

PUBLIC



Update for 2026 Economic Study

Economic Analysis & Long-Term Studies
Aug. 18, 2026

Agenda

The 2026 Economic Study

Natural Gas Forecast

Weather Year Selection

Modeled Interface and Limits

The 2026 Economic Study

- The 2026 Economic Study will
 - Establish base economic cases that support congestion analysis and other transmission planning studies
 - Identify potential economic transmission upgrades
- The 2026 Economic Study uses the 2025 RTP 2028 and 2031 summer peak cases as the starting cases.
- Financial assumptions were presented in [April RPG](#) meeting
- We are presenting the following inputs to this year study:
 - Natural gas forecast
 - Weather year Selection
 - Stability interface limits

Agenda

The 2026 Economic Study

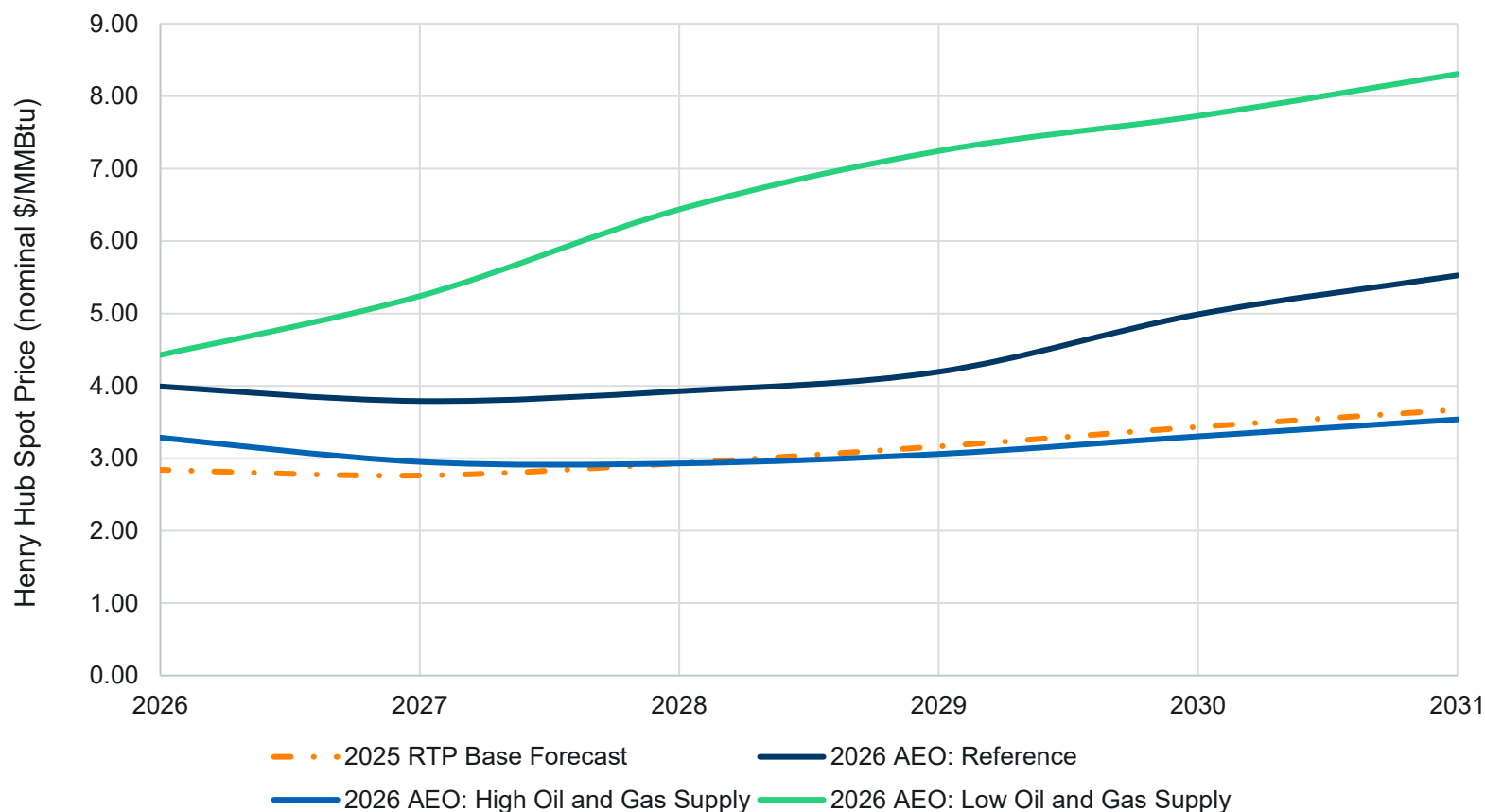
Natural Gas Forecast

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Natural Gas Price Forecast

The 2026 Energy Information Administration (EIA) Annual Energy Outlook (AEO) reference natural gas forecast will be used in the 2026 Economic Study.



The most recent EIA forecast is currently the 2026 AEO forecast, per the press release [here: U.S. Energy Information Administration - EIA - Independent Statistics and Analysis](#)

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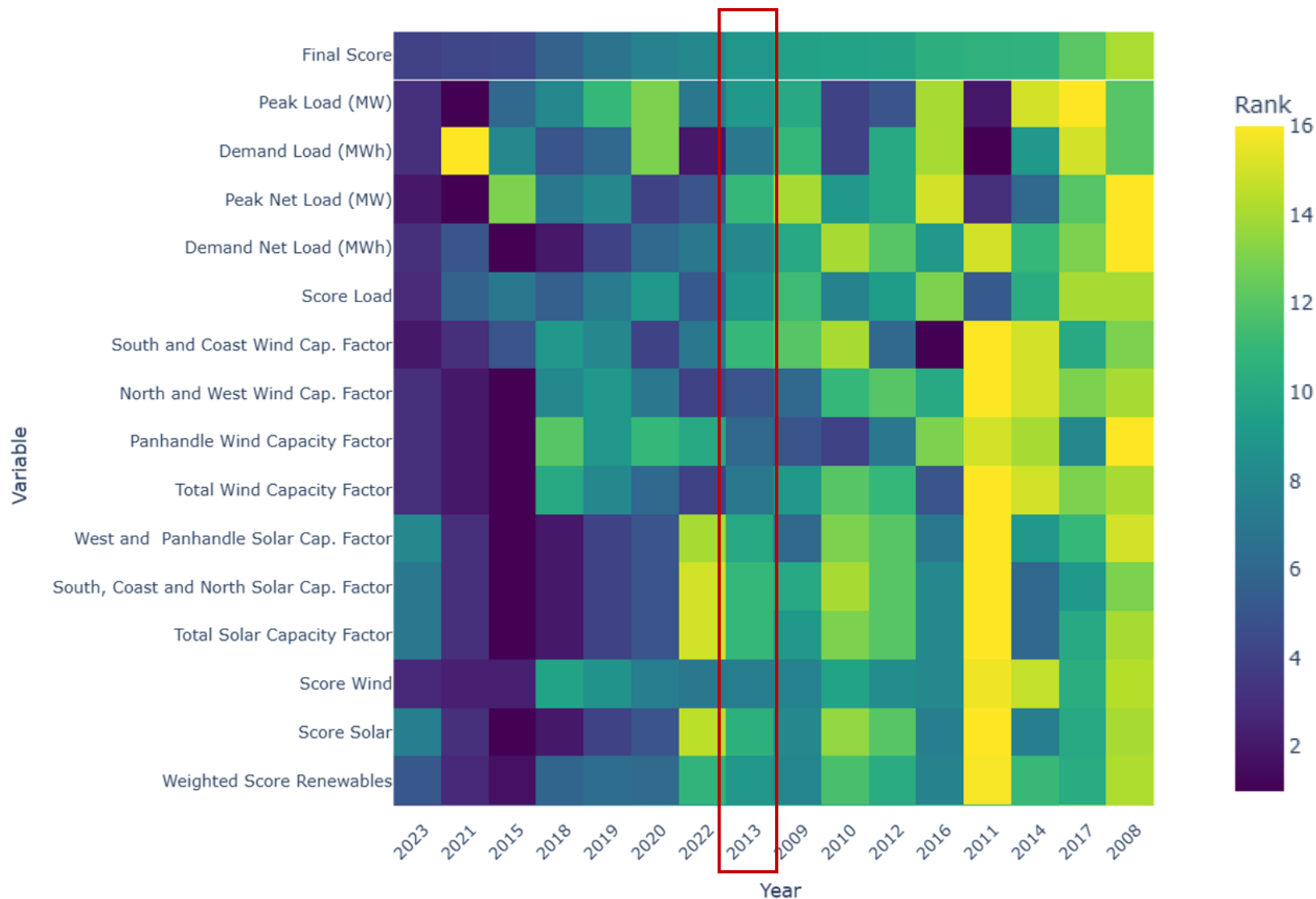
Background

- Weather year selection, as one of the key assumptions in the economic analysis, determines the load and renewable profiles to be used in the study.
- Prior to 2017, a single weather year that reflects an average weather condition (base weather year) had been used in the ERCOT economic analysis.
- In 2017, to better capture the economic benefits of a transmission project, ERCOT developed a methodology to include additional weather conditions (sensitivity weather years) to address weather uncertainties in the economic analysis.
 - ERCOT then made improvement to the methodology over the past several years including the incorporation of wind locations.
- In 2025, ERCOT adopted an improved methodology for both the selection of the base weather year and sensitivity weather years.

Weather Year Selection Variables

- Peak Load (MW): The system-wide peak load during the year.
- Annual Demand (MWh): Total system-wide demand during the year.
- Peak Net Load (MW): The system-wide peak net load during the year.
- Annual Net Demand (MWh): Total system-wide net demand during the year.
- South & Coast Wind Capacity Factor: Average capacity factor of wind generation in the South and the Coast zones during the year.
- North & West Wind Capacity Factor: Average capacity factor of wind generation in the North and West zones during the year.
- Panhandle Wind Capacity Factor: Average capacity factor of wind generation in the Panhandle region.
- West and Panhandle Solar Capacity Factor: Average capacity factor of solar generation in the West and Panhandle regions.
- South, Coast and North Solar Capacity Factor: Average capacity factor of solar generation in the South, Coast and North zones during the year.

Weather Year Ranking Heatmap



- Load related variables are ranked in descending order while renewable generation related variables are ranked in ascending order.
- 2013 was selected as the base weather year (located in the middle of the heatmap) for the 2026 RTP economic analysis.

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Modeled Interface and Limits

Interfaces Modeled with a Limit Under no Prior Outage

- The table below shows stability constraints to be included in the 2026 RTP that are directly analogous to current GTCs.
- Limits used in UPLAN will be discounted according to the ERCOT Operating Procedure Manual.

GTC	Name in ERCOT Network Operations Model	Location	Limit Type in UPLAN	Assumed Limit ^[1]	
				2028	2031
West Texas Export	WESTEX	West Texas	Static ^[2]	12700	16200
Panhandle	PNHNDL	West Texas	Static ^[3]	4635	4635
Hamilton County	HMLTN	North Central	Static ^[3]	70	._ ^[4]
Zapata-Starr	ZAPSTR	South Texas	Static ^[3]	419	419 ^[5]
North to Houston ^[6]	N_TO_H	Houston	Hourly profile ^[7]	5595	5595

[1] Limits are for no prior outages

[2] The limit for 2028 and 2031 cases are obtained from the [2024 Regional Transmission Plan \(RTP\) 345-kV Plan and Texas 765-kV Strategic Transmission Expansion Plan Comparison](#) published in Jan 2025

[3] Limits are obtained from the most recent MIS GTC methodology documents

[4] Exit strategy met after approval of Hamilton County Conversion Project by RPG with in-service date of Fall 2030

[5] Subject to change after Laredo Area Upgrade RPG Project review is complete

[6] Limits are adopted from [2025 Regional Transmission Plan Economic Study Stability Interface Limits](#)

[7] Hourly multipliers developed from historical data will be applied to base ratings obtained from a voltage stability study in the area.

Questions/Comments?

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Weather Year Selection

Year	Peak Load	Score	Demand Load	Score	Total Solar Capacity Factor	Score	Wind South & Coast CF	Wind Score	Wind West & North CF	Score	Wind Panhandle Capacity Factor	Score	Wind Total Capacity Factor	Score
2008	87,910	12	492,075,436	12	0.302	14	0.39	13	0.42	14	0.47	16	0.47	14
2009	88,229	10	493,746,397	11	0.293	9	0.39	12	0.41	12	0.44	5	0.46	9
2010	91,048	4	498,560,975	4	0.301	13	0.39	14	0.41	11	0.44	4	0.46	12
2011	92,334	2	512,073,436	1	0.308	16	0.41	16	0.43	16	0.46	15	0.48	16
2012	90,942	5	494,058,595	10	0.296	12	0.37	6	0.41	10	0.45	8	0.46	10
2013	89,190	9	494,940,056	7	0.295	11	0.39	11	0.40	5	0.44	6	0.45	7
2014	86,669	15	494,451,869	9	0.290	6	0.40	15	0.43	15	0.46	14	0.47	15
2015	89,804	6	494,579,227	8	0.279	1	0.37	5	0.38	1	0.43	1	0.43	1
2016	87,396	14	490,577,155	14	0.293	8	0.34	1	0.40	6	0.46	13	0.45	5
2017	85,389	16	489,455,477	15	0.294	10	0.38	10	0.42	13	0.44	7	0.46	13
2018	89,204	8	498,150,486	5	0.283	2	0.38	9	0.41	8	0.45	12	0.46	11
2019	87,920	11	497,128,183	6	0.286	4	0.37	8	0.40	7	0.45	9	0.45	8
2020	87,809	13	491,656,916	13	0.288	5	0.36	4	0.41	9	0.45	11	0.45	6
2021	94,383	1	489,292,951	16	0.285	3	0.35	3	0.39	2	0.43	2	0.44	2
2022	89,279	7	508,727,778	2	0.303	15	0.37	7	0.40	3	0.45	10	0.45	4
2023	91,974	3	502,401,090	3	0.291	7	0.35	2	0.40	4	0.44	3	0.44	3

*2013 will be used as the base weather year for 2026 economic analysis.