

ERCOT Market Watch by LCG

July 2016



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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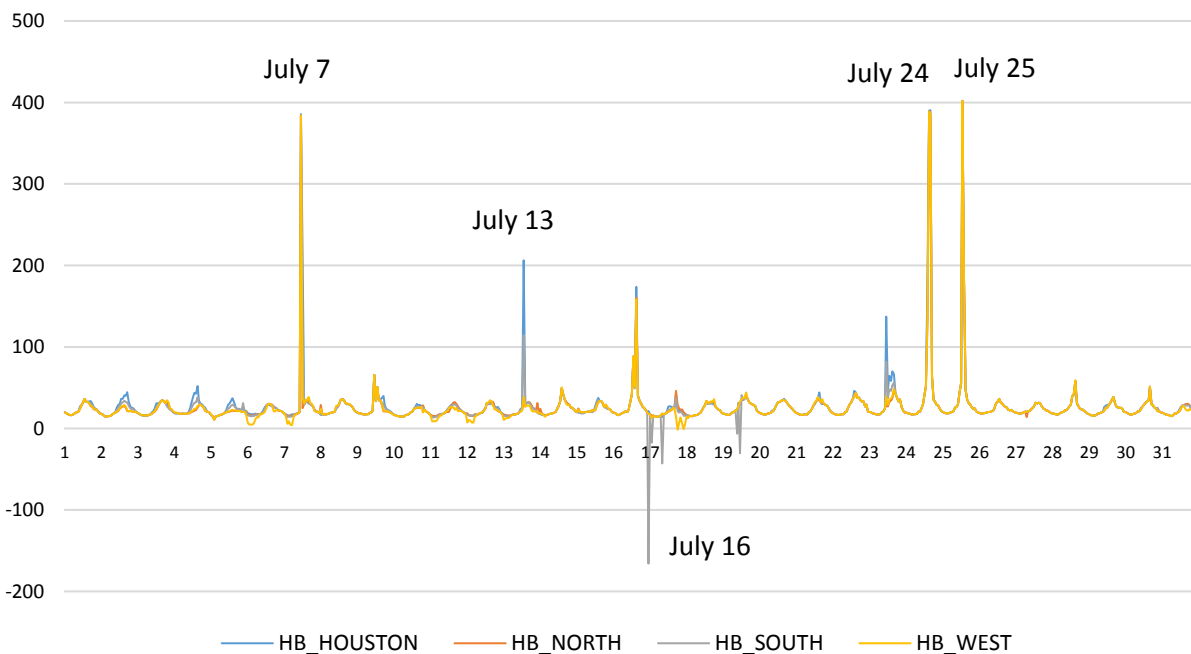
Average Monthly Real-Time Hub Price Summary

	HB_HOUSTON	HB_NORTH	HB_SOUTH	HB_WEST
Weekday ON Peak	\$30.62	\$28.74	\$29.30	\$28.69
Weekend ON Peak	\$35.53	\$32.35	\$33.02	\$31.74
OFF Peak	\$18.08	\$18.20	\$17.00	\$17.12

Release Date: August 20, 2016 – In July, the ERCOT Real-Time market experienced higher average prices than in June with demand becoming higher. The highest price spike occurred on July 25 when Real-Time hourly average prices reached over \$401 in hour 14. The Singleton to Zenith 345 kV (SNGZEN99_A) Houston Import line accrued the highest congestion rent for the month in RT, followed by the Fayetteville 345/138 kV XF (FAYETT_6AT2). The most frequently binding constraint was the Liston Interface.

See below for a summary of congested elements and hub prices. LCG's MarketVision reports daily peak and off-peak real-time market nodal price forecasts available at: <http://energyonline.com/marketvision/>

ERCOT July 2016 Average Hourly Hub Prices (Real-Time)



JULY 2016 REAL-TIME EVENT SUMMARIES

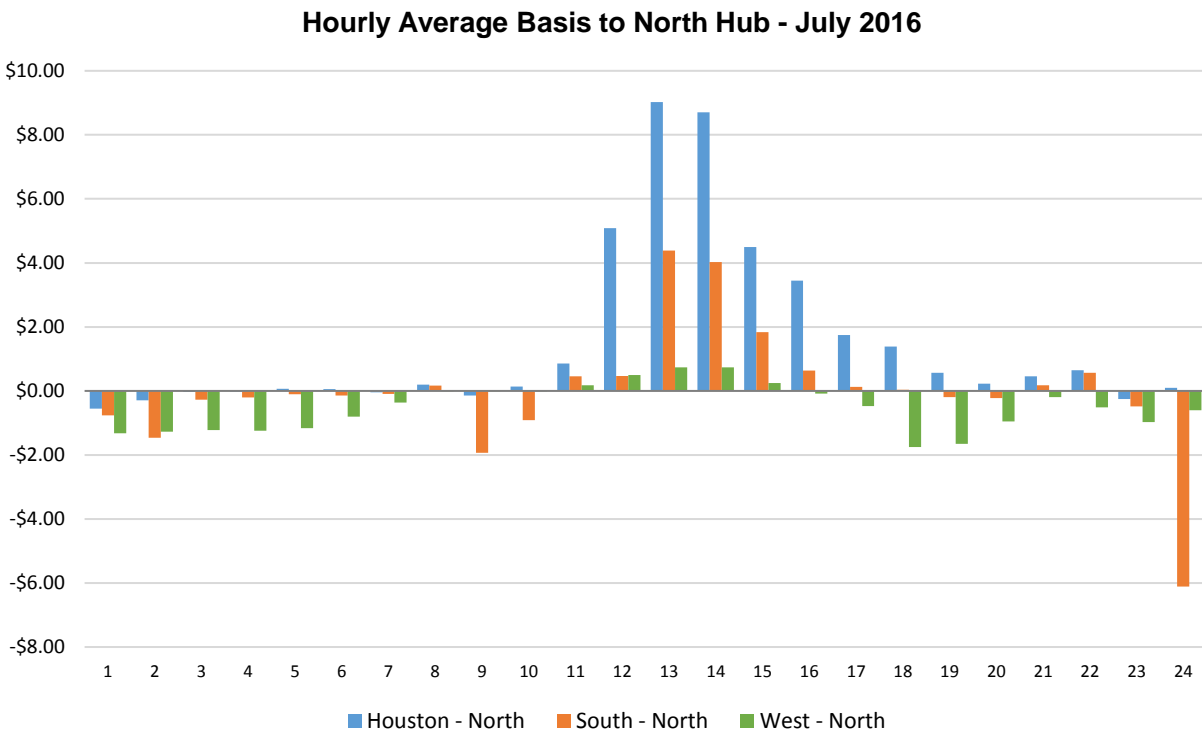
July 7 – On this day in RT Hourly Average (HA) prices all reached above \$383 in Hour 12. This day experienced the highest System Lambda value for the month during this hour when it reached \$9,001 (or the SWCAP) for one interval.

July 13 – This day saw a price spike in RT at the Houston Hub when HA price reached \$206.25 in Hour 14. During the same hour South Hub HA price reached \$114.35. During this hour System Lambda reached \$594.88 for one interval. The Singleton to Zenith constraint (SNGZEN99_A) accrued very high congestion rent during this hour.

July 16 – During the last hour of this day RT HA price at the South Hub reached -\$165.83. Very low prices at the FPPYD_FPP_G1/2/3 and LOS_LOSTPGT1/GT2/ST1 settlement point contributed to this low hub price with high congestion on the Fayetteville 345/138 kV transformer (FAYETT_6AT2).

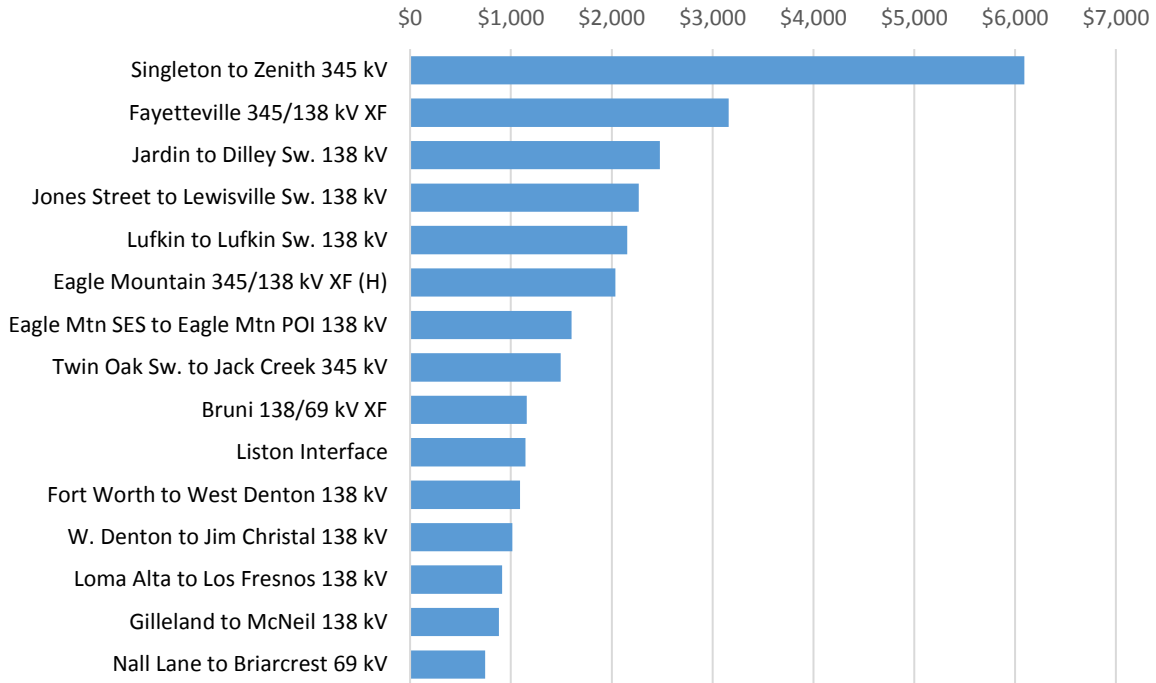
July 24 – On this day RT HA trading hub prices all were above \$379 for Hours 16 and 17. The highest price occurred at the Houston Hub where price was over \$390 for both hours. During Hour 17 System Lambda reached its highest value for the day when it reached \$976.34 for one interval. At this time System Lambda reached \$976.34 for one interval. On this day, the RTORPA reached its highest value for the month when at \$143.19 for one interval during Hour 17.

July 25 – This day experienced the highest HA RT hub prices for the month when prices at all four trading hubs reached \$401.99 in hour 14. During Hours 14 and 15 System Lambda reached over \$832 for 5 intervals. During Hour 15 the RTORPA reached \$74.39 for one interval.

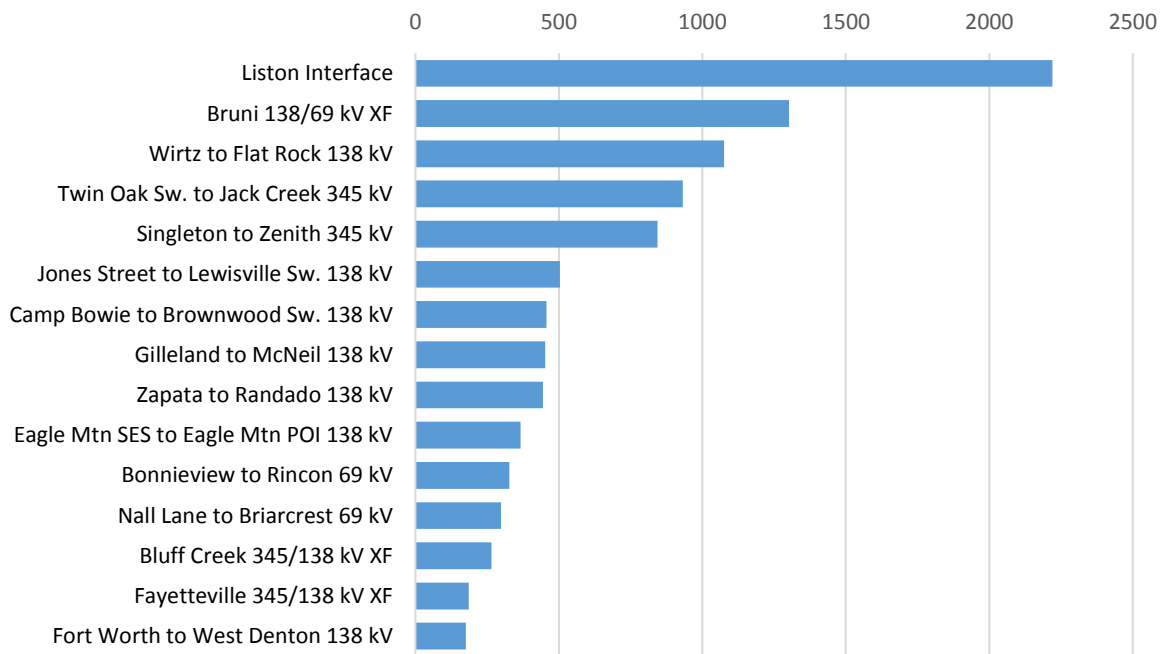


JULY REALTIME MARKET CONGESTION REPORT

July 2016 - Top 15 Branches Congested (Congestion Rent - Thousands \$)



July 2016 - Top 15 Branches Congested (Periods Congested- 5 min intervals)



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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