

# ERCOT Market Watch by LCG

## March 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.

Online at: [www.energyonline.com](http://www.energyonline.com)

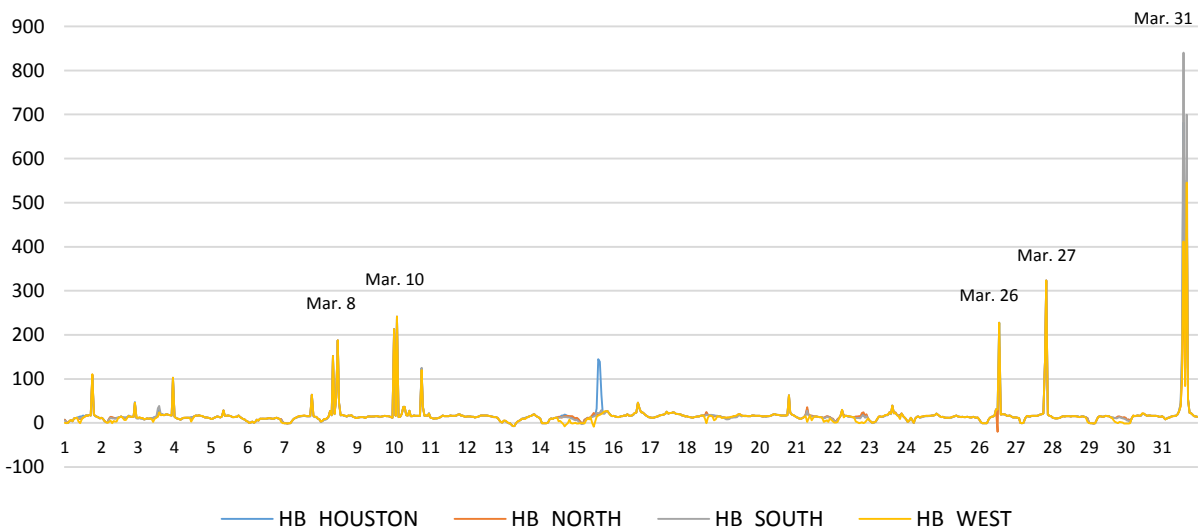
### Average Monthly Real-Time Hub Price Summary

	HB_HOUSTON	HB_NORTH	HB_SOUTH	HB_WEST
Weekday ON Peak	\$23.05	\$21.09	\$22.87	\$19.37
Weekend ON Peak	\$19.94	\$19.13	\$19.75	\$19.97
OFF Peak	\$11.79	\$11.89	\$11.44	\$11.11

**Release Date: April 15, 2016** – In March the ERCOT Real-Time market experienced significantly higher average prices and much more extreme price spikes than in the previous month. The highest price spike occurred on the last day of the month when all trading hubs saw hourly average prices above \$545 in hour 17 and HB\_SOUTH reached a daily maximum hourly average price above \$840 two hours prior. The Loma Alto to Los Fresnos 138 kV line accrued the highest congestion rent for the month followed by the Morris Dido to Rosen Heights and Morris Dido to Eagle Mountain 138 kV lines. The most frequently binding constraints were the Molina to Javalina 138 kV line and the Rotan to Wolfgang 69 kV line. Interfaces in the ERCOT system contributed significantly in March to overall RT congestion rent. The Panhandle Interface, the Valley Import Interface, the North to Houston Import Interface, and Liston Interface were all among the top 15 branches in terms of congestion rent accrued in March.

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 March 2016 Average Hourly Hub Prices (Real-Time)



**MARCH 2016 EVENT SUMMARIES**

**Mar. 8** – In Hour 12 on this day Real-time Hourly Average (RTHA) prices at all trading hubs reached nearly \$188/MWh. On this day the RTORPA reached its highest value for the month at 33.12 for one interval during hour 9. System Lambda reached \$1,084.82 for one interval on this day.

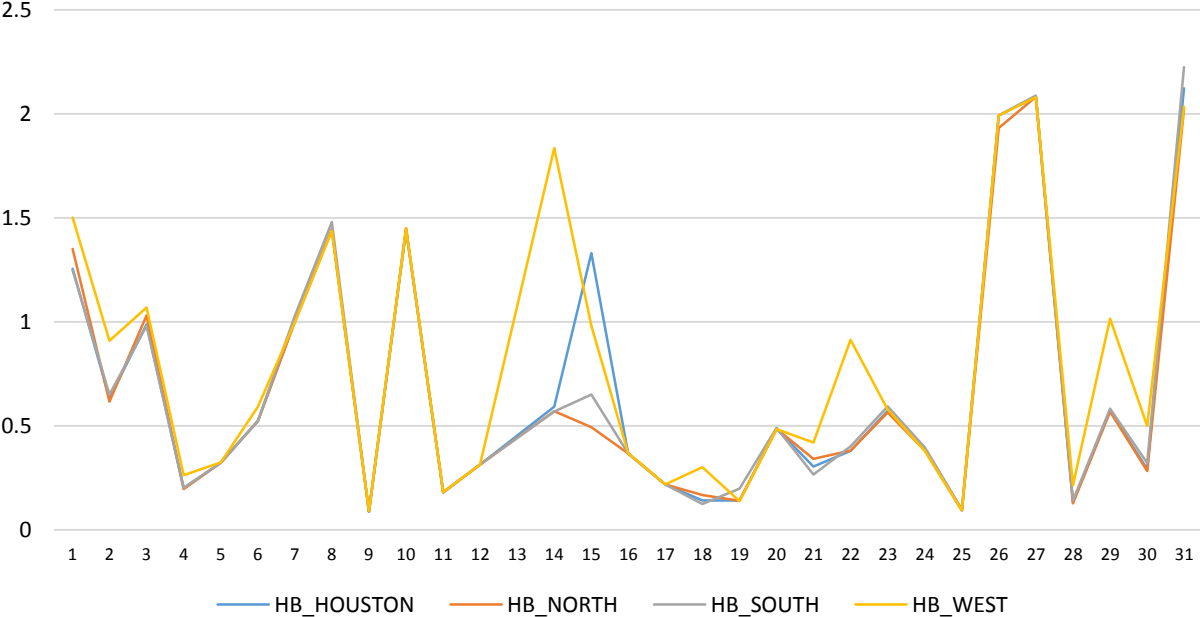
**Mar. 10** – In Hour 3 on this day RTHA prices at all trading hubs reached above \$241/MWh. System Lambda reached \$1,277.86 for one interval on this day. The RTORPA reached a daily maximum of \$22.01 during hour 3.

**Mar. 26** – This day experienced system wide negative pricing in the RT market during hours 3 through 6 before climbing later in the day to over \$227/MWh at all hubs in hour 14 – with the exception of HB\_NORTH which had a RTHA price of \$172.50 in that hour. System Lambda reached \$1,115.86 for one interval on this day.

**Mar. 27** – Like the previous day, this day experienced sustained system wide negative pricing in the morning and very high prices later in the day. In hour 21 RTHA price reached nearly \$324 at all four trading hubs. System Lambda reached \$1,281.67 for one interval on this day. The RTORPA reached a daily maximum of \$32.14 in hour 21.

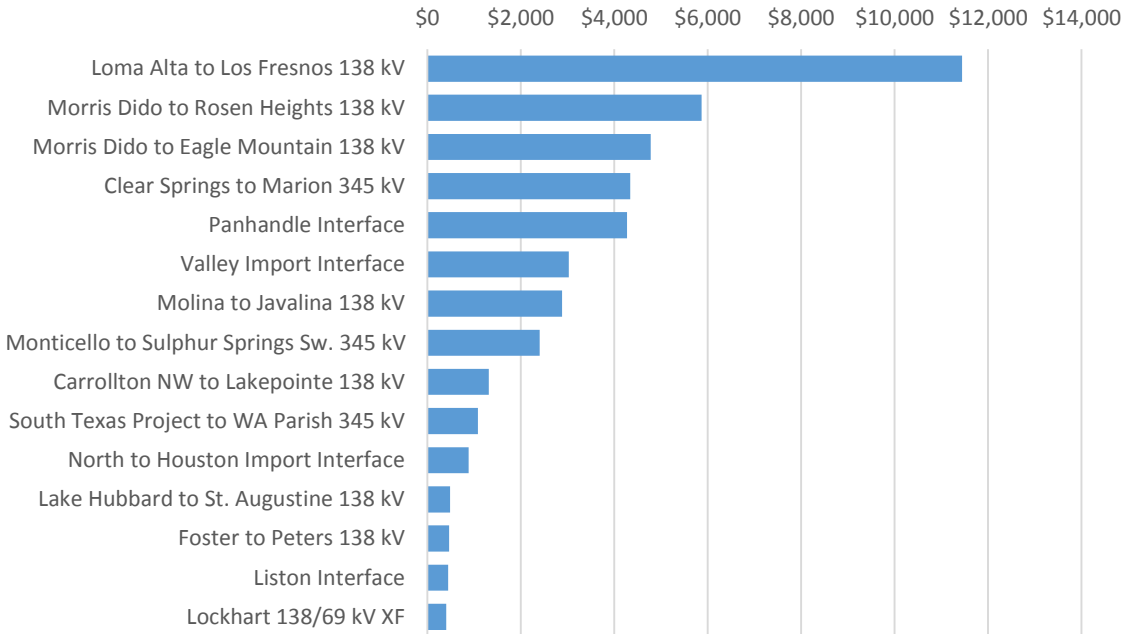
**Mar. 31** – This day had the highest RT price spike of the month. RTHA Price at HB\_SOUTH reached \$840.25 and \$699.56 in hours 15 and 17 respectively. In hour 15 HB\_HOUSTON RTHA price was above \$682 while HB\_NORTH and HB\_WEST were both above \$375. In hour 17 all other hubs were above \$545. On this day, System Lambda reached its highest value for the month at \$1,494.15 for one interval during hour 15. The RTORPA reached a daily maximum of \$25.41 during hour 17 on this day.

**Plot of Daily Volatility Indices (SD/mean) by Hub - March 2016**  
(Real-Time Hourly Average Prices)

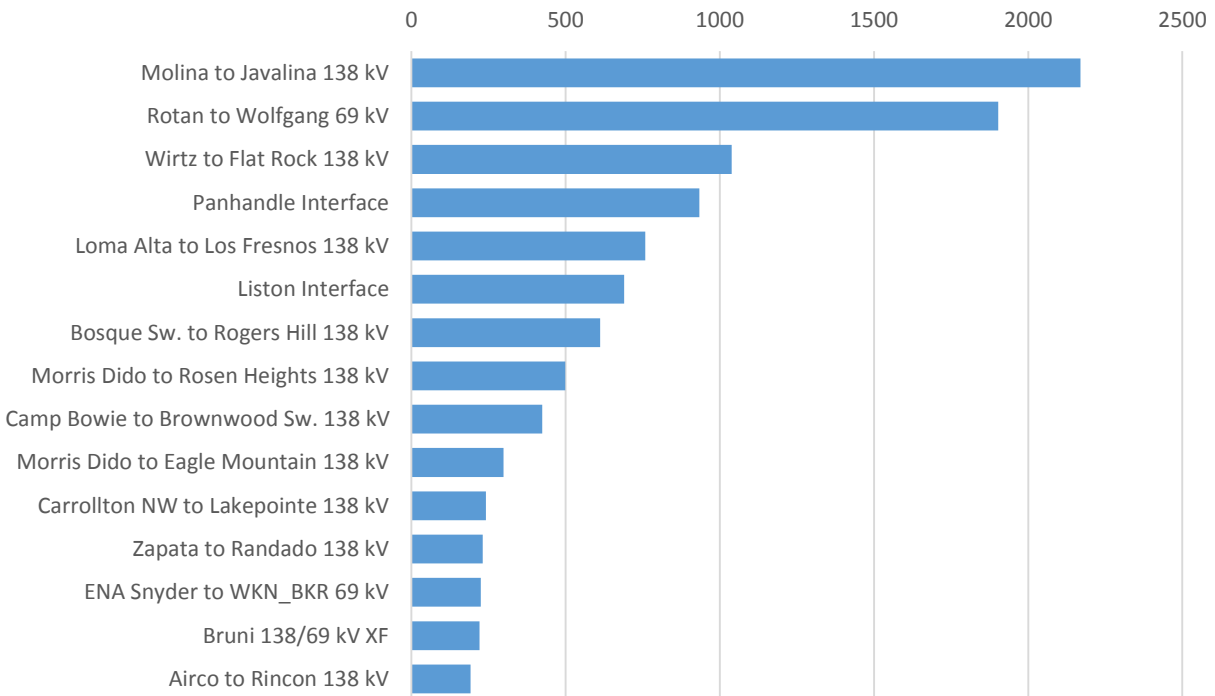


**MARCH REALTIME MARKET CONGESTION REPORT**

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



**March 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](mailto:julie.chien@energyonline.com)

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