



Item 4.1: CEO Update

H.B. "Trip" Doggett

President & Chief Executive Officer

Board of Directors Meeting

ERCOT Public

May 14, 2013

Financial Performance (Updated through April)

YTD Budget vs. Actual Performance: \$0.3 Million Unfavorable

Revenues \$1.3M unfavorable system administration fees

Expenses \$0.9M favorable hardware & software maintenance & licensing
\$0.8M favorable facility & equipment cost
\$0.6M favorable revenue funded project expenditures
\$1.0M unfavorable salaries and related benefits
\$0.5M unfavorable outside services

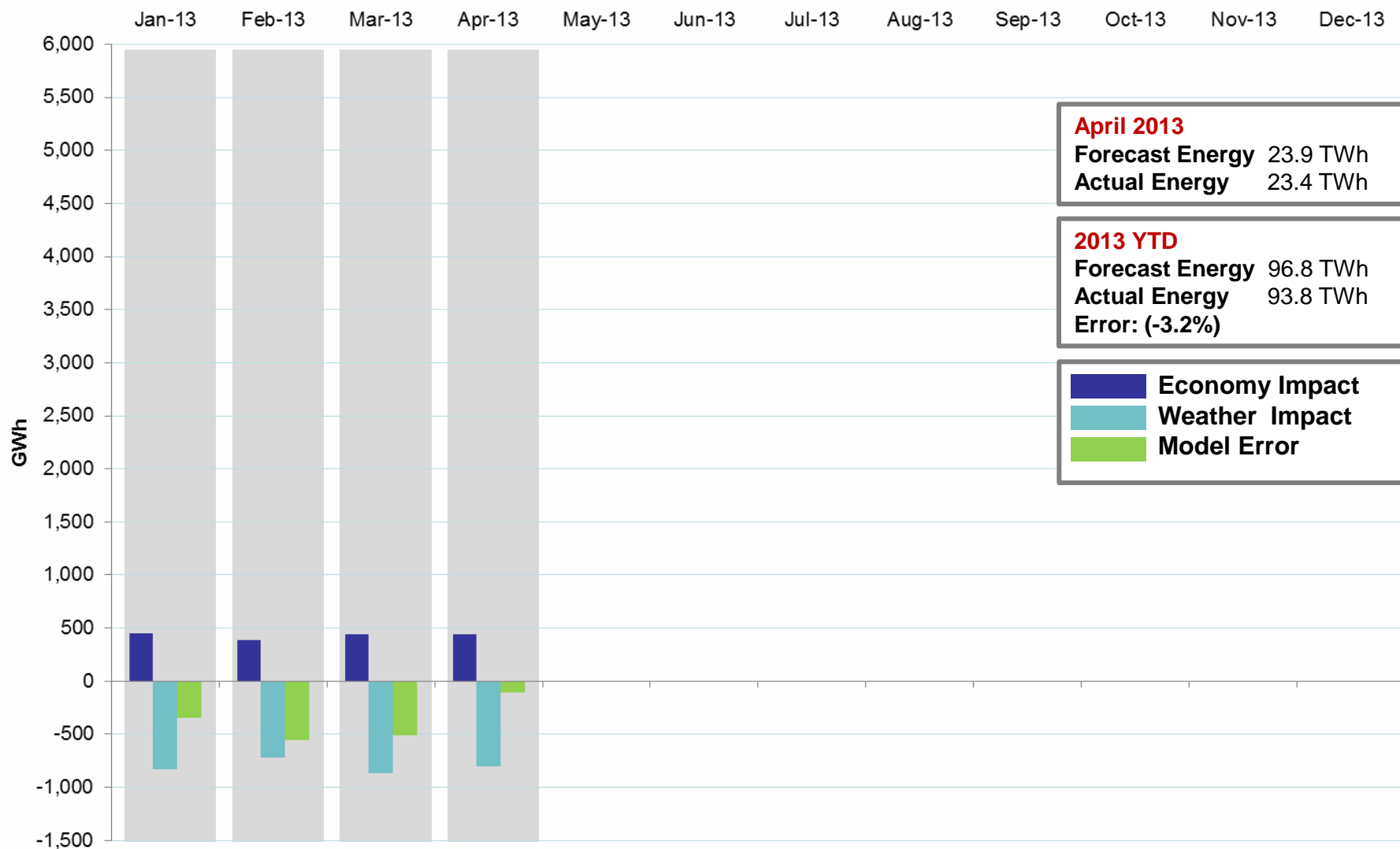
Financial Performance (Updated through April)

Year-End Performance Forecast: \$0.1 Million Favorable

Revenues No remarkable variance

Expenses \$0.9M favorable facility and equipment cost
\$0.6M unfavorable outside services
\$0.3M unfavorable other expenses

Impacts of Economy & Weather – 2013



April 2013
Forecast Energy 23.9 TWh
Actual Energy 23.4 TWh

2013 YTD
Forecast Energy 96.8 TWh
Actual Energy 93.8 TWh
Error: (-3.2%)

Economy Impact
Weather Impact
Model Error



2013 Summer SARA (Final)

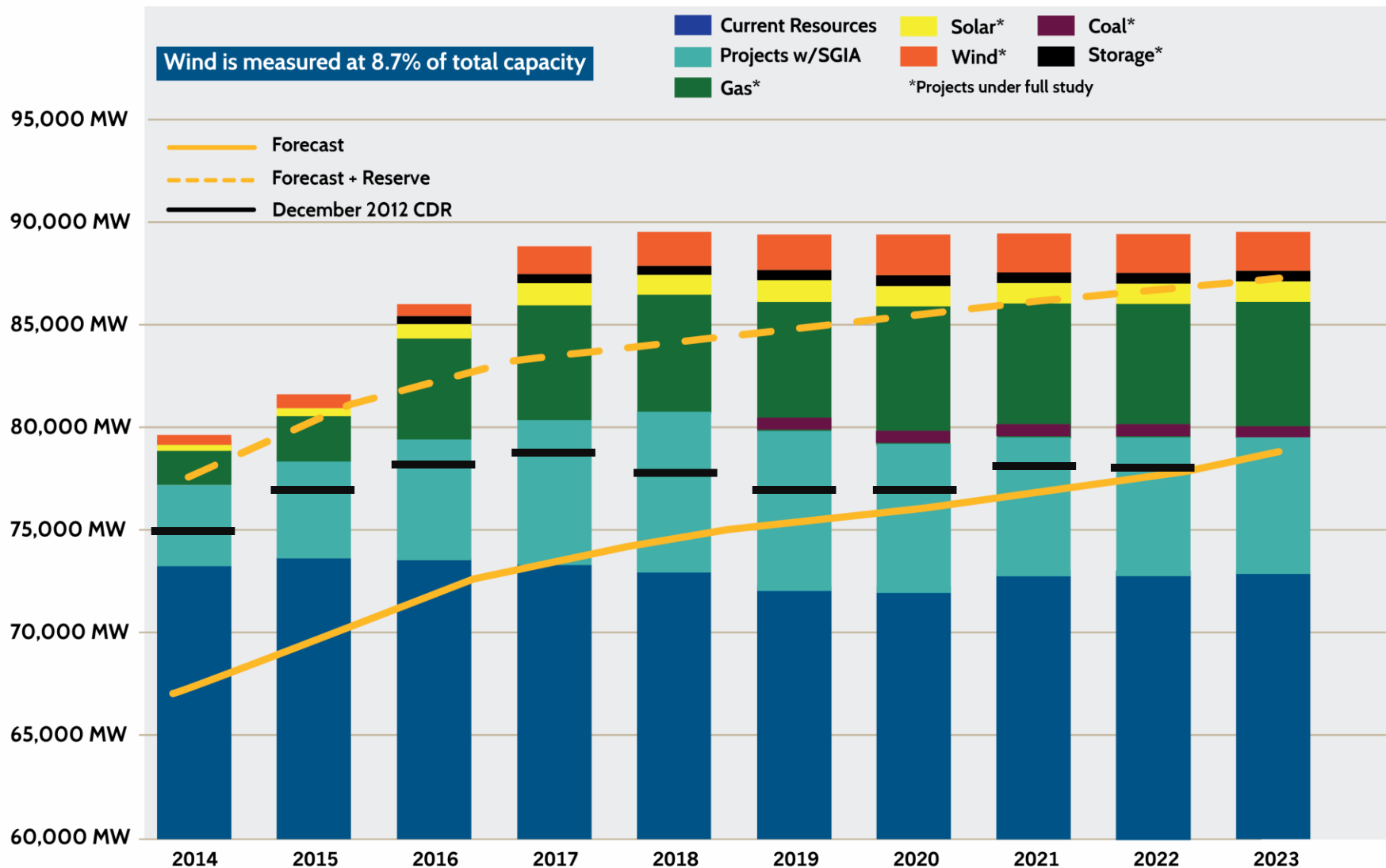
Item	Summer 2013	Forecasted Season Peak Load	Extreme Load/Typical Generation Outages	Extreme Load/Extreme Generation Outages
1	Total Resources	74,438		
2	Peak Demand	68,383		
3	Uses of Reserve Capacity	3,109	5,638	7,329
4	Capacity Available for Operating Reserves* (1-2-3)	2,946	417	-1,274

- Significant chance that ERCOT will need to issue Energy Emergency Alerts and appeal to consumers to reduce their energy use on some days
- Summer peak forecast based on August 2012 weather and Moody's April 2013 update
- Prolonged heat waves like those in 2011 are not expected
- Drought conditions are not expected to create problems for power plant operations over the summer months

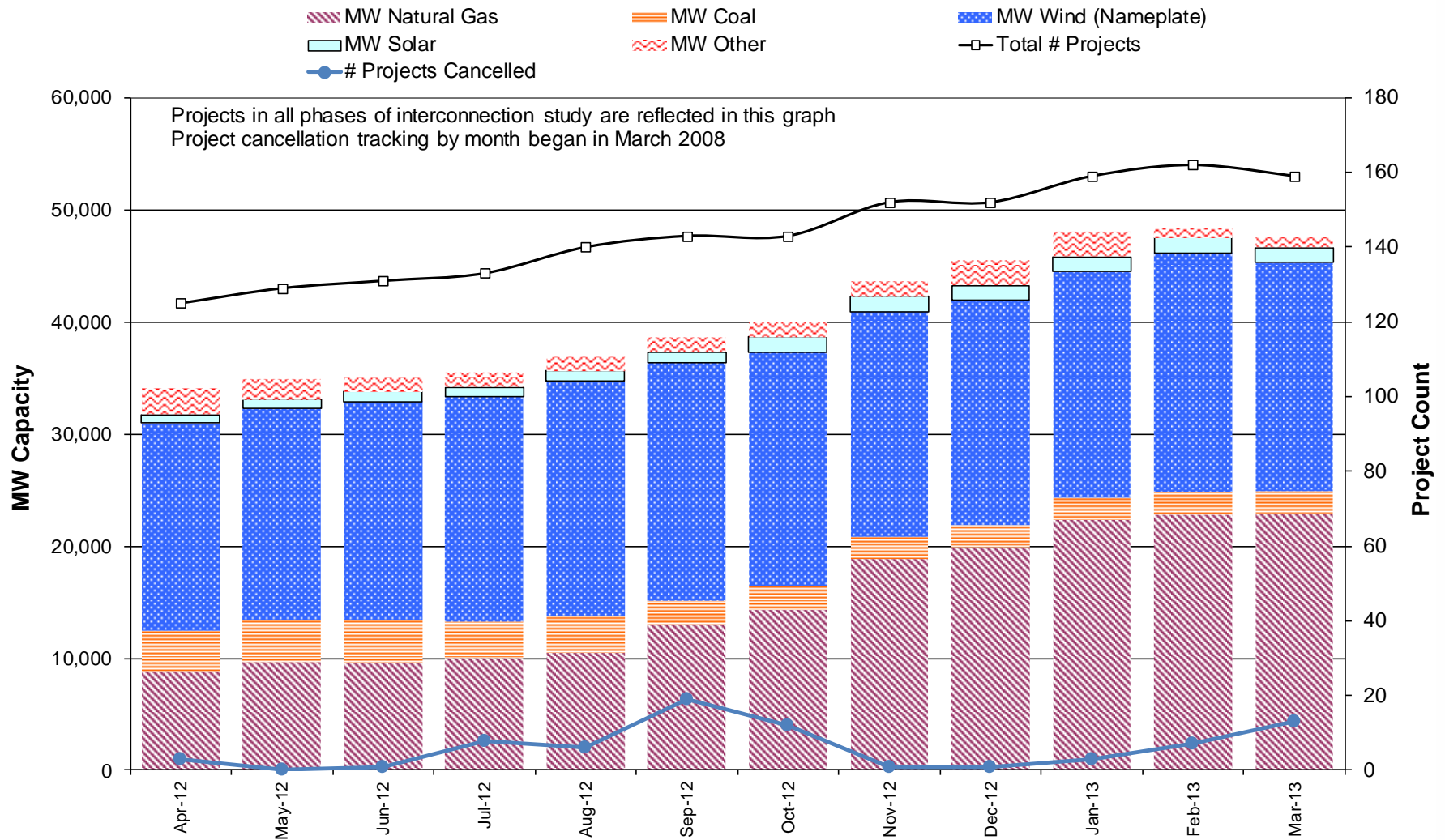
*Less than 2300MW indicates risk of EEA1



May 2013 Capacity, Demand and Reserves Report (CDR)



Generation Interconnection Activity by Fuel



Business Integration Update



Successfully implemented Release 2, April 20-25, 2013

- Included 171 changes across major application areas
- Implemented 1 NRRR
 - NRRR 456 (Clarification of Definition of Electrically Similar Settlement Points and Heuristic Pricing Posting)
- Improvements to key areas included
 - Generation Seasonal Testing Interface
 - Market Management System
 - Energy Management system
 - Market Data Transparency

Successfully implemented 2 off-cycle changes on April 1, 2013

- CRR System Upgrade
- NRRR463, CRR Auction Structure Enhancements (Rolling Auction)

2013 Operations Training Seminar

- **675 attendees from Transmission, Generation, TRE & ERCOT**
- **Six regular weekly sessions beginning the week of March 25th**
- **Each session consists of four days of training (Mon – Thu)**
- **NERC Certified Operators:**
 - 17 Continuing Education Hours (CEH) available to QSEs, Generator Owners (GOs) and Generator Operators (GOPs)
 - 17.5 CEH available to Transmission Owners (TOs)

Topics included

- Demand Response
- Preparing for Emergencies
- NERC Communications Standards
- Congestion Management Actions
- STP Nuclear Operations: Black Start and Voltage Requirements
- Lessons Learned from the SW Pacific Blackout Event
- Notrees Battery Operation and Fast Responding Regulation Service
- CREZ Updates
- Summer 2013 Assessment and ERCOT Operations Update



Telly Award-winning Public Service Announcements (PSAs)

The Telly Awards



- PSAs developed in 2012 for PUC and ERCOT received Telly Awards, which recognize the best local, regional, and cable television commercials and programs, as well as the finest video and film productions, and work created for the Web.
- **Fanfare:** Silver Telly for 30-second TV spot, public service category
- **Dizzy:** Bronze Telly for 30-second TV spot, public service category

Building a Culture of Health and Well-being

The American Heart Association
is proud to recognize

ERCOT Wellness Commitee

Worksite Name

for promoting employee
health and fitness



This workplace has been recognized by the American Heart Association for meeting criteria for employee wellness.

heart.org/fitfriendly

©2015, American Heart Association. Also known as the Heart Fund. 2H15066635