

Macro Roundup Article

Headline: [2023 Long-Term Reliability Assessment](#)

Article Link: https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_LTRA_2023.pdf

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Tweet: A study from the North American Electric Reliability Corporation reports that the US and Canada will likely soon face a risk of significant shortfall of electrical generation in the face of increased demand, particularly during severe weather conditions.

Summary: Capacity deficits are projected [over the next 10 years] in areas where future generator retirements are expected before enough replacement resources are in service to meet rising demand forecasts. Energy risks are projected in areas where the future resource mix could fail to deliver the necessary supply of electricity under energy-constrained conditions. For example, subfreezing temperatures can create energy-limiting conditions by disrupting the natural gas fuel supplies to generators, leading to fuel-related derates or outages and potentially insufficient electricity supply. Electricity peak demand and energy growth forecasts over the 10-year assessment period are higher than at any point in the past decade. Since the 2022 LTRA, peak season CAGR has risen in nearly all assessment areas, contributing to an overall trend to lower reserve margins. Some of the sharpest peak demand forecast increases and growth rates can be seen in winter seasons as heating system and transportation electrification influence forecasts. Related: Elon Musk's Latest Mission: Rev Up the Electricity Industry and Electricity Grids and Secure Energy Transitions and Gridlock: How a Lack of Power Lines Will Delay the Age of Renewables

Primary Topic: Investment

Topics: Energy, Investment, Other Source, Productivity

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