

ERCOT Market Watch by LCG

June 2015



ERCOT Market Watch by LCG is a monthly summary of prices, congestion, and important events in the ERCOT market.

Contact LCG Consulting for further information and outlooks for future months.

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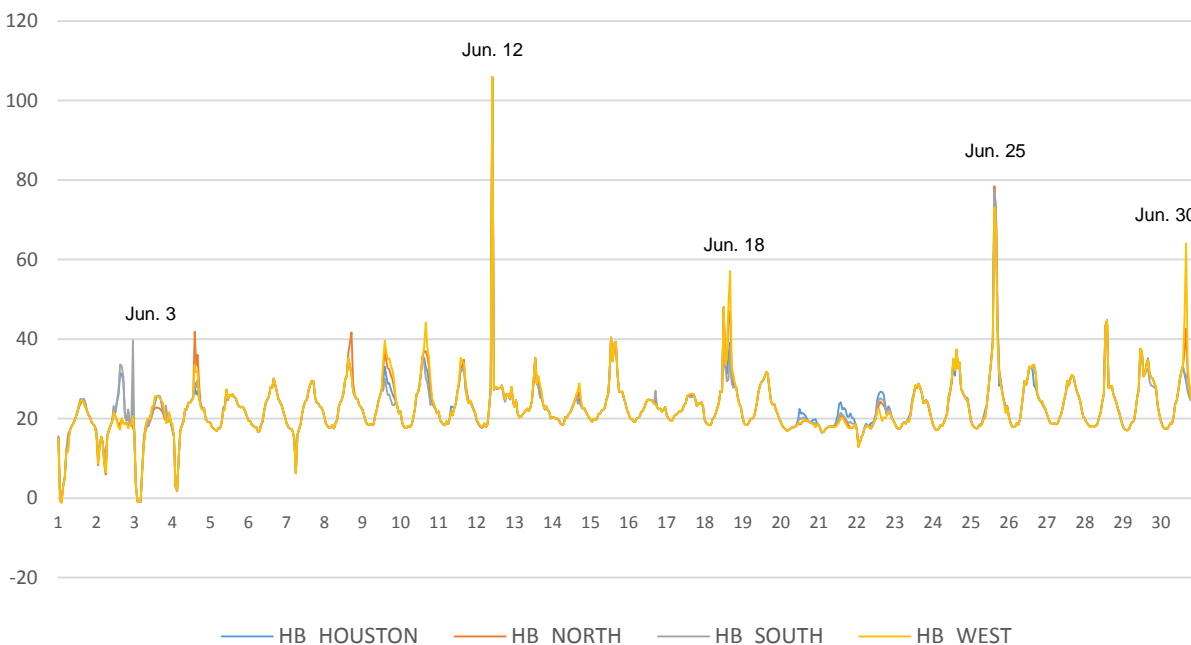
Average Monthly Real-Time Hub Price Summary

	HB_HOUSTON	HB_NORTH	HB_SOUTH	HB_WEST
Weekday ON Peak	\$25.67	\$25.82	\$25.58	\$25.96
Weekend ON Peak	\$23.15	\$22.87	\$22.90	\$22.90
OFF Peak	\$18.39	\$18.29	\$18.47	\$18.33

Release Date: July 15, 2015 – In June the ERCOT real-time market experienced much less volatility and less extreme pricing events than in May. Both Weekday and Weekend Peak price averages were much lower than in May. The most extreme real-time hourly average hub price event occurred on June 12 when prices reached over \$100. The constraint with the highest congestion rent for the month was the SAPOWER_69T1, a 138/69 kV transformer in the West. The most frequently congested line was JK_TOKSW_1, a 345 kV line near Bryan.

See below for a summary of line congestion and hub prices.

ERCOT June 2015 Average Hourly Hub Prices (Real-Time)



JUNE 2015 EVENT SUMMARIES

June 3 – Real-Time Hourly Average (RTHA) prices for hours 3-5 were negative at all four hubs.

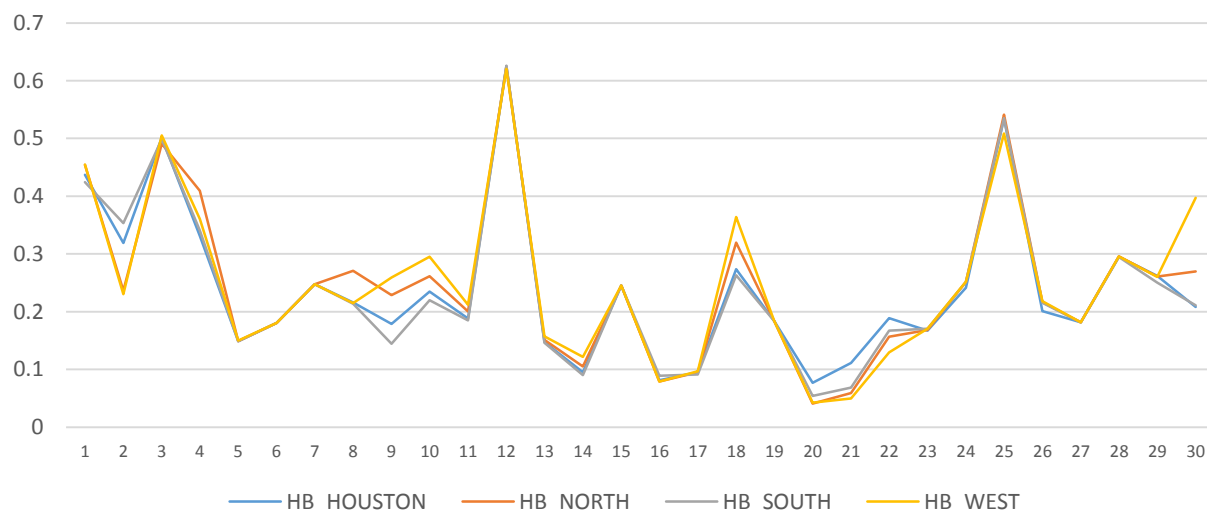
June 12 – This day experienced that highest RTHA hub prices of the month. RTHA prices reached over \$105 at all four hubs during hour 11. During this hour system lambda reached over \$1,046 for one interval and system wide wind output averaged less than 3,200 MW.

June 18 – On this day the RTHA at HB_WEST reached over \$57 in hour 17. In the same hour, the HB_HUBAVG RTHA reached over \$45.26. Low wind output was experienced throughout this day. At this time the constraint SAPOWER_69T1 was highly congested, and 630__A also was congested during this time.

June 25 – During hour 16 RTHA price at all four hubs reached over \$73 with the highest price occurring at HB_NORTH where the RTHA reached \$78.43. System lambda reached over \$135 for one interval during this hour. Wind output during this hour was 2,894 MW down from 5,723 MW in 6 hours. At this time the constraint 6135__E was highly congested, and EMSES_AX2H also was congested during this time.

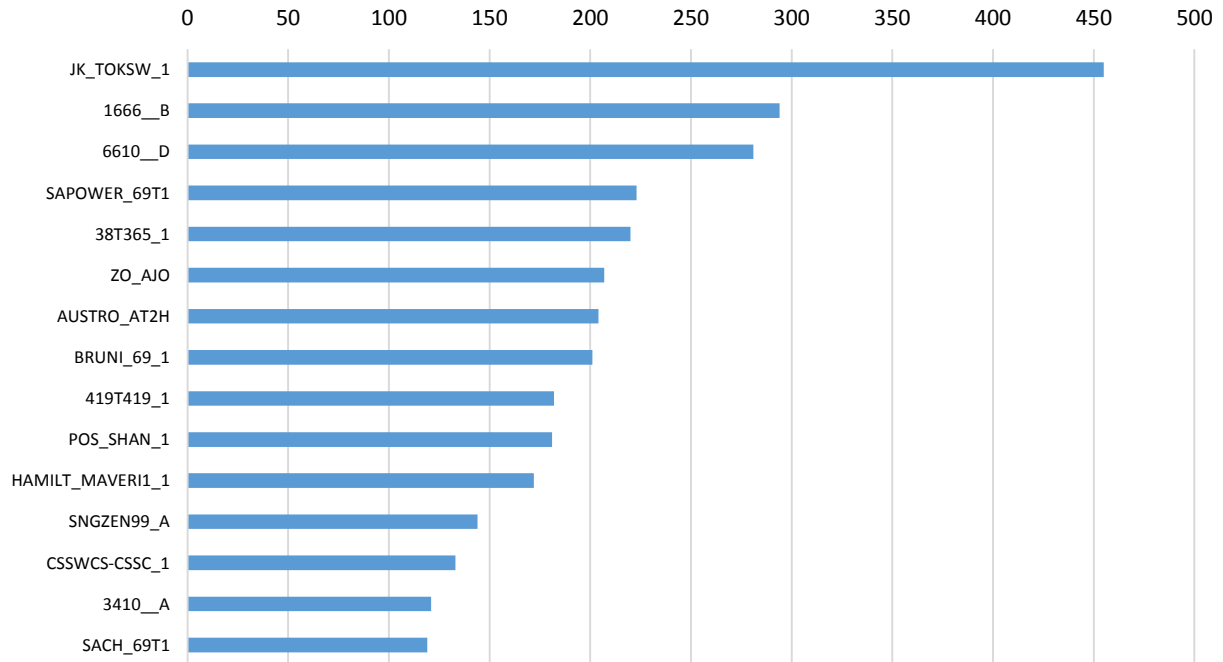
June 30 – At HB_WEST RTHA price in hour 17 reached over \$64 while all other hubs were significantly lower. In the same hour, the HB_HOUSTON RTHA price was less than \$30. Wind output in this hour was 881 MW falling from 5,990 MW in hour 3. At this time, the constraints CSSWCS-CSSC_1, 630__A, and 940__C experienced congestion.

Plot of Daily Volatility Indices (SD/mean) by Hub - June 2015
(Real-Time Hourly Average Prices)

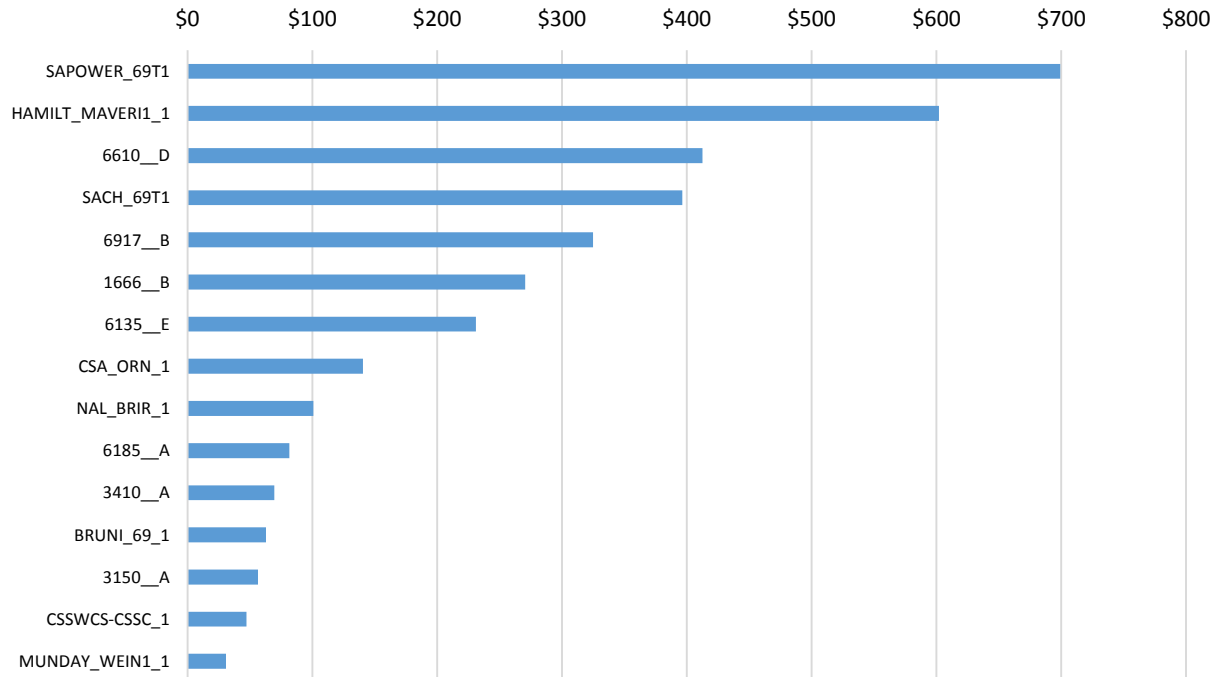


JUNE CONGESTION REPORT

June 2015 - Top 15 Branches Congested
(Periods Congested- 5 min intervals)



June 2015 - Top 15 Branches Congested
(Congestion Rent - Thousands \$)



LCG Consulting provides consulting services, forecasting and software for detailed modeling in the ERCOT region. We offer valuable insights for market participants in the day ahead and real-time markets and CRR auctions. For more information contact Julie Chien: julie.chien@energyonline.com

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