



Texas power demand breaking records during heat wave -ERCOT

by Reuters

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July 17 (Reuters) - Texas homes and businesses set a power consumption record for July on Monday and are expected to break the all-time peak over the next week as consumers crank up their air conditioners to escape a brutal heat wave, according to the operator of most of the state's power grid.

To keep air conditioners humming, Texas utilities bought electricity from all sources, boosting power prices to their highest since the winter heating season in January.

The Electric Reliability Council of Texas (ERCOT) said demand reached 70,587 megawatts on Monday, topping the 69,647 MW record for the month set on July 3. One megawatt can power about 1,000 U.S. homes.

Monday's peak was shy of the grid's all-time high of 71,110 MW in August 2016 and ERCOT's forecast high of 72,756 MW for this summer, but that is not expected to last long.

"We did not issue any conservation alerts or emergencies yesterday ... So far, the system is performing as expected," ERCOT spokeswoman Theresa Gage said in an email.

ERCOT predicted peak demand would break Monday's high every day over the next week, including Saturday and Sunday, when usage usually falls as businesses close for the weekend.

High temperatures in Houston, the are expected to reach 97-100 degrees Fahrenheit (36-38 Celsius) every day through July 25, according to AccuWeather.

The normal high in Houston, the fourth-largest U.S. city, at this time of year is 94-95 degrees F.

ERCOT forecast usage would reach an all-time high of 72,054 MW on Tuesday, followed by 73,411 MW on Wednesday, 74,685 MW on Thursday, 74,405 MW on Friday, 72,169 MW on Saturday, 72,124 MW on Sunday, 75,043 MW on July 23 and 74,510 MW on July 24.

Power prices in the ERCOT North hub jumped to \$167.50 per megawatt-hour on Monday, their highest since January, when prices reached \$305 during a cold snap. That compares with an average of \$36.19 so far this year and \$26.67 in 2017.

Despite the retirement of three big coal plants in early 2018, ERCOT said it expects to have sufficient operational tools to manage tight reserves and maintain system reliability this summer.

Those tools include using a previously mothballed power plant, imports from other regions, consumer conservation and demand response efforts, which compensate consumers for cutting electric usage.

ERCOT manages the flow of electric power to 24 million Texas customers, representing about 90 percent of the state's electric load.

(Reporting by Scott DiSavino; Editing by Steve Orlofsky)