

Media Release

Resources Sufficient to Meet Summer Peak Demand in Most Areas, NERC Finds

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ATLANTA – Projected resources are at or above the levels needed to satisfy summer peak demand under anticipated weather in most assessment areas, NERC’s [2019 Summer Reliability Assessment](#) finds. However, resource adequacy challenges in Texas, potential limits on natural gas supplies in Southern California and wildfire risk in Northern California increase the likelihood of grid emergency procedures this summer.

The assessment concludes that planning reserve margins — a key metric that helps evaluate the potential for resource deficiencies — in most areas of North America indicate that bulk power system owners and operators can manage their reliability risk effectively. The risks to seasonal reliability include higher-than-expected generation or transmission outages and higher-than-expected electricity demand, though many areas have enough resources to serve even these very extreme conditions.

“The landscape for summer 2019 looks similar to 2018 with more than enough anticipated resources and reserves to assure the reliable operation of the bulk power system in most assessment areas,” said John Moura, director of Reliability Assessment and Technical Committees. “As the transformation of the resource mix continues, the real-time operation of the system in all seasons presents opportunities and challenges in managing assets with a diverse set of operating characteristics.”

The assessment’s key findings include:

- ERCOT anticipates Energy Emergency Alerts may be needed to address resource shortfalls during periods of peak demand because its anticipated summer reserve margin remains low and has dropped from 10.9 percent in 2018 to 8.5 percent in 2019.

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- All other areas exceed reference margin levels and have sufficient electricity supply resources for anticipated conditions.
- Natural gas supply from interstate natural gas supply pipelines alone is assessed to be insufficient to meet the needs of electric generators on summer peak load days in Southern California. As a result, withdrawals from the Aliso Canyon natural gas storage facility would be necessary to ensure adequate fuel for area generators.
- In the California Independent System Operator (CAISO) area, shortages in resources with upward ramping capability create the potential for operational risks during peak load periods. Electric supply transfers from neighboring areas may be needed to maintain reliability during late afternoon as solar generation output decreases while system demand is high.
- Elevated risk for wildfires in western United States and parts of Canada poses localized risk to bulk power system reliability. In some areas, pre-season planning includes expanded public safety power shut-off programs in addition to maintenance and operational preparations.

NERC develops its independent assessments to identify potential bulk power system reliability risks. NERC coordinates its independent assessments with the Regional Entities and industry to inform decision-makers so they can be better prepared to assure the reliability and security of the bulk power system across North America.

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The vision for the Electric Reliability Organization (ERO) Enterprise, which is comprised of the North American Electric Reliability Corporation (NERC) and the seven Regional Entities (REs), is a highly reliable and secure North American bulk power system (BPS). Our mission is to assure the effective and efficient reduction of risks to the reliability and security of the grid.