



# Electric Market Update Spring 2018

Austin Energy  
Utility Oversight Committee  
May 23, 2018

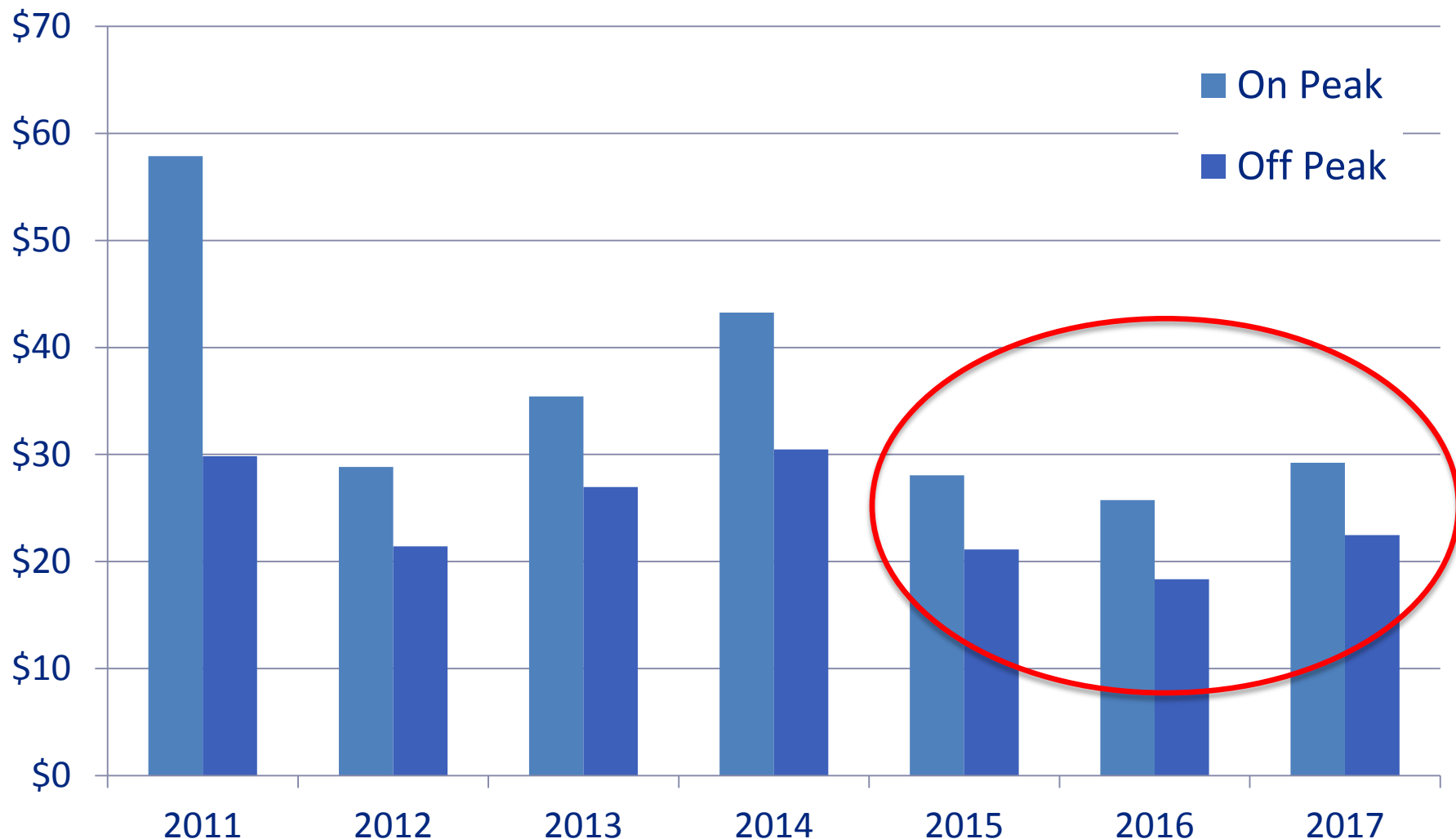




# ERCOT Wholesale Power Prices

\$/MWH

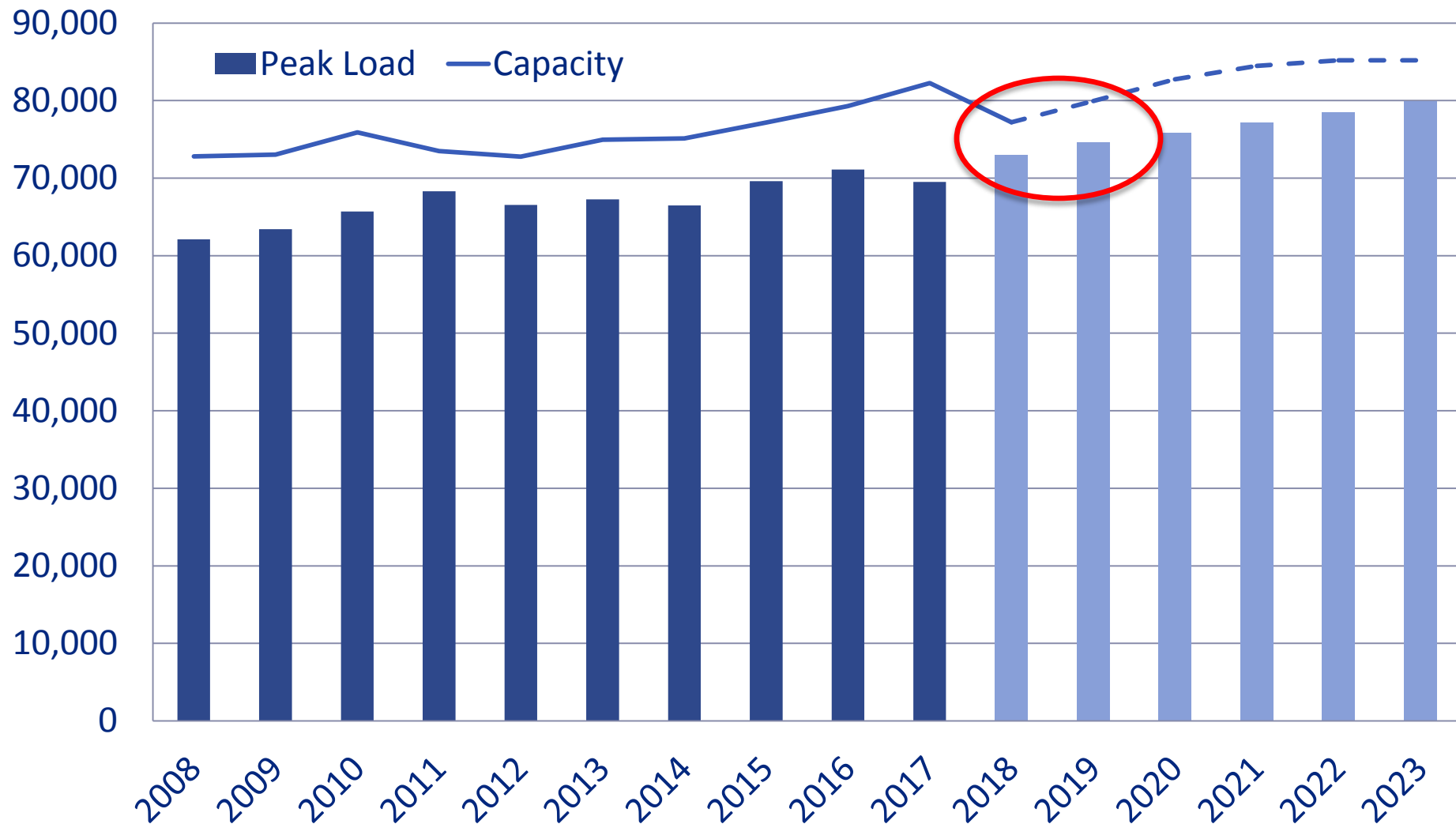
South Hub Average





# ERCOT Capacity v Peak Load

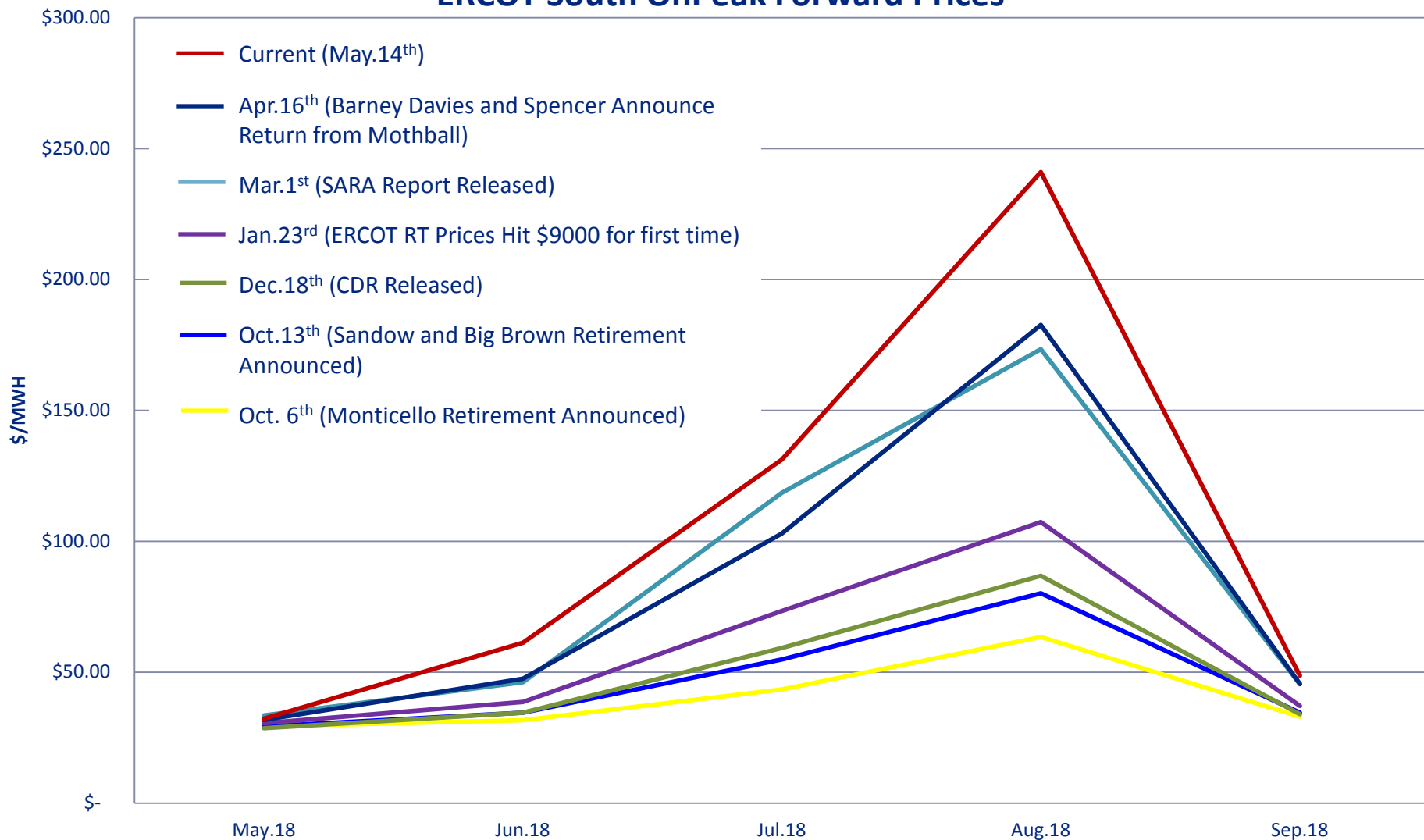
MWs





# Summer Forward Price Activity

## ERCOT South OnPeak Forward Prices





# What it means to Austin Energy Customers

- Increase costs in energy that could be reflected in PSA during next budget cycle
- Increase risk of shortages due to insufficient generation in ERCOT
  - ERCOT could request rolling outages in extreme situations



# What it Means to Austin Energy

- Proactive customer engagement
- Reliable generation and hedging of customer load and fuel
  - Each of our power plants prepares for the summer season by performing extensive preventative maintenance to ensure their reliability.
  - Our conventional and renewable resources are well prepared for the summer ahead.
- Cash management and counterparty risk of energy partners