

DISTRIBUTED GENERATION MENU OF SERVICES

B. SUPPLY SERVICES

1. Backup Services

~~2.~~Scheduled Maintenance – Energy or energy and capacity reserved by the customer or supplied by the utility during scheduled maintenance of the customer’s non-utility source of electric energy ~~supply.~~

a) supply.

b) ~~Unscheduled Outages – Energy or energy and capacity reserved by the customer or supplied by the utility during unscheduled outages of the customer’s non-utility source of electric energy supply.~~

c) ~~Supplemental Service – Energy or energy and capacity reserved by the customer or supplied by the utility to supplement the variable output characteristics of the customer’s non-utility source of electric energy supply. This is intended to provide energy or energy and capacity to complete the customer’s energy production needs during normal operation and is not intended to be the energy or energy and capacity that is needed by the customer’s non-utility source of electric energy supply during full or partial scheduled or unscheduled outage periods.~~

~~5.~~Residual Retail Service— Capacity and energy reserved by the customer or supplied by the utility to a customer site that is above the capability of the customer’s non-utility source of electric energy supply.

~~6.~~Economic Dispatch Service – Capacity and energy reserved by the customer or supplied by the utility to the customer’s non-utility source of electric energy supply operating in an economic dispatch ~~mode.~~

d) mode.

2. Station Power

Energy consumed by a generation facility (or by equipment or facilities located at the site of such generation facility) and used in the operation, maintenance, or repair of such

generation facility, regardless of whether the facility is operating when the station power is consumed.

- a) Net Metering of Station Power is permitted for any size facility and over a “reasonable” time period (FERC Order in Dockets ER00-3513-000, EL99-86-000 & EL00-113-000). FERC approved use of one month as a reasonable time period in Docket EL-01-50-000.
- b) Wheeling of Station Power is permitted when a generator “is self-supplying station use power from ... remote generating resources, since in those circumstances, there is no energy sale” even though the end use load may at times be considered retail (lights, fans, motors, heat, etc.) in nature.
- c) When a generator is not supplying itself either from on-site or remote generating resources, the FERC is “unconvinced that the third-party supply of Station Power is something other than sale for end use [retail supply]”. Thus if a generator can not supply themselves and is for some reason unable to meet a reasonable net metering time period, the supply of Station Power falls under state retail requirements (service territory and rates of Backup Supply).

3. Residual Retail Service

- e) Capacity and energy reserved by the customer or supplied by the utility to a customer site that is above the capability of the customer’s non-utility source of electric energy supply.

4. Net Metering

The process by which a generator may net its on-site power requirements against the generating facility’s gross output whenever the generating facility’s gross output exceeds or equals its on-site power requirements, that is, when the generator is self-supplying its on-site power requirements.

- a) Many State Commissions have allowed retail load to be Net Metered for small generation facilities.

- b) Recent FERC orders permit Net Metering for any size facility for Station Power.
- c) The challenge for Net Metering issues is to separate Station Power for which FERC treatment applies from on-site retail power requirements for which State treatment applies.