



**PRESS RELEASE**  
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## ERCOT Forecast Update Shows Adequate Reserves to 2014

The Electric Reliability Council of Texas (ERCOT), grid operator for most of the state, reported more than 3,100 megawatts (MW) have been added to the five-year generation outlook since the May reserve margin report.

According to the [winter update](#) released today, the ERCOT region's reserve margins are well above the 12.5 percent target minimum through 2014. The reserve margin for summer 2009 is 15.8 percent, and the 2010 reserve margin is 21.2 percent.

New planned generation added to the forecast includes 195 MW to be ready by next summer and 1,147 MW by summer 2010. A 1,792-MW natural gas unit, owned by Cobisa-Greenville Energy Co., and scheduled to come online in summer of 2013, boosted the reserve margins significantly in 2013 and 2014.

Of the 3,134 MW of new planned generation added to the forecast, 2,494 MW is gas-fired, 595 MW is from wind, and 45 MW from biomass.

Due to the changes in economic indicators since May, an updated load forecast was used in the report. The 2009 summer peak demand forecast decreased to 65,222 MW, from 66,246 MW, and 2010 was changed to 66,283 MW from 67,641 MW.

Other changes in the report included a recalculation of the estimated contribution of ERCOT's demand response program for interruptible loads, based on a methodology approved by a stakeholder task force. The interruptible load contribution increased to 1,115 MW, from 1,059 MW in the previous report.

Potential resources that are not included in the total generation include more than 4,300 MW of generation capacity which is currently mothballed but could be brought back into service at the owners' decision.

Other potential resources include units that are in the final phase of a transmission interconnection study but lack either an air permit or signed interconnection agreement. These planned units under review totaled 1,451 MW for 2009 in-service dates and 10,798 MW for 2010.

"Reserve margins are assessments based on best estimates of a snapshot in time," said Dan Woodfin, director of system planning for ERCOT. "The assessments change as new generation is added and old generation is mothballed or decommissioned, and load forecasts change based on changing economic conditions and other factors," Woodfin said. "To ensure future reliability for the region, ERCOT must inform market participants of the generation outlook because in the deregulated market, it is the generation owner who bears the risk of investment and decides when and where to build."

### RESERVE MARGINS, 2009-2014

	2009	2010	2011	2012	2013	2014
Dec 2008 Assessment Update	15.8%	21.2%	18.7%	17.8%	17.9%	15.8%
May 2008 Assessment	16.5%	17.3%	15.0%	14.5%	12.3%	n/a

*Reserve margins are generation reserves in excess of forecasted peak demand needed to ensure reliability for extreme temperatures and unexpected major outages; the minimum reserve margin target of 12.5 percent was approved by the ERCOT Board of Directors in 2002.*

## NEW GENERATION

Completed air permits or interconnection agreements since the May 2008 report:

Site Name	MW	Expected In-Service	Fuel	Owner
Papalote Creek Windfarm	180	Summer 2009	Wind	E. On Climate & Renewables
Mont Belvieu	15	Summer 2009	Gas-Combustion Turbine	Targa Resources
Nueces Bay 7 Repowering	327	Summer 2010	Gas-Combined Cycle	Topaz Power Group
Barney Davis 2 Repowering	360	Summer 2010	Gas-Combined Cycle	Topaz Power Group
Lufkin	45	Summer 2010	Biomass	Aspen Power Group
Loraine Windpark	325	Summer 2010	Wind	Third Planet Windpower LLC
Jackson Mountain	90	Summer 2010	Wind	Gamesa Energy
Cobisa-Greenville	1,792	Summer 2013	Gas-Combined Cycle	Cobisa-Greenville Energy Co, Inc

### Also online:

[2008 Capacity, Demand, Reserves Report](#)

The Electric Reliability Council of Texas (ERCOT) manages the flow of electric power to 21 million Texas customers – representing 85 percent of the state’s electric load and 75 percent of the Texas land area. As the independent system operator for the region, ERCOT schedules power on an electric grid that connects 38,000 miles of transmission lines and more than 550 generation units. ERCOT also manages financial settlement for the competitive wholesale bulk-power market and administers customer switching for 6 million Texans 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. ERCOT’s members include consumers, cooperatives, independent generators, independent power marketers, retail electric providers, investor-owned electric utilities (transmission and distribution providers), and municipal-owned electric utilities.

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