



Electric Market Update Spring 2018

Electric Utility Commission
May 21, 2018

AEUOC
May 23, 2018

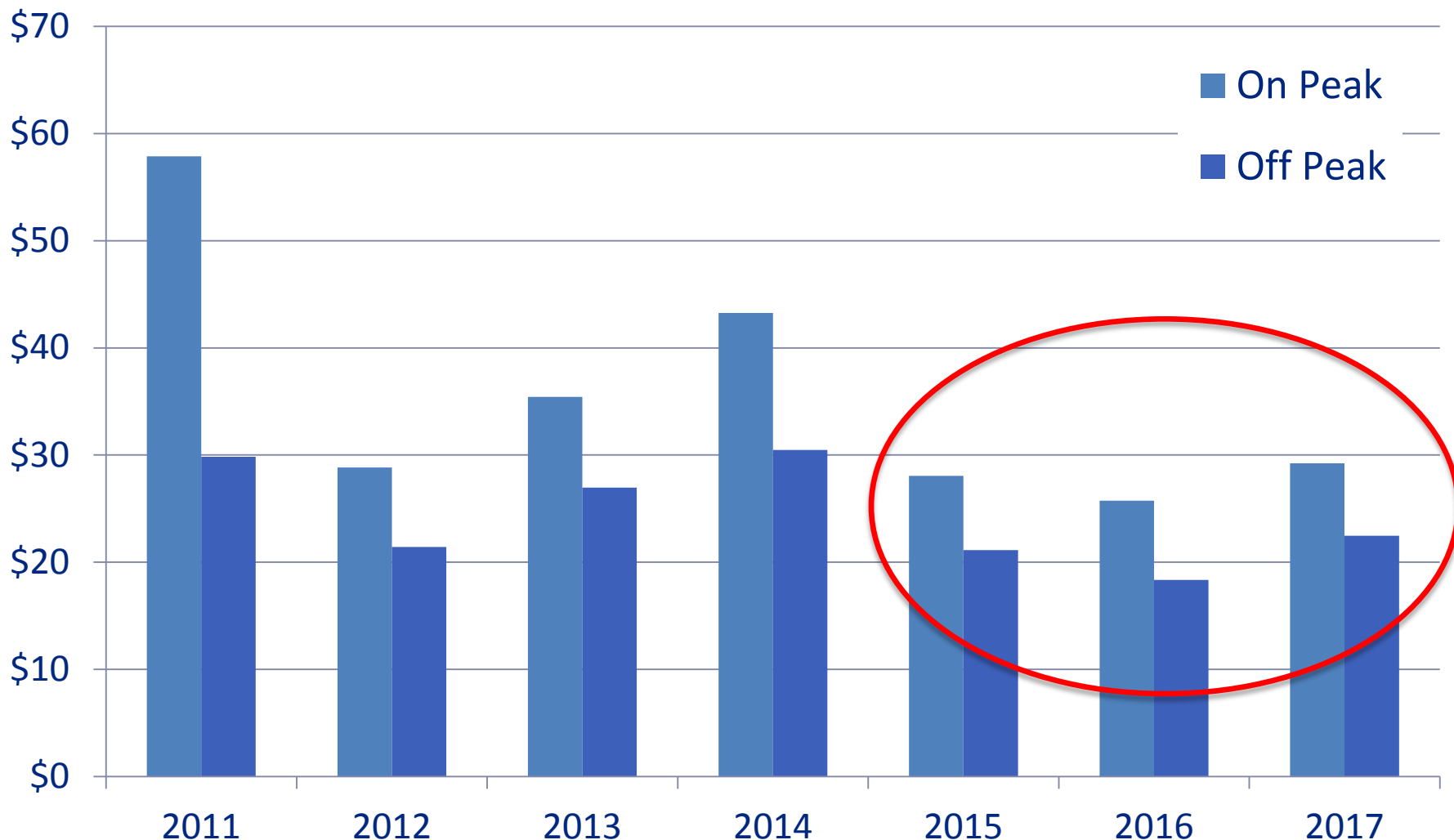




ERCOT Wholesale Power Prices

\$/MWH

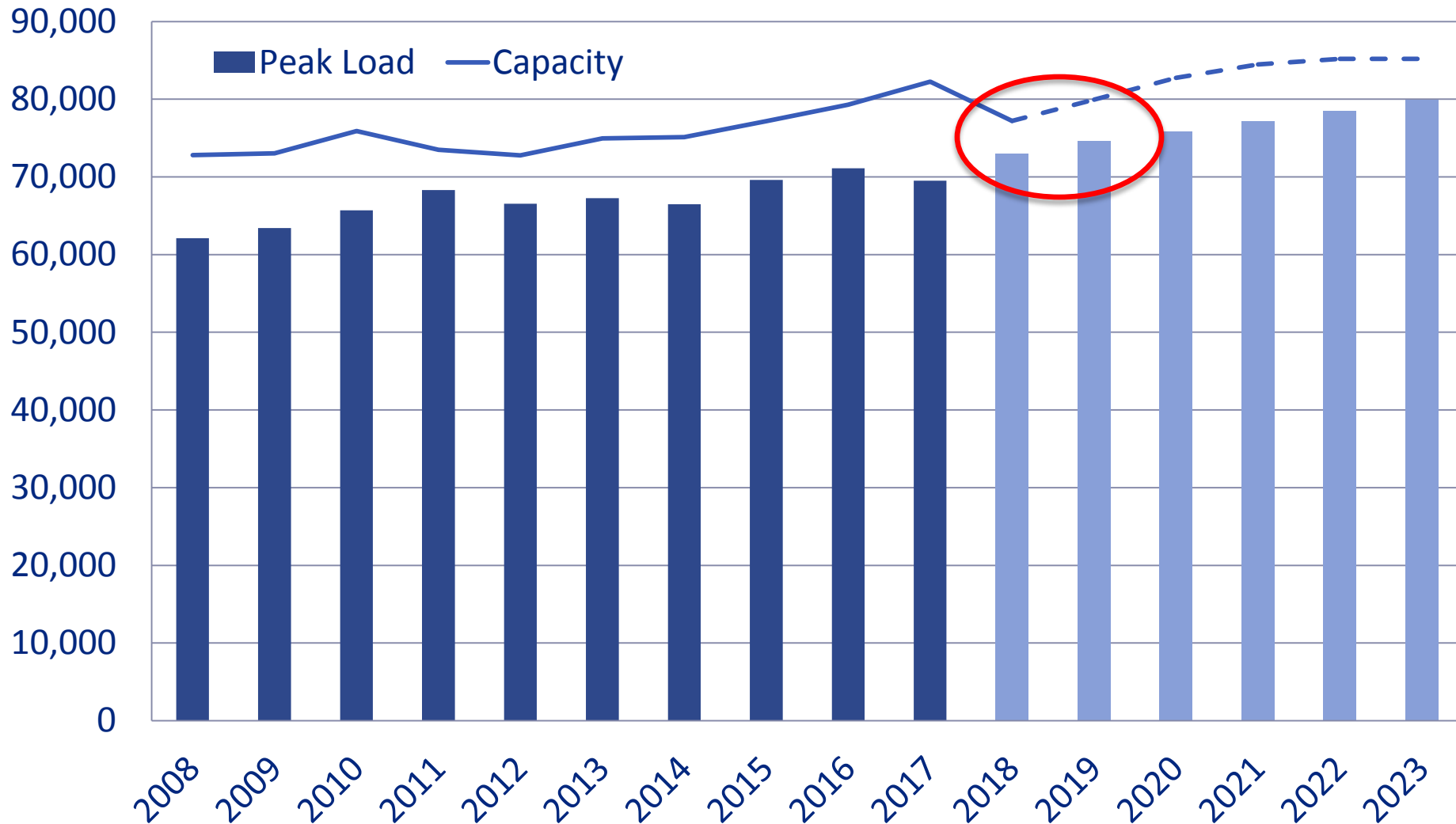
South Hub Average





ERCOT Capacity v Peak Load

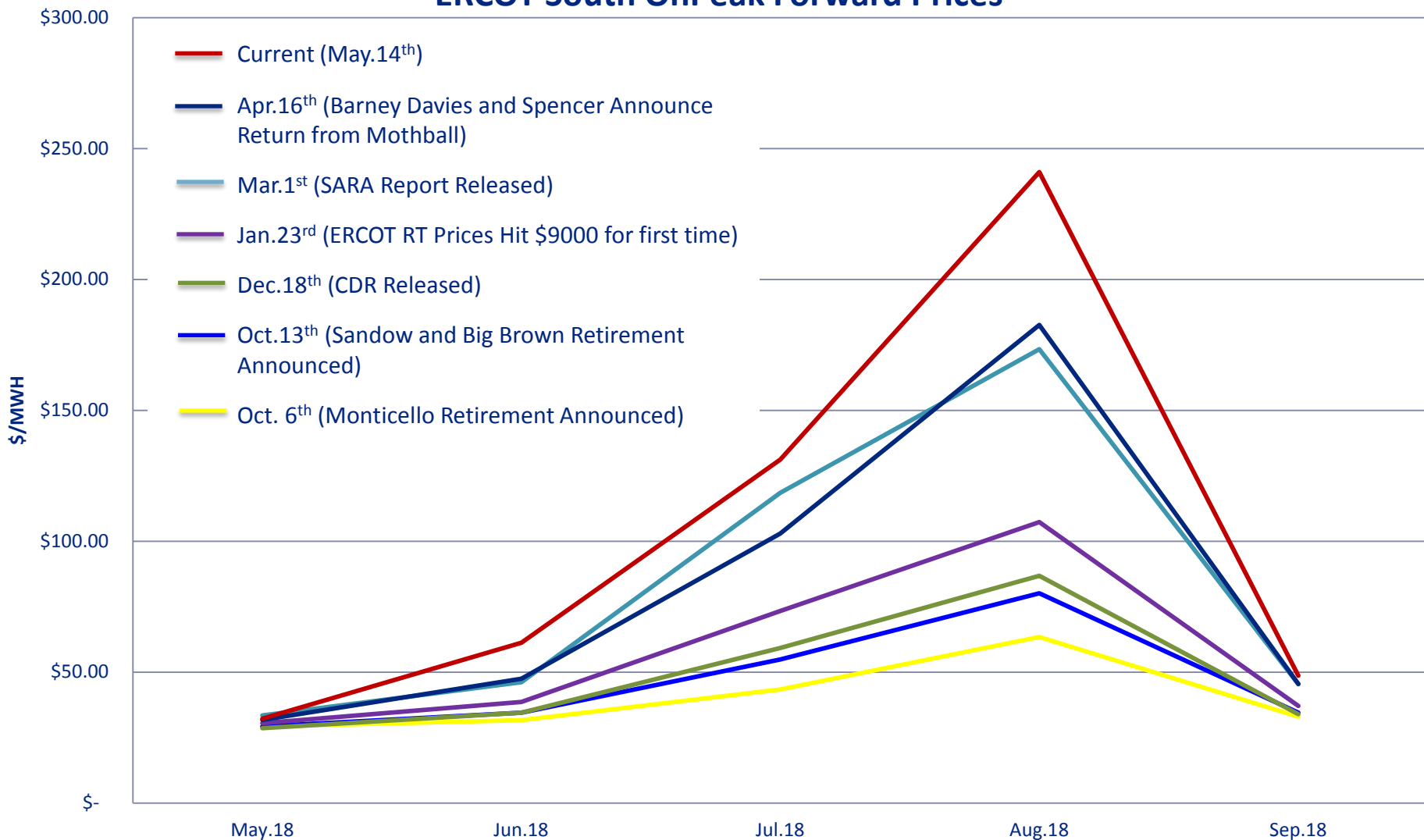
MWs





Summer Forward Price Activity

ERCOT South OnPeak Forward Prices





What it means to Austin Energy Customers

- Increase costs in energy that could be reflected in PSA during next budget cycle
- Increase risk of shortages due to insufficient generation in ERCOT
 - ERCOT could request rolling outages in extreme situations



What it Means to Austin Energy

- Proactive customer engagement
- Reliable generation and hedging of customer load and fuel
 - Each of our power plants prepares for the summer season by performing extensive preventative maintenance to ensure their reliability.
 - Our conventional and renewable resources are well prepared for the summer ahead.
- Cash management and counterparty risk of energy partners