



Aggregate Distributed Energy Resource (ADER) Pilot: Overview, Experience and Next Steps

**Senate Committee on
Business & Commerce
September 30, 2026**

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Key Takeaways

- Aggregate Distributed Energy Resource (ADER) is any combination of generation, energy storage technologies, or controllable load with the capability of 1 MW or less to participate in the ERCOT wholesale market
- ERCOT has seen a considerable increase in the number of resources (and the amount of megawatts) participating in the ADER Pilot.
- ADERs can be utilized to help reduce transmission cost and this is a key objective for the next phase of the pilot.

What is an ADER?



Aggregations of multiple individual sites capable of either supplying or consuming power from the grid



Can be any combination of net-generation or load



First scalable pilot in ERCOT that **turns distributed devices into a real, dispatchable wholesale market resource**



Opportunity to **unlock new value** from behind-the-meter assets via **access to energy and Ancillary Service markets**



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The ADER Pilot is Growing Rapidly

293 MW qualified ADER capacity

9 ADERs participating today
+ 4 more in progress

ADERs compete alongside traditional generation to provide energy and reliability services (10 and 30 minute reserves) in the ERCOT market.

Broad Industry Partnership

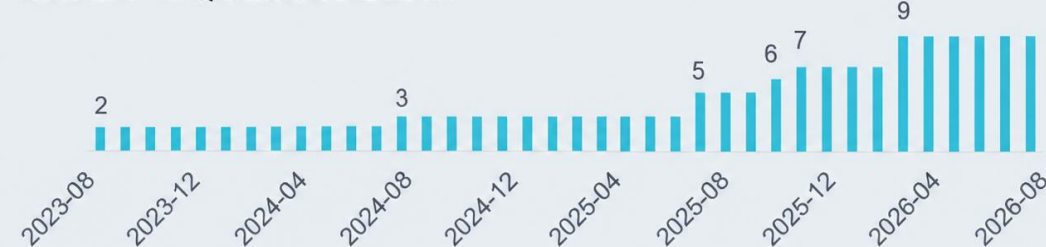
Retail electric providers • Utilities
Technology providers • Customers

Capacity and participation have accelerated

Qualified ADER Capacity (MW):



Number of Qualified ADERs:

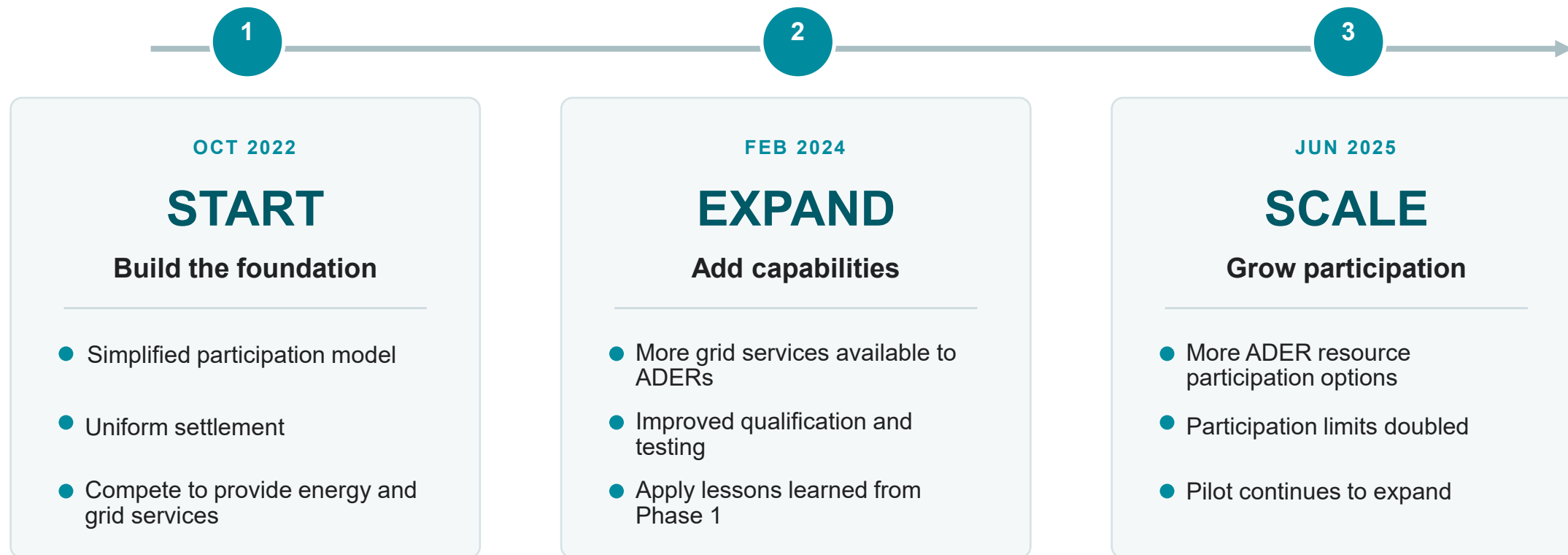


From a small pilot to 293 MW of qualified capacity

The ADER Pilot Has Expanded in Phases

MAR 1, 2026

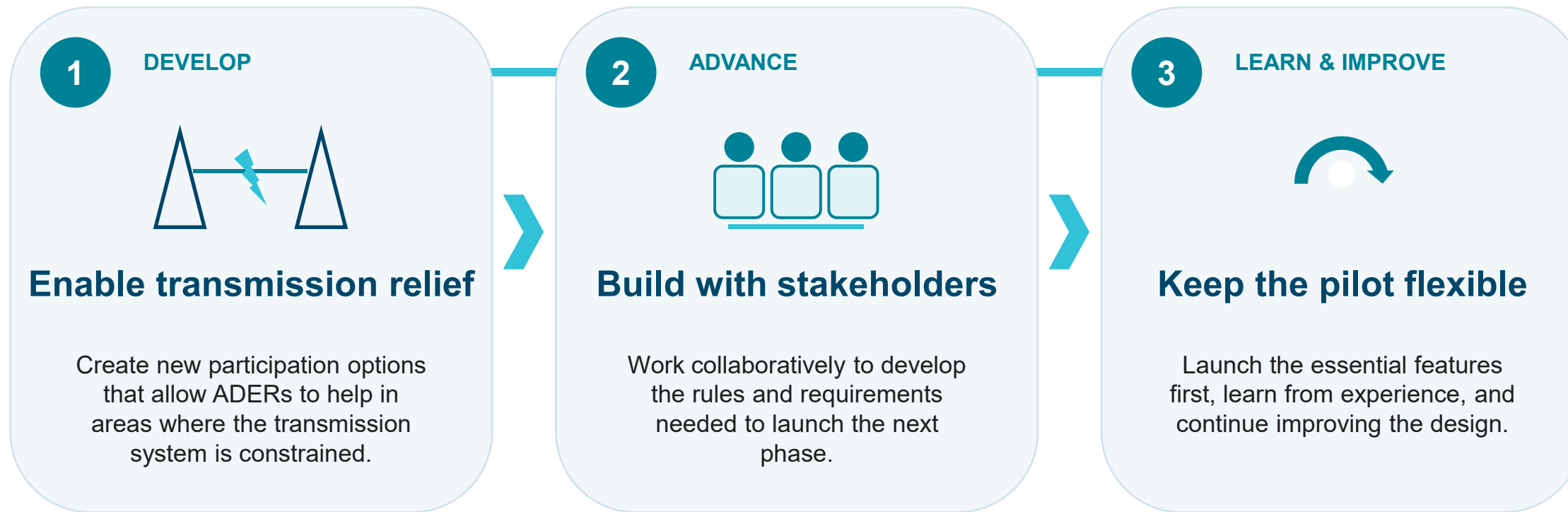
500 MW PILOT LIMIT



Key Takeaway: The pilot was designed to grow over time, with each phase building on the last — starting small, learning from experience, and expanding participation as capabilities mature.

Phase 4: Unlocking More Value from ADERs

Use ADERs where they can help relieve transmission congestion and lower system costs; Target: December 2026



Key Takeaway: Phase 4 will test whether strategically located ADERs can reduce congestion, lower costs, and optimize use of the existing grid.