

## ANOTHER APRIL DAY, ANOTHER ERCOT WARNING ABOUT INADEQUATE SUPPLY \*

With roughly 25% of the Texas power grid's generating units offline for maintenance, grid managers at the Electric Reliability Council of Texas (ERCOT) once again expressed concerns about tight electricity supply on Wednesday. But ERCOT officials stopped short of issuing another emergency warning and asking Texans to conserve power as they did on Tuesday, an act that shocked electricity users who are not used to seeing such warnings on mild spring days in April.

"We may see tight grid conditions due to the large number of generators out of service for planned and forced maintenance combined with low wind and solar output forecasted for today," said ERCOT Vice President of Grid Planning and Operations Woody Rickerson in a release. "Additionally, we're seeing some risk in the Rio Grande Valley due to the forced outage of a generating unit in the area."

An email from Rob Allerman, Senior Director Power Analytics at Enverus, provided more details into what was taking place: "Enverus is seeing another day (similar to yesterday) in Texas where the risk for blackouts are possible due to power supply issues. However, what is also driving this shortage is the amount of units that are off-line due to units winterizing. The reported telemetered outages today is 21.1 GW where normally we would be measuring around 14.5 GW of outages in ERCOT for April."

Intermittent forms of energy - i.e., wind and solar - providing well below their expected loads for this time of year. Wind provided roughly 60% of what ERCOT projected it would supply, while Solar provided only a little more than half of its expected supply. Why? Because the wind didn't blow as much and the sun didn't shine as much as ERCOT's models anticipated they would.

As I've detailed previously, the root cause of this issue is that the reserve capacity margin on the Texas grid is simply too slim. Since 2010, Texas has only seen the new construction of just 2 gigawatts of baseload reserve capacity as wind and solar capacity on the grid have exploded. During those same ten years, the state has seen the decommissioning of half a dozen big capacity coal-fired plants. The result has been a net-negative change in baseload supply during a time in which the state's population has expanded by 20%.

The solution is clear: Texas policymakers must reform this broken system in order to ensure more reserve baseload capacity is built, and existing plants are weatherized. As NBC5 in Dallas reported on Wednesday, the Texas grid currently operates with about a

\* "Another April Day, Another ERCOT Warning About Inadequate Supply", [Forbes](#)

5% capacity margin. Other, more highly-regulated states operate with margins that are 3-4 times that amount, in order to protect against extreme changes in weather that can dramatically increase demand for power.

University of Houston energy expert Ed Hirs told NBC5 that "The main thing is we're paying for an electricity grid that's broken. We're going to have to spend some money. And since this is the Texas grid, it's a Texas problem." Hirs was especially critical of the ability of power generators to charge such exorbitant rates during times of crisis. "They failed to deliver what the contract that is for cheap, reliable electricity. And on top of that then they get to price gouge. You know, something's wrong with this market."

Another increasingly obvious question the legislature and regulators should address is how the grid will be managed going forward, and by whom. Two straight days of warnings about capacity shortages in the middle of April raises legitimate questions about ERCOT's ongoing competence to manage the mess of a grid its leadership did so much to create.

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