

ERCOT Market Update & 2019 Summer Readiness

Austin Energy Utility Oversight Committee

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Summer is Coming

- Reserve Margin
 - Supply and Demand
 - Growth Trends
- Markets Prepare
 - Prices provide information
 - Public Utility Commission of Texas (PUCT) communicates and regulates
- Protecting Customers
 - Qualified Scheduling Entity – Level 4 (*highest*)
 - Diversified Power Portfolio



Supply & Demand Summer Forecasts

ERCOT REPORTS	2019	2020	2021	2022	2023
CDR – Capacity, Demand & Reserves <i>(issued Dec. 2018)</i>	8.1%	10.7%	12.2%	9.8%	7.5%
SARA – Seasonal Assessment of Resource Adequacy <i>(issued March 2019)</i>	7.5%				
CDR – Capacity, Demand & Reserves <i>(issued May 2019)</i>		10.5%	15.2%	13.0%	10.3%
SARA – Seasonal Assessment of Resource Adequacy <i>(issued May 2019)</i>	8.6%				

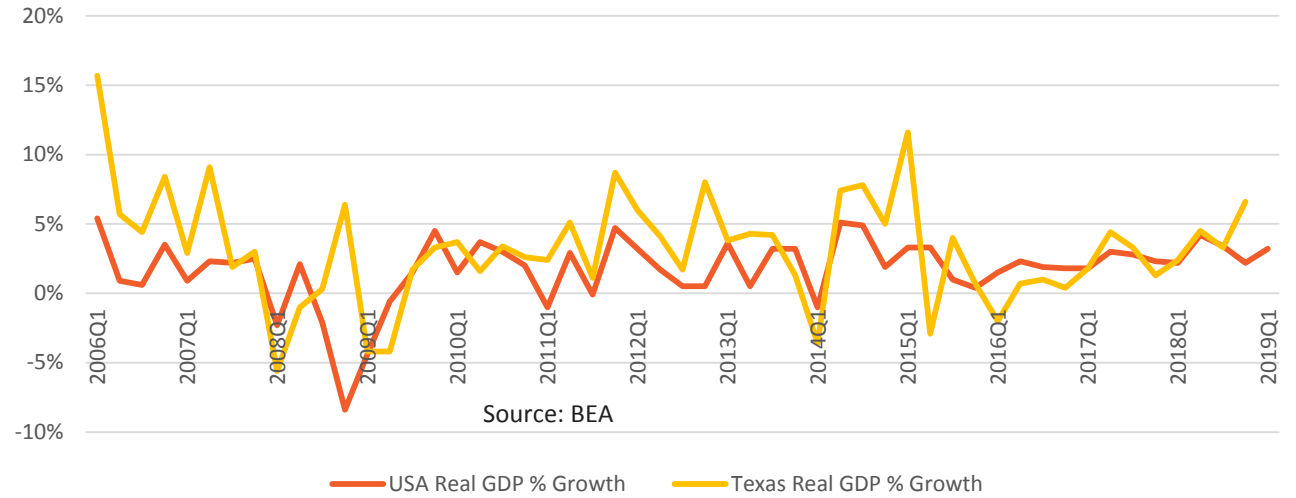


Energy Consumption in ERCOT

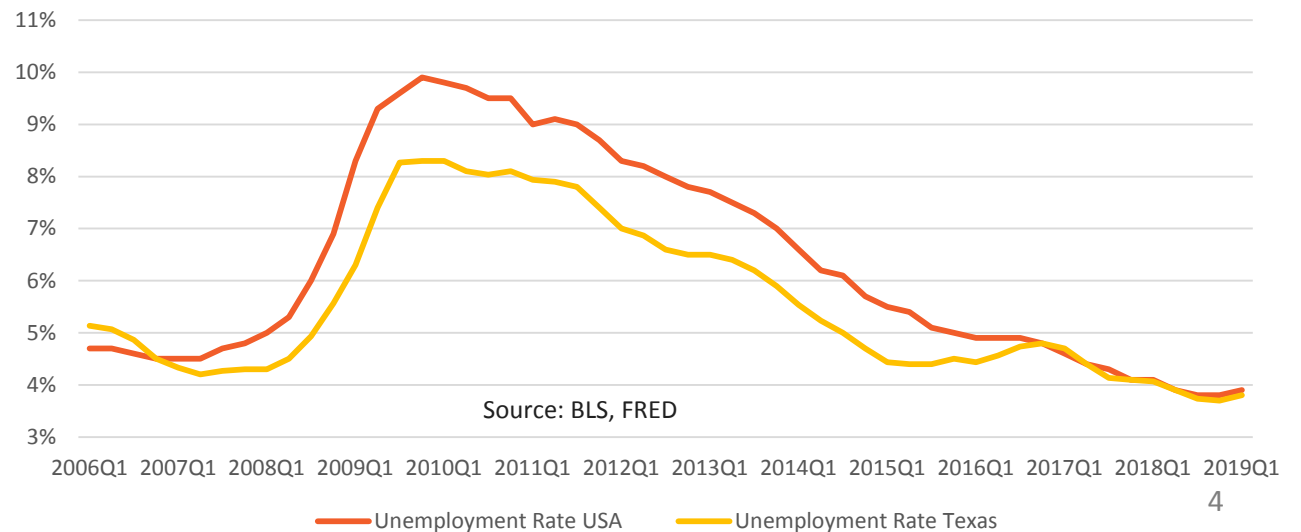
ERCOT Annual Energy and Peak Demand



Texas will Outpace the USA in 2019

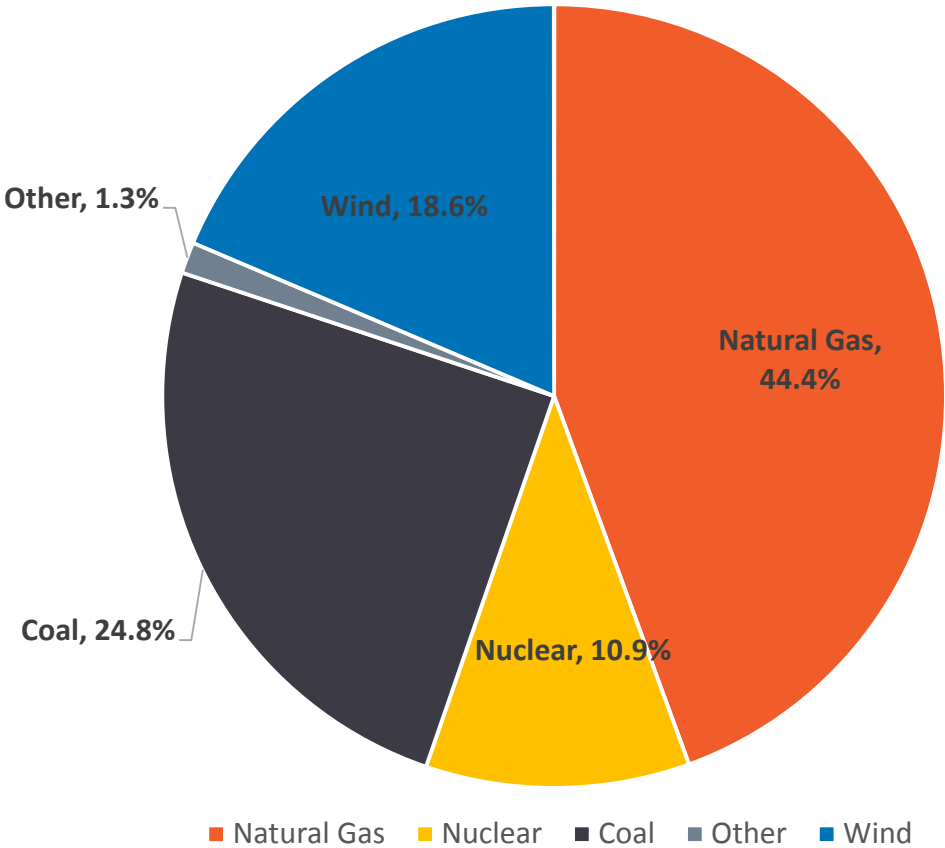


Unemployment Rate will Stay Low

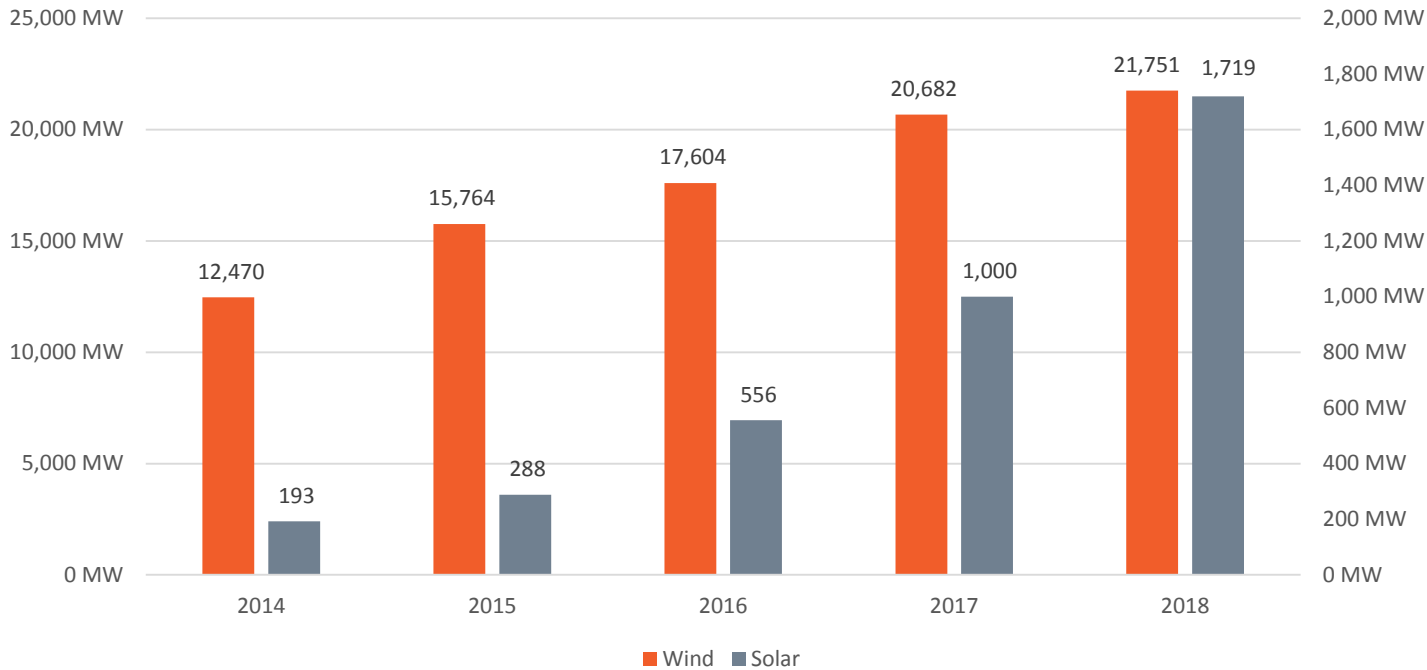


Generation Additions in the ERCOT Market

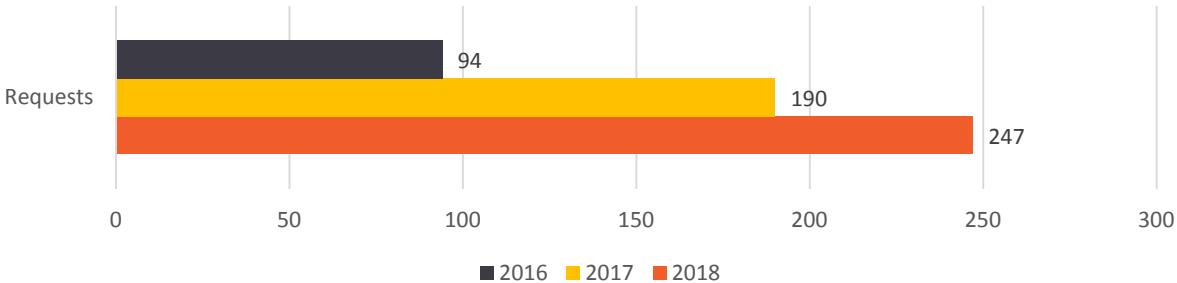
Annual Energy Use



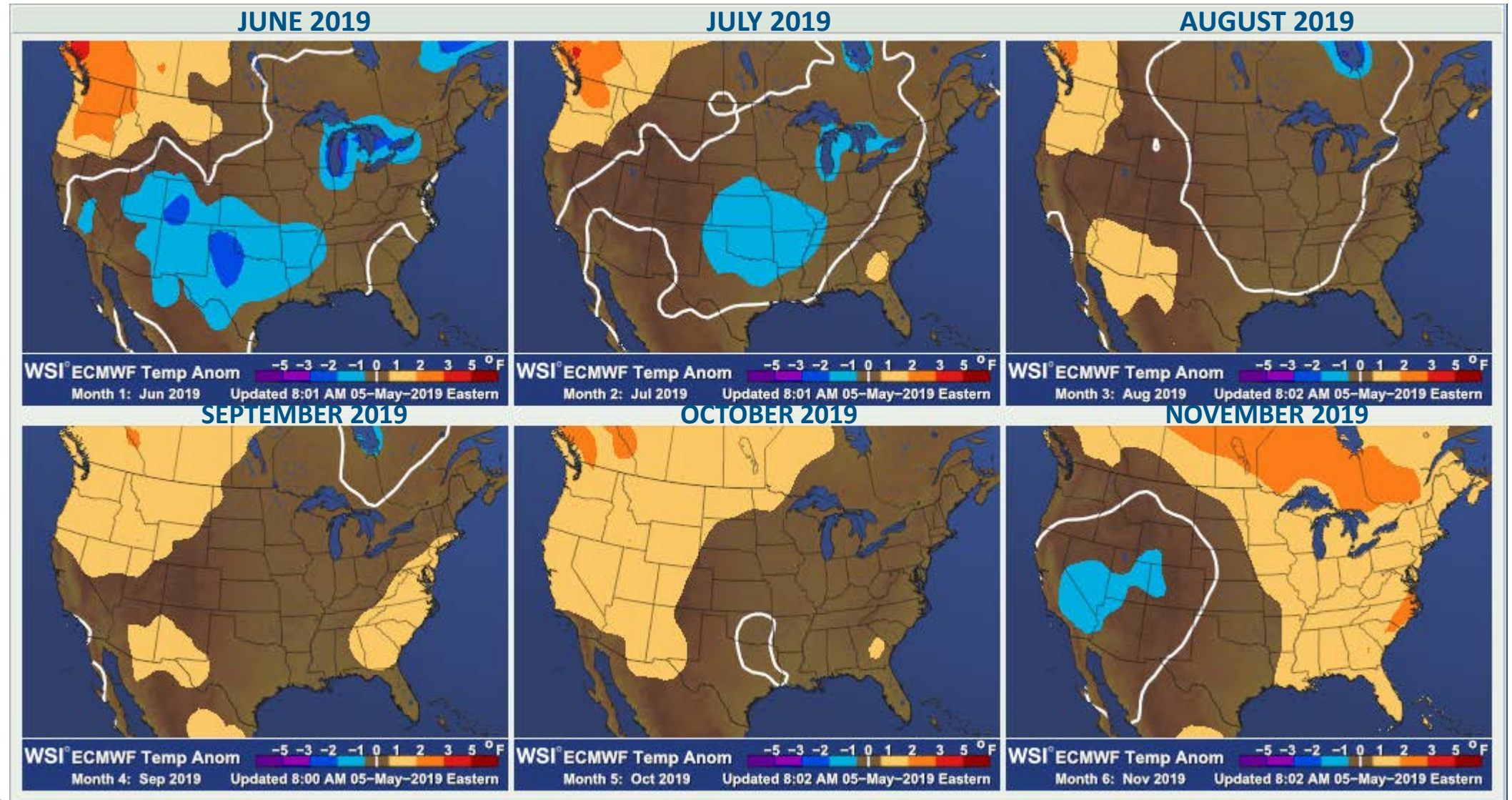
Variable Generation



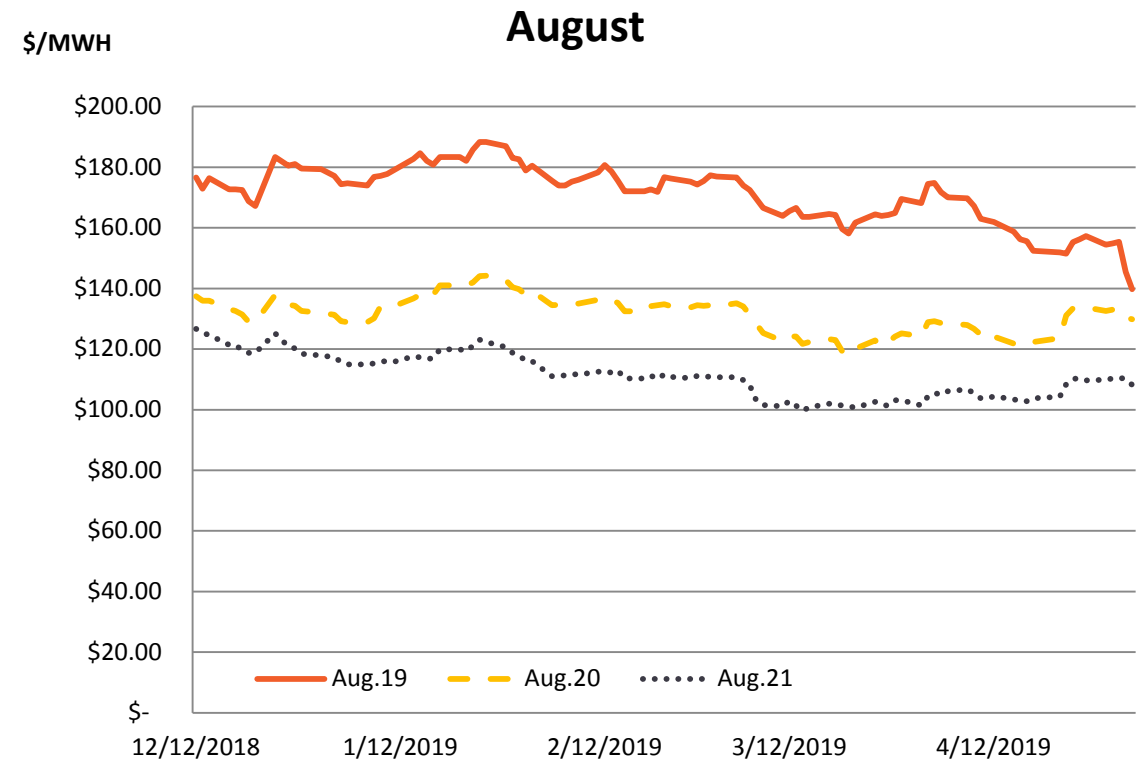
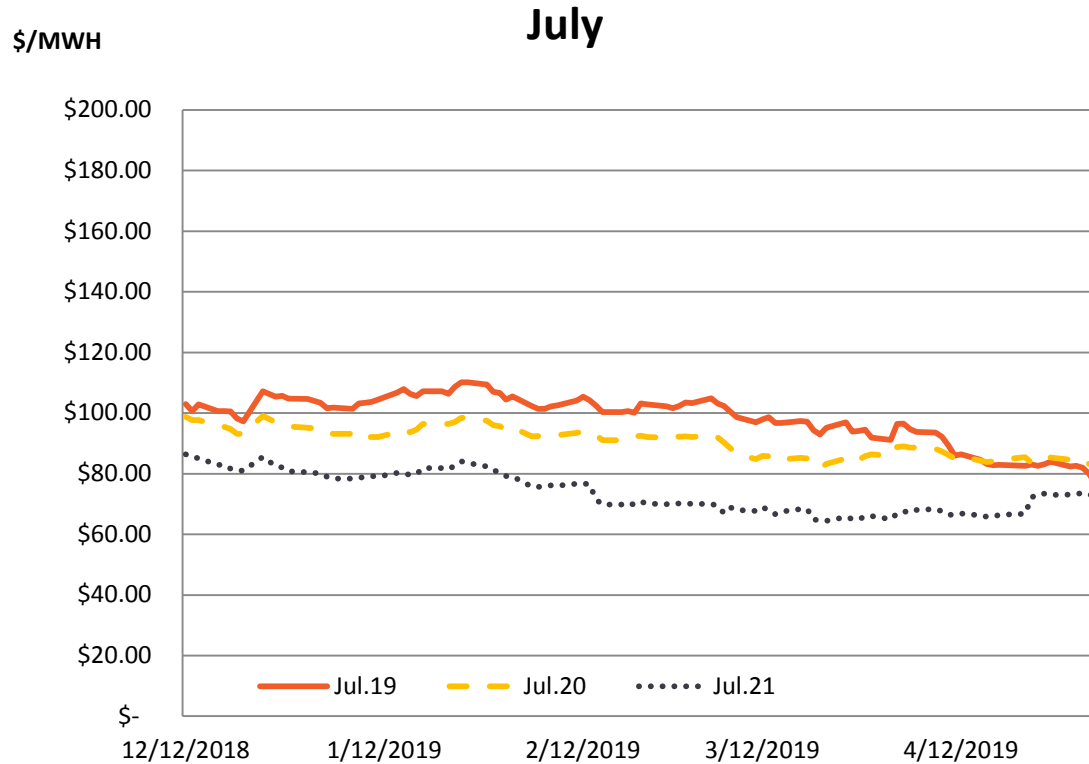
New Generation Development: # of Interconnection Requests



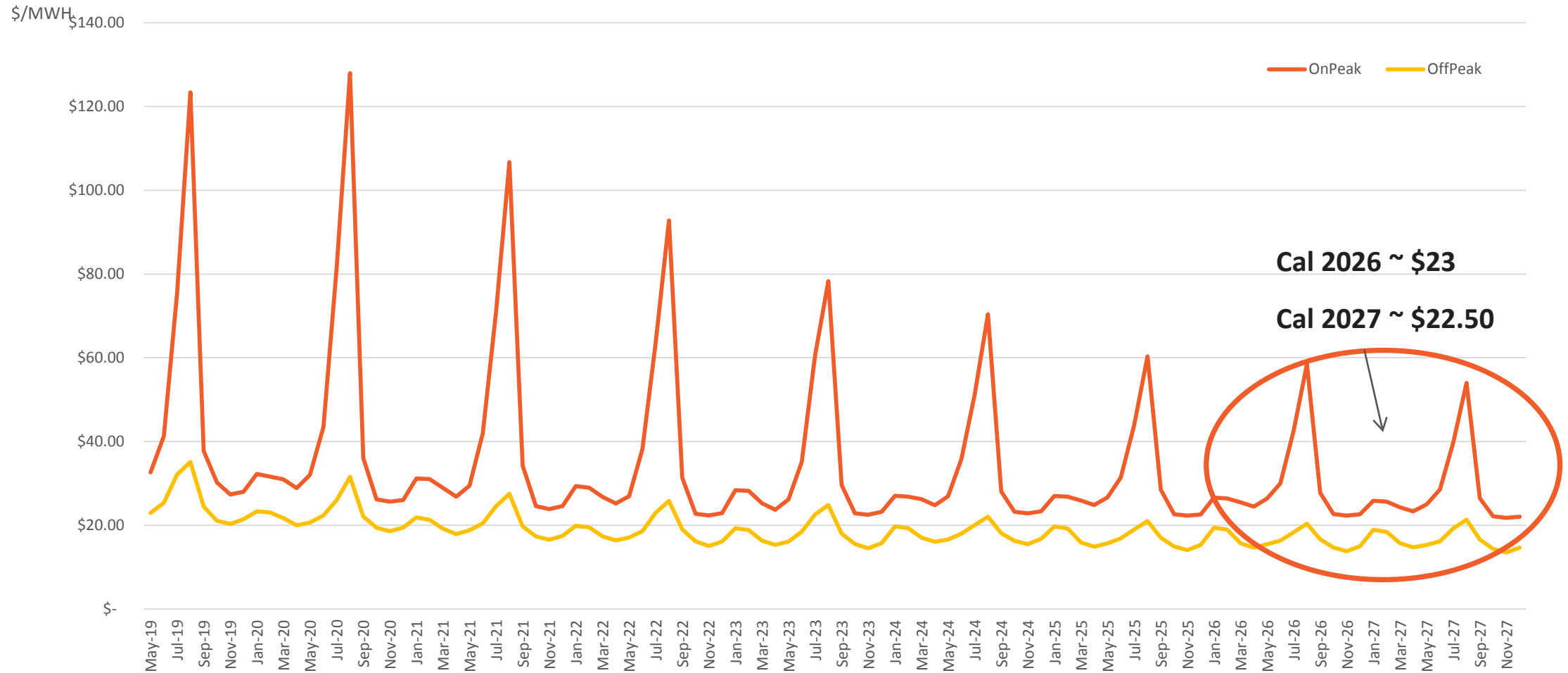
Weather Forecast Update



July and August On Peak Hub South Prices



Hub South Forward Market – 10 May 2019

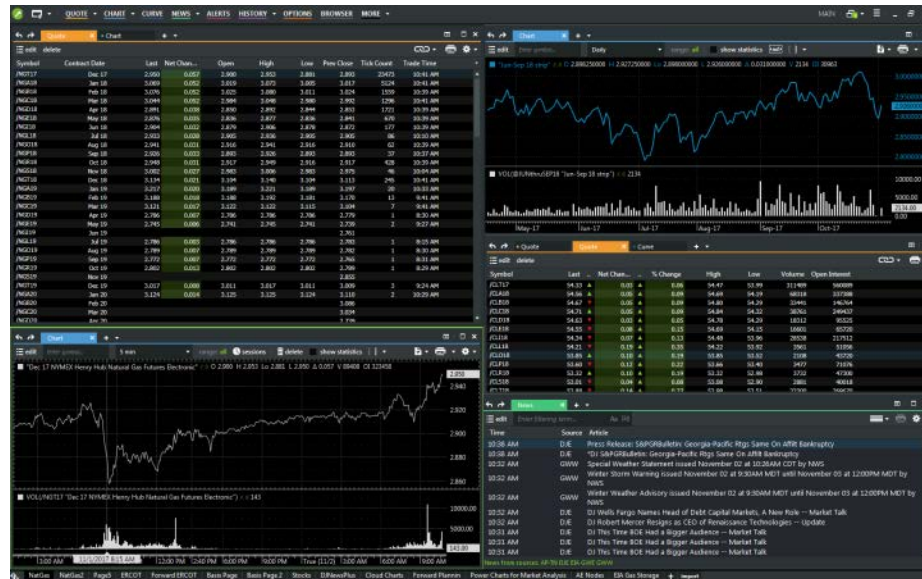


Public Utility Commission of Texas – Taking Action

- PUCT meets with Market Participants
 - Summer readiness
 - Increased communication and collaboration
- Market Policy Changes
 - Revenue for capacity
 - Efficient markets
 - Granular reporting



Protecting our Customers





**Customer Driven.
Community Focused.SM**

