# ERCOT Market Watch by LCG
## June 2016

LCG CONSULTING

***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.

*Online at:* **www.energyonline.com**

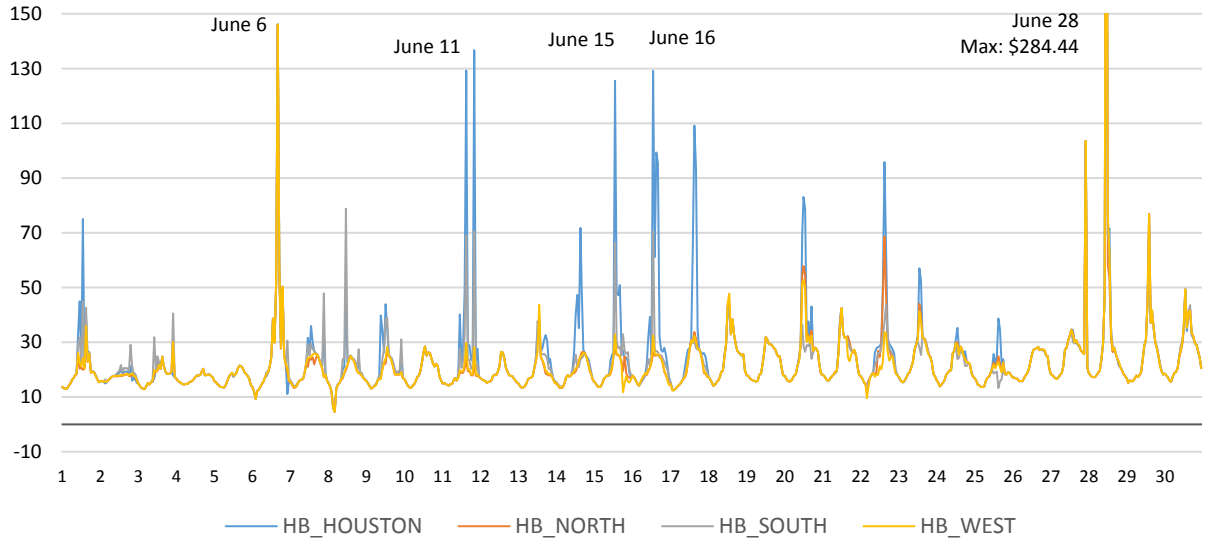
**Average Monthly Real-Time Hub Price Summary**

| | HB_HOUSTON | HB_NORTH | HB_SOUTH | HB_WEST |
|---|---|---|---|---|
| Weekday ON Peak | $29.65 | $25.54 | $26.55 | $25.30 |
| Weekend ON Peak | $24.02 | $21.26 | $22.03 | $21.40 |
| OFF Peak | $16.37 | $16.28 | $16.55 | $16.26 |

***Release Date: July 14, 2016 –*** In June, the ERCOT Real-Time market experienced significantly higher average prices than in May with summer demand beginning to ramp up. With more frequent occurrence of congestion related to serving Houston load, the Houston trading hub saw much higher prices than other hubs during peak hours. The highest price spike occurred on June 28 when Real-Time hourly average prices reached over $259 in hour 12. The Meadow 345/138 kV transformer (MDO_AT1) in the Houston area accrued by far the highest congestion rent for the month followed by the San Felipe to Bellaire 138 kV (BI_SF_09_A) and Twin Oak Sw. to Jack Creek 345 kV (JK_TOKSW_1) lines also in the Houston area. The most frequently binding constraint was the Twin Oak Sw. to Jack Creek 345 kV line.

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 June 2016 Average Hourly Hub Prices (Real-Time)**

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## *JUNE 2016 EVENT SUMMARIES*

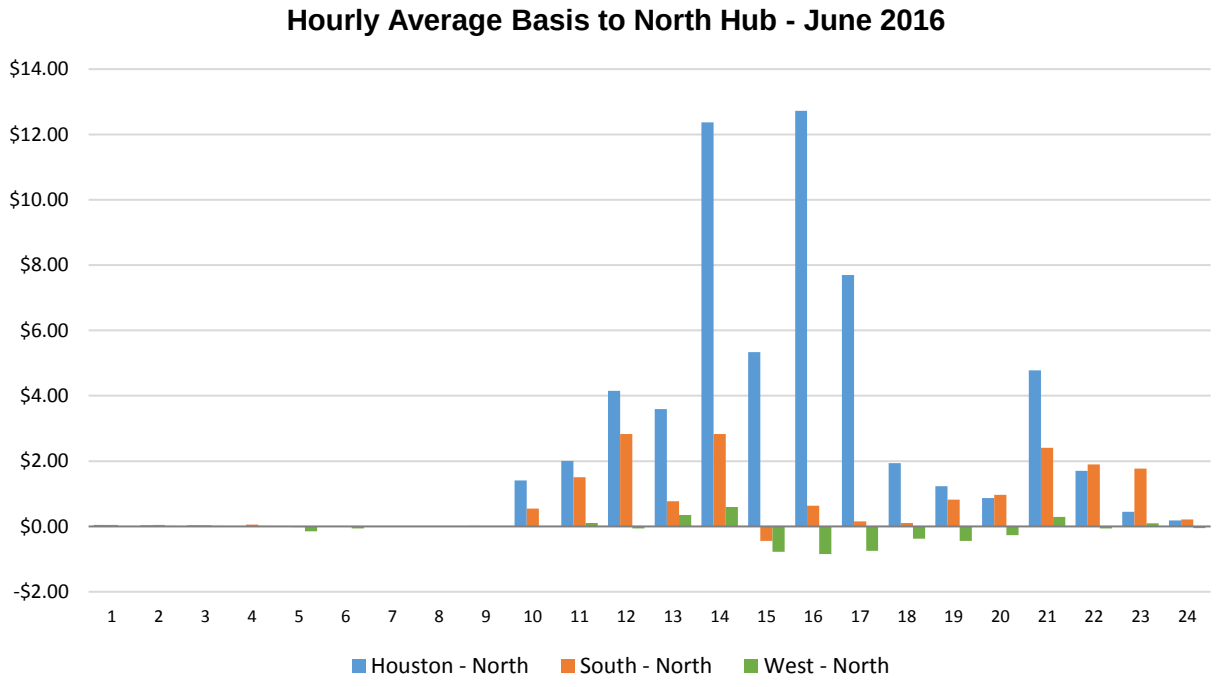
**June 6 –** On this day Real-Time Hourly Average (RTHA) hub prices reached over $146 in hour 17. System Lambda reached $799.09 for one interval during this hour. This day experienced the highest RTORPA for the month when it reached $68.05 for one interval.

**June 11 –** High RT prices were experienced at the Houston hub in hours 16 and 21 when prices reached $129.30 and $136.70 respectively. The Twin Oak Sw. to Jack Creek 345 kV (JK_TOKSW_1) line was highly congested on this day. System Lambda reached $553.55 for one interval during hour 16.

**June 15 –** This day saw high Houston prices in RT. In hour 14 RTHA at the Houston trading hub reached $125.51. The Twin Oak Sw. to Jack Creek 345 kV line (JK_TOKSW_1) was again highly congested on this day as was the San Felipe to Bellaire 138 kV line (BI_SF_09_A).

**June 16 –** This day again saw high prices at the Houston hub reaching $129.14 in hour 14. At this time the Hofman to Lake Jackson 138 kV line (HN_LJ_02_A) and Twin Oak Sw. to Jack Creek 345 kV line (JK_TOKSW_1) were highly congested.

**June 28 –** This day experienced the highest RTHA price spike for the month when prices reached $284.44 in Hour 12. System Lambda reached $804.72 for one interval during this hour. During this hour the RTORPA reached $10.40 for one hour.

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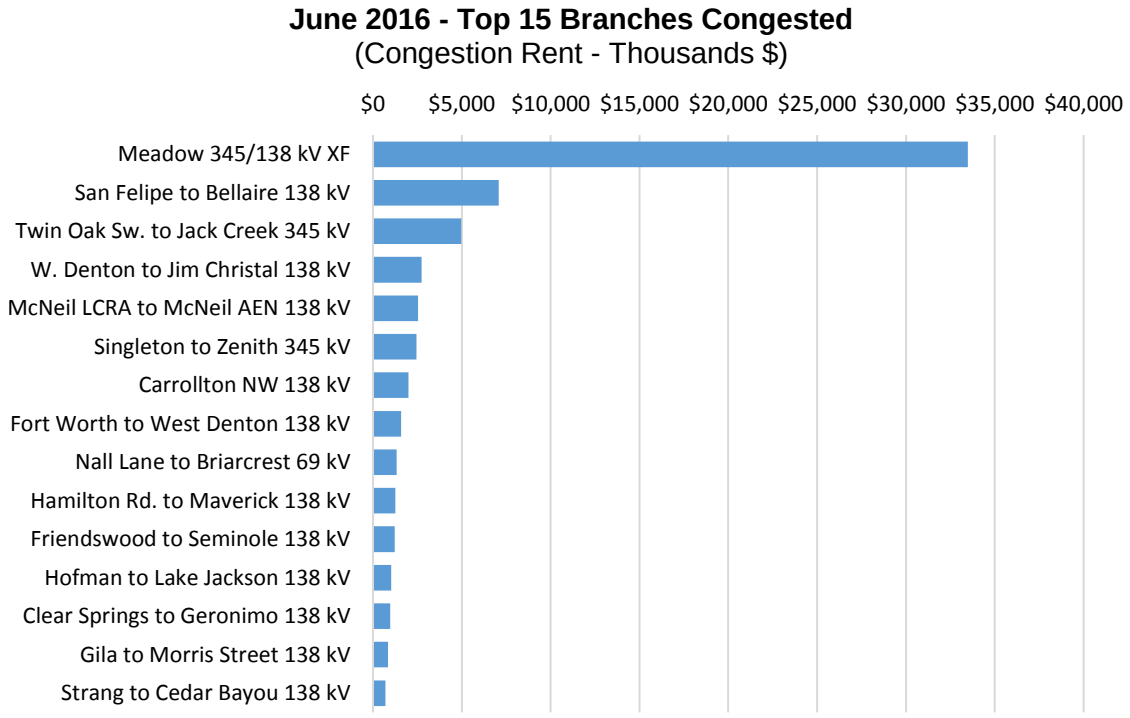


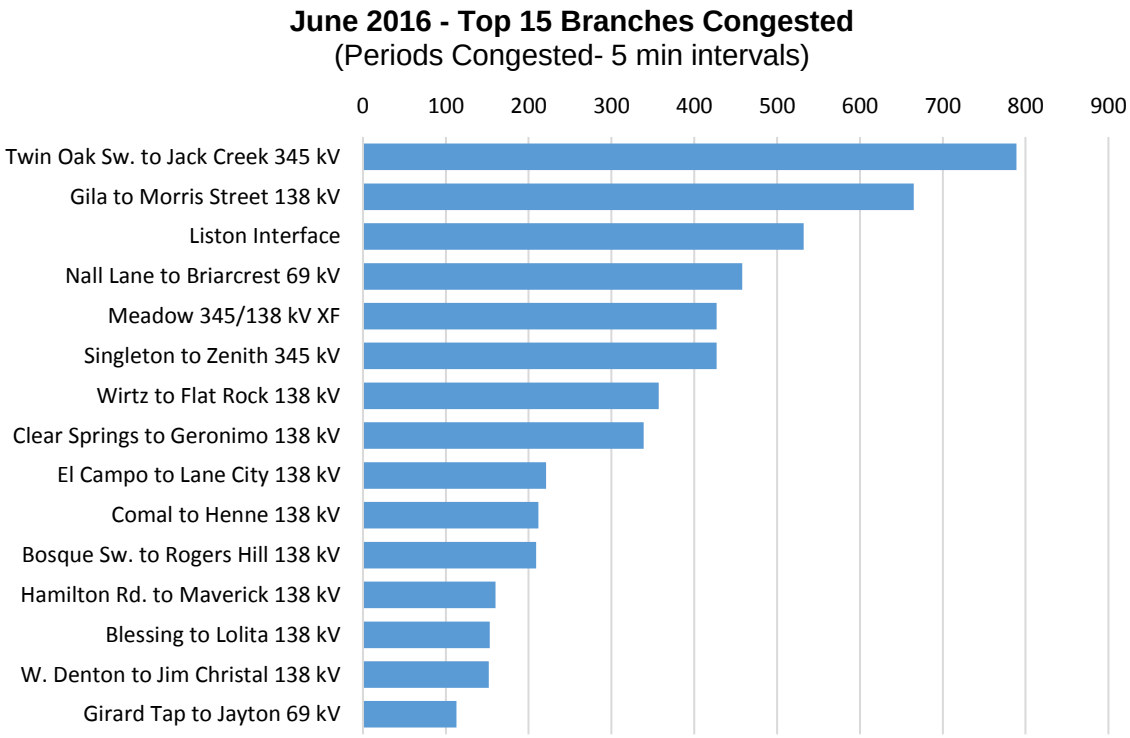


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LCG Consulting provides consulting services, forecasting and software for detailed modeling in the ERCOT region. We offer valuable insights for market participants in the day ahead and real-time markets and CRR auctions. For more information contact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

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