

2019 Summer Review – ERCOT Market

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Key Observations for Summer 2019

- Early summer was mild, August was very hot (Sept above normal)
- Many days in August had tight conditions, EEA (Energy Emergency Alert) Level 1 declared twice
- Tightest conditions frequently occurred earlier than time of highest load
- Resource performance outpaced historical patterns
- Market outcomes supported reliability needs



Summer 2019 unique features

- Intermittency of supply drove the system during tight conditions
 - System peak did not coincide with EEA Level 1 days – Aug 13 & 15
 - System demand peaked at 74,666 MWs on Aug 12
- Demand continues to grow with 1.6% increase over 2018 peak @ 73,473 MWs
- 2,400 MWs of additional wind capacity going into summer 2019 vs. 2018
- More efficient transmission outage management
 - Enabled more maintenance and upgrade outages to the system



Active Communication of System Conditions - Summer 2019

- 8 Operating Condition Notices (OCNs) for reserve capacity shortages in August
 - Several others in September
- 25 Advisories due to Physical Responsive Capability (PRC) less than 3,000 MW
- 2 Watches due to PRC less than 2,500 MW
- 2 EEA Level 1 events
- 2 conservation requests during August EEAs
 - One additional voluntary conservation request for Operating Days 9/5 and 9/6



ERCOT's Demand Response is Working

Date	Characteristics	Maximum Real Time Load Zone Price	Estimated Load Reduction at 6pm
Aug. 12	Day system peaked	\$6,537	2,500 MW
Aug. 13	EEA 1 / system nearly peaked	\$9,159	3,100 MW
Aug. 14	-	\$1,807	200 MW
Aug. 15	EEA 1	\$9,053	1,800 MW
Aug. 16	System nearly peaked	\$1,583	1,600 MW

* These numbers represent Demand Response across entire ERCOT system



Perspectives on 2019 ERCOT Summer

- Changing resource mix is impacting the market.
- ERCOT responded well to tighter conditions this summer.
- The system continues to be reliable.
- Market participants responded accordingly.



ERCOT Future Considerations

- Demand Response and 4 Coincident Peak are of particular interest to the Public Utility Commission (PUC)
- State of retail market
 - Continued advocacy for opening up municipals and co-ops to retail competition
 - PUC concerned about consolidation among REPs
- Real Time Co-optimization development is underway





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