

## Western Area Power Administration (WAPA)

### Treatment of Behind the Meter Generation For Transmission System Network Service Customers and Ancillary Service Customers

This Business Practice documents Western Area Power Administration's (WAPA) policy requirements under WAPA's Open Access Transmission Tariff (OATT) for generation located on the system behind a revenue meter used for network loads that are included in the determination of the coincident peak and load ratio share for Network Integration Transmission Service (NITS), or behind a customer meter used for calculation of load within a WAPA Balancing Authority Area<sup>1</sup> that is subject to applicable ancillary service charges. Such generation that is accounted for in the NITS charges and load based ancillary service charges under WAPA's OATT is hereinafter referred to as "Behind-the-Meter-Generation".

The Federal Energy Regulatory Commission (FERC) has provided general direction for accounting for such generation, to assure equitable distribution of NITS charges. Based upon FERC's direction, such generation that is on-line during a transmission system peak should not lower the network customer's bill, because all network customers must collectively pay for a system that would provide for the customer's entire energy needs in the event the generation is not available.

The requirements and treatment of Behind-the-Meter-Generation for NITS and load based ancillary service charges under WAPA's OATT are as follows:

1. All Behind-the-Meter-Generation shall be metered.
2. The NITS charges under WAPA's OATT will be calculated by:
  - a. ADDING the metered value of the Behind-the-Meter-Generation that is on-line and producing real power at the time of transmission system peak usage to the metered network load; **OR**
  - b. ADDING the total installed capacity of the Behind-the-Meter-Generation to the metered network load in the event that the required generation metering is not available, regardless of the operational status of the generation at the time of

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<sup>1</sup> The term Balancing Authority Area utilized herein includes both a Balancing Authority Area and a Sub-Balancing Authority Area, as applicable.

the transmission system peak usage.

3. The load based ancillary service charges under WAPA's OATT will be calculated by:
  - a. ADDING the metered value(s) of the Behind-the-Meter-Generation that is on-line and producing real power at the time(s) of required billing measurement(s) to the corresponding metered load value(s) for loads within a WAPA Balancing Authority Area; **OR**
  - b. ADDING the total installed capacity of the Behind-the-Meter-Generation to the metered load in the event that the required generation metering is not available, regardless of the operational status of the generation at the time(s) of the required billing measurement(s).

Behind-the-Meter-Generation shall include all generation located on the system behind a revenue meter used for network loads or behind the customer meter that is used for calculation of load within a WAPA Balancing Authority Area, with the following exceptions:

1. Generation sources that have a total installed capacity of less than 150 kW; provided there are not multiple units of a size less than 150 kW at the same substation where the combined capacity is greater than 150 kW.
2. Generation sources that only operate isolated from the transmission system. Such generation only runs when the load is disconnected from the interconnected grid.

To implement this Business Practice, WAPA has established the following metering requirements for generation interconnected to WAPA's transmission system or located within a WAPA Balancing Authority Area:

1. The applicable generation shall be equipped with interval metering equipment that is compatible with the applicable WAPA Region's power billing equipment.
2. All metering equipment will meet the technical and functional requirements in the *WAPA Meter Policy*.
3. WAPA requires remote access to interrogate the meter or access to the interval data, in a format or communication protocol approved by WAPA.

The network or ancillary service customer has the responsibility to ensure installation of required metering equipment.