

ERCOT Market Watch by LCG

November 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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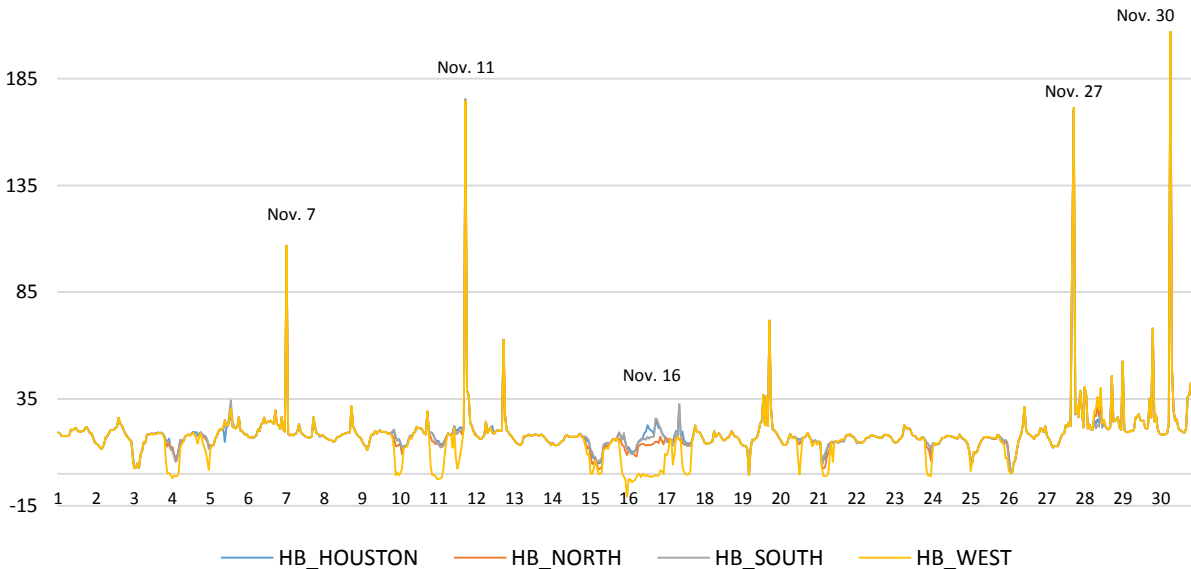
Average Monthly Real-Time Hub Price Summary

	HB_HOUSTON	HB_NORTH	HB_SOUTH	HB_WEST
Weekday ON Peak	\$21.87	\$21.38	\$21.82	\$19.78
Weekend ON Peak	\$19.58	\$19.51	\$19.55	\$19.17
OFF Peak	\$15.32	\$14.98	\$15.24	\$12.89

Release Date: December 9, 2015 – In November the ERCOT Real-Time market experienced a moderate amount of volatility with lower average prices than in October. There was a high frequency of negative price occurrence at the West hub throughout the month. Over 7 percent of all hours in the month realized negative hourly average settlement prices at the West hub. The most active constraints during the month of November were 591__A (a 138 kV line in the North) and 255T279_1 (a 138 kV line in the South) which were both the top two congested branches by congestion rent and by SCED intervals congested. 591__A accrued the highest congestion rent for the month and 255T279_1 was the most frequently congested branch.

See below for a summary of congested elements and hub prices.

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



NOVEMBER 2015 EVENT SUMMARIES

Nov. 7 – In Hour 1 on this day Real-Time hourly average (RTHA) prices at all four hubs reached over \$106. System Lambda reached \$1,000 for one interval during this hour.

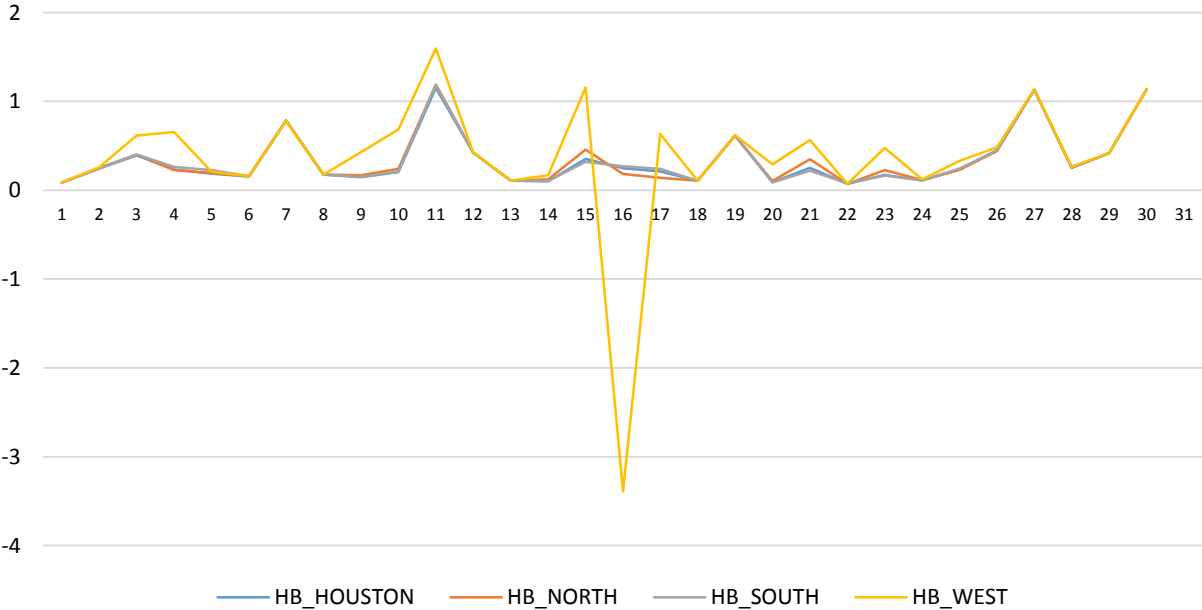
Nov. 11 – In Hour 18 RTHA prices at all four hubs reached over \$173 with the highest price at HB_SOUTH where the RTHA price was \$175.59. System Lambda reached its highest value for the month on this day reaching \$1,063.10 for one interval during Hour 18. The RTORPA reached over \$20 for one interval on this day.

Nov. 16 – This day experienced sustained negative pricing resulting in a negative daily average price at the West hub. Negative RTHA prices at HB_WEST were sustained for 23 consecutive hours, from 11/15 Hour 22 through 11/16 Hour 20, with the exception of 11/16 Hour 7 when RTHA price at the hub reached \$0.09. High output was experienced on this day. This day also accounted for the highest amount of congestion rent of all days in the month with more than twice the rent accrued as the second highest day.

Nov. 27 – RTHA prices at all four hubs reached over \$170 in Hour 18. System Lambda reached over \$998 for one interval on this day.

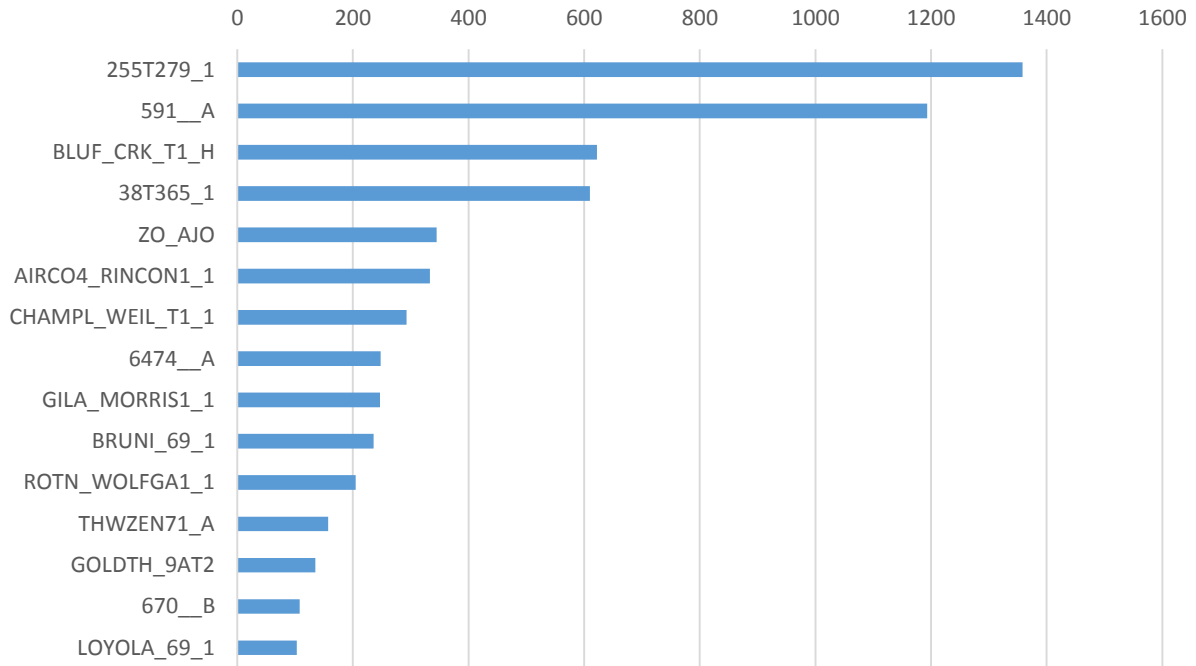
Nov. 30 – This day experienced the highest RTHA prices as prices at all four hubs reached \$206.89 in Hour 7. There was very low wind production on this day. The RTORPA reached its highest value for the month on this day reaching \$51.80 for one interval. System Lambda reached \$988.49 for two intervals.

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

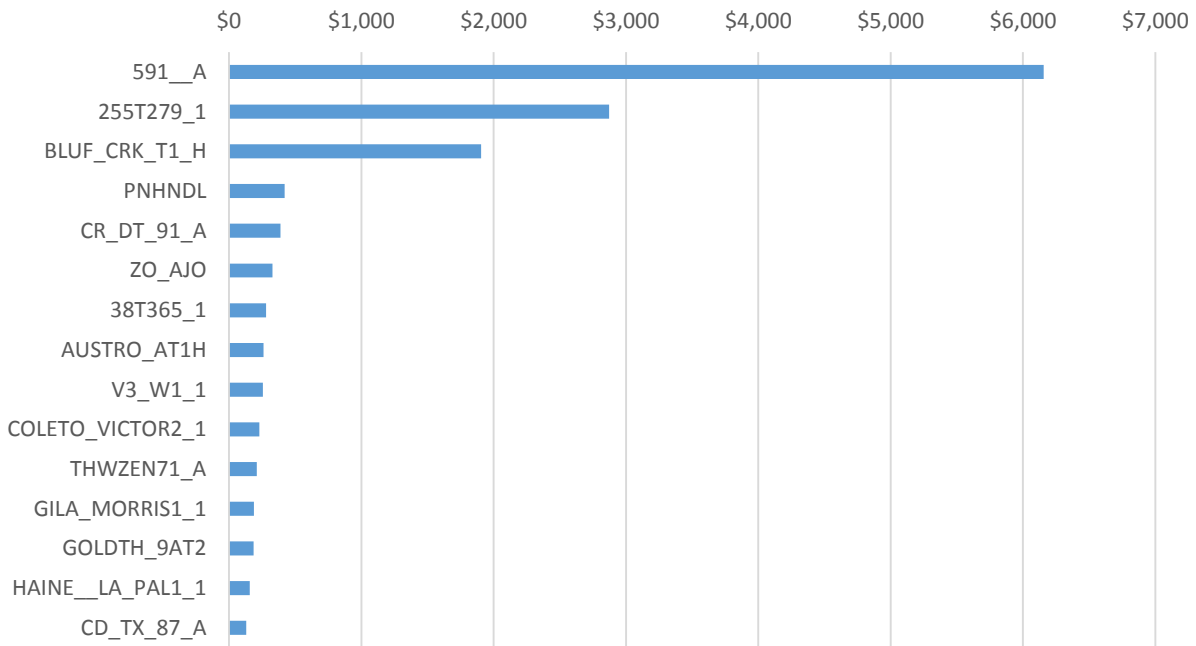


NOVEMBER CONGESTION REPORT

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



November 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

LCG Consulting
4962 El Camino Real, Suite 112
Los Altos, CA 94022
Tel: (+1) 650 962 9670

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