

News Release

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High demand and tight reserves may result in energy alerts this summer

Alerts will allow ERCOT to take advantage of extra resources

AUSTIN, TX, March 5, 2019 – The Electric Reliability Council of Texas (ERCOT) expects record electric use this summer and an increased chance of energy alerts.

ERCOT today released its final Seasonal Assessment of Resource Adequacy for the upcoming spring season (March – May) and its preliminary assessment for the summer season (June – September).

"Prior to each season, we consider a range of potential risks to determine whether there will be sufficient capacity to meet the expected peak load forecast," said ERCOT President and CEO Bill Magness. "In all of the scenarios studied, we identified a potential need to call an energy alert at various times this summer."

When ERCOT declares an alert, it can then take advantage of additional resources that are only available during scarcity conditions. These resources include demand response products, resources that are normally set aside to provide operating reserves (including contracted load reduction from some industrial facilities), additional generation or imports from neighboring regions and voluntary calls for conservation by consumers.

ERCOT's current planning reserve margin is a historically low 7.4% while electric demand in the ERCOT region continues to grow. Between 2016 and March 2019, ERCOT set 16 new monthly peak demand records and new all-time system-wide peak demand records in 2016 and 2018.

Total resource capacity for the upcoming summer is expected to be 78,154 MW. The preliminary summer SARA report includes a 74,853 MW summer peak load forecast based on normal summer peak weather conditions for 2003-2017.

78,154 MW
Total generation resource capacity

74,853 MW
Summer 2019 peak demand forecast

New operational units included in this report:





Summer capacity rating

Consumers may view conservation tips on ERCOT's mobile app or by visiting the Public Utility Commission's Power to Save Texas website: http://powertosavetexas.org/.

The final summer SARA report will be released in May and will reflect the expected summer weather conditions.

Background on the SARA

The SARA report is based on an assessment of generation availability and expected peak demand conditions at the time it was prepared. The assessment takes into account expected generation outages that typically occur during each season for maintenance, as well as a range of generation outage scenarios and weather conditions that could affect seasonal demand.

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The Electric Reliability Council of Texas (ERCOT) manages the flow of electric power to more than 25 million Texas customers — representing about 90 percent of the state's electric load. As the independent system operator for the region, ERCOT schedules power on an electric grid that connects more than 46,500 miles of transmission lines and 600+ generation units. It also performs financial settlement for the competitive wholesale bulk-power market and administers retail switching for nearly 8 million premises in competitive choice areas.. ERCOT is a membership-based 501(c)(4) nonprofit corporation, governed by a board of

directors and subject to oversight by the Public Utility Commission of Texas and the Texas Legislature. Its members include consumers, cooperatives, generators, power marketers, retail electric providers, investor-owned electric utilities, transmission and distribution providers and municipally owned electric utilities.

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