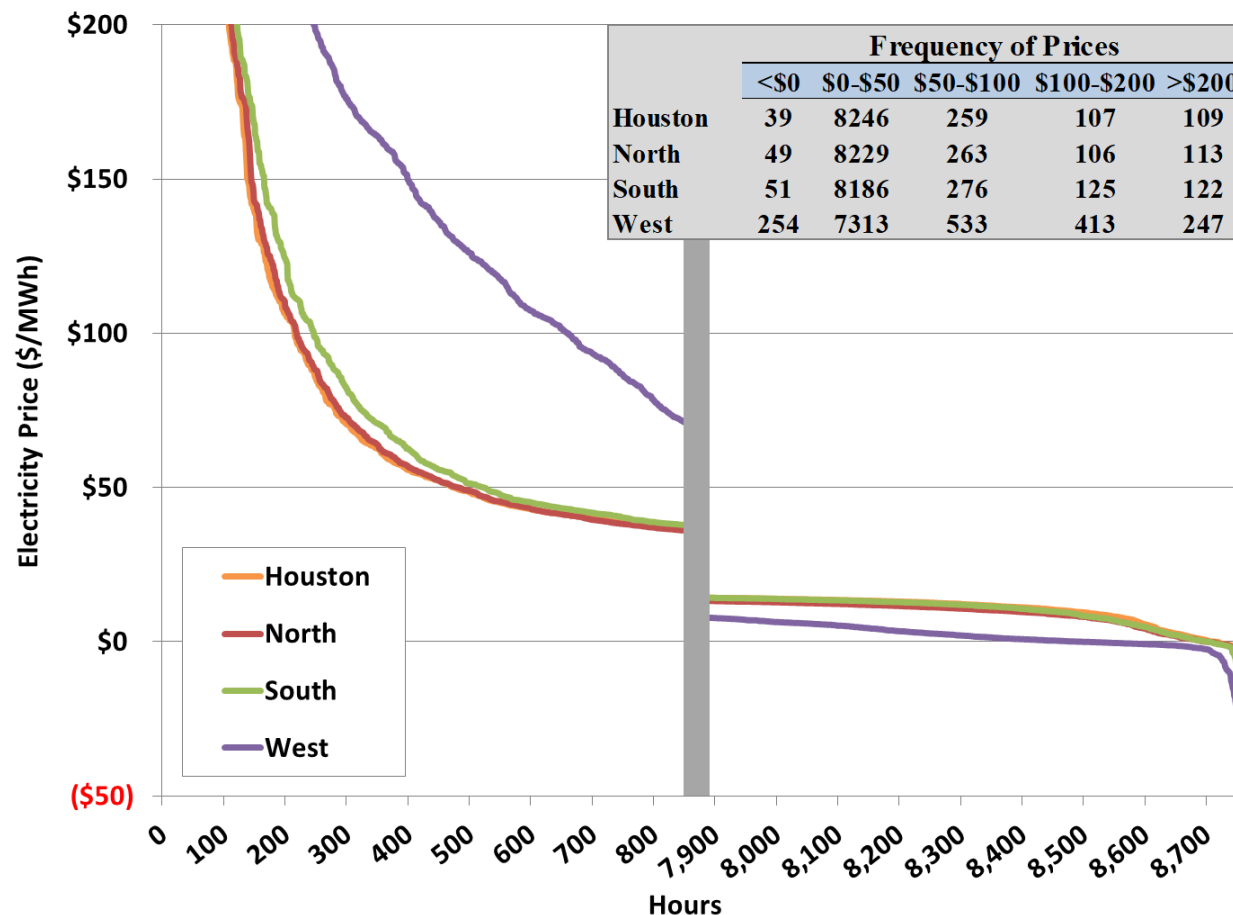
The WestLoad zone had highest average annual real-time prices, at \$50.77

- Multiple local transmission constraints

The South zone was second, at \$47.44

- Planned bus outages in central Texas

Zonal Price Duration Curves

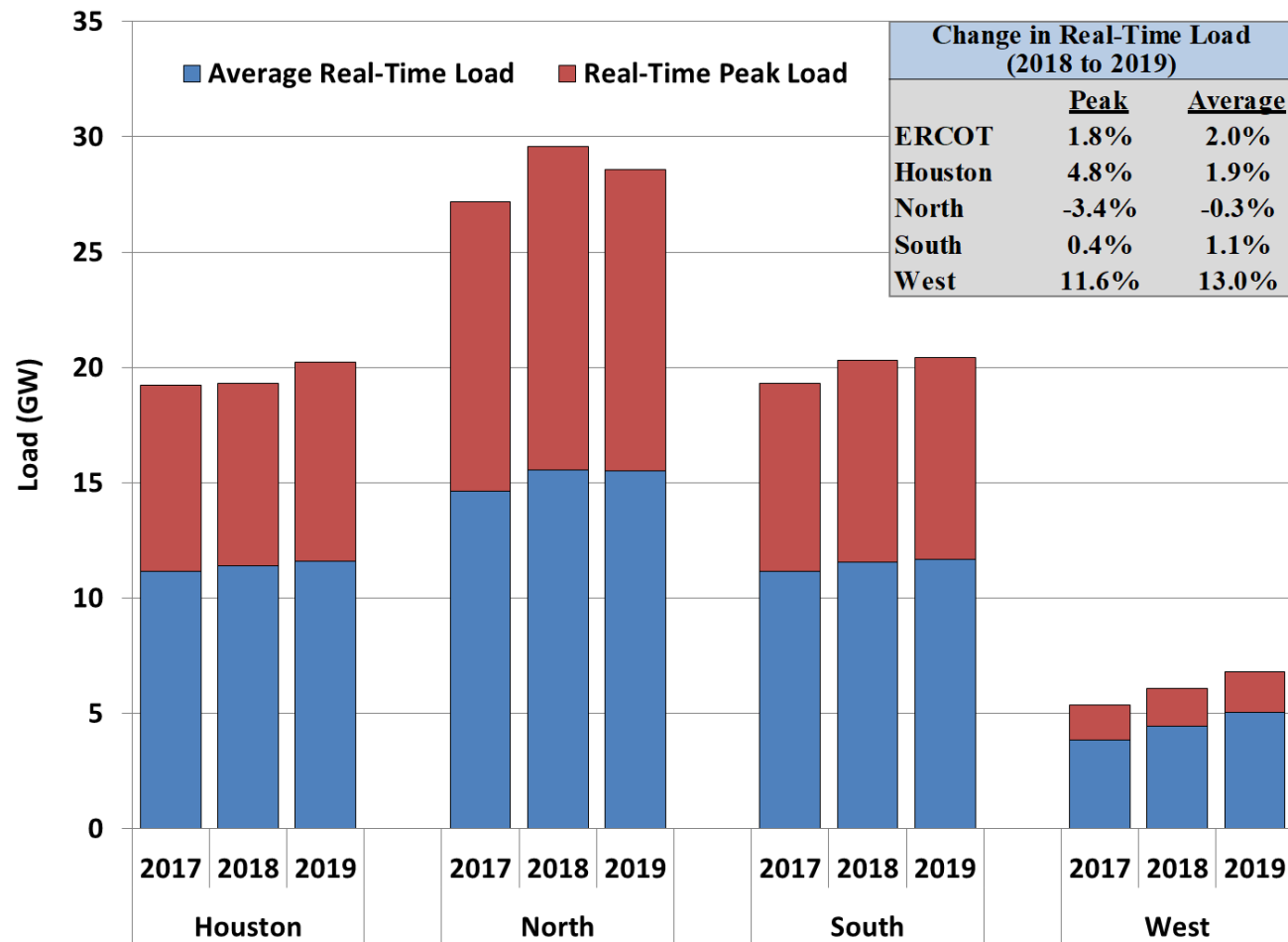


Load trends

Total ERCOT load in 2019 increased 2% from 2018

- Approximately +880 MW per hour on average
- Most of the increase was in the West

Annual Load Statistics by Zone

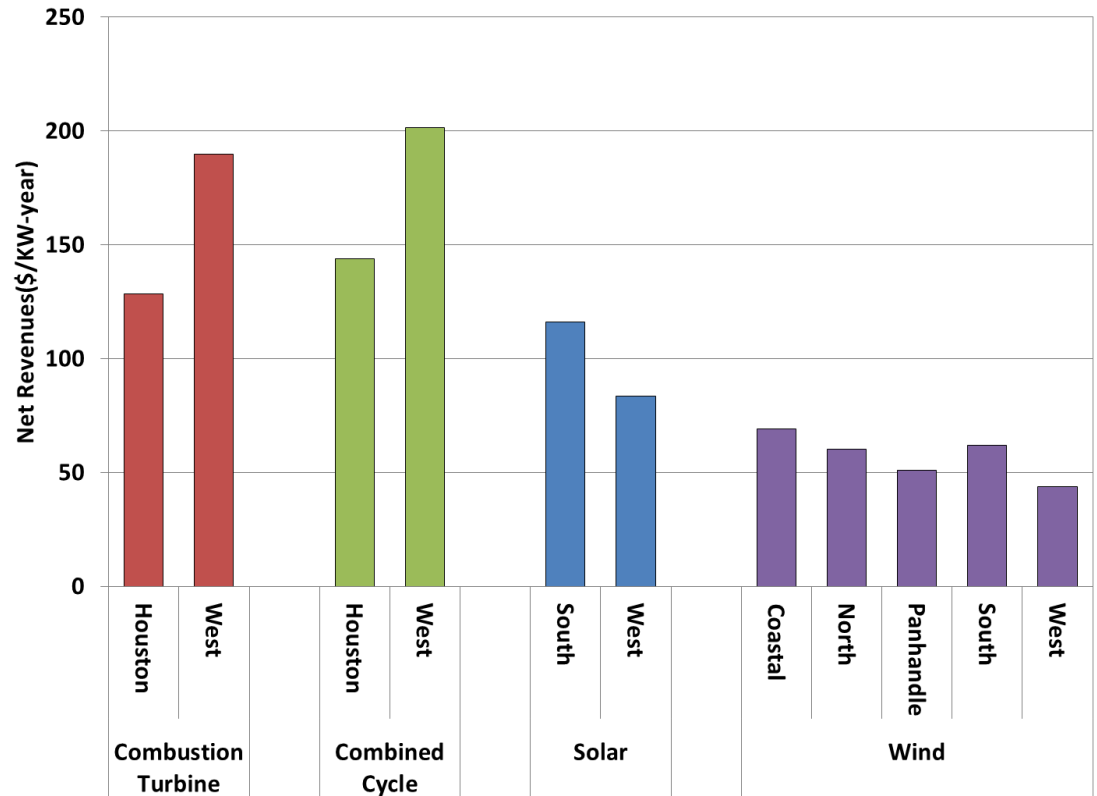


Net revenue analysis

All resource types were likely profitable in 2019

For natural gas-fired units in the west, there was access to much lower fuel costs (Waha hub)

Certain Net Revenues by Type and Location



Conclusion

Full 2019 State of the Market Report can be found [here](#)