

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

This policy documents the requirements for generation located on a customer's system beyond a revenue meter used for loads which are included in the determination of the coincident peak and load ratio share for network transmission service via the Transmission System (TS). The Federal Energy Regulatory Commission has set these requirements, to assure equitable distribution of Network Integration Transmission Service (NITS) charges. Behind the meter 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. All generation that is behind the meter of a designated network load ("behind the meter generation") shall be metered. The NITS service charges will be calculated based on the following:

The generation behind the designated NITS load(s) is on-line and is serving load at the time of Transmission System peak;

The customer NITS load is determined by using the rolling average of the 12 month Coincident-Peak (12-CP) at the time of transmission system peak; and is calculated as:

The amount delivered from the transmission system PLUS the generation level behind the meter, MINUS metered delivery back into the transmission system.

This requirement applies to all generation except:

- Generation sources that have a total installed capacity of less than 150 kW. Multiple units of a size less than 150 kW at the same substation, but their combined capacity is greater than 150 kW, are not exempt from this policy.
- Generation sources that only run isolated from the transmission system. The generator will be exempt from this policy if the generator only runs when the load is disconnected from the interconnected grid including generation sources dispatched for use with load management systems.

To implement this policy, Western has established the following requirements:

- The applicable generation shall be equipped with interval metering equipment that is compatible with the applicable Western Area Power Administration regional power billing equipment. All metering equipment will meet the technical and functional requirements in the Western Area Power Administration Regional Meter Policy. Western Area Power Administration will remotely interrogate the meter.

- The network transmission customer has the responsibility to ensure installation of required metering equipment. If the required metering is not available, the customer's load ratio share and the transmission system coincident peak will be calculated as if the generation was in service at full load.
- All generation sites of 10 Megawatts or larger, and all generation (regardless of size) that is accredited within the Western Electricity Coordinating Council or the Mid-Continent Area Power Pool, shall have sufficient equipment installed to provide continuous real time monitoring to the appropriate Western Area Power Administration regional control center.

Approved by the Power Systems Operations Council on February 22, 2007  
Darren Buck Chair