

Gross Load Billing – Tx Connection Charges re Incremental Generation



Background

◆ Sir Adam Beck, 1922

"We have been in business since 1906, and we have been pleasing and displeasing the public ever since. We have been cussed and discussed, boycotted and investigated, talked about, lied about, hung up, held up and robbed. The only reason we are staying in business is to see what happens next."

Gross Load Billing – Tx Connection Charges

➤ Tx Rate Order specifies application of Gross Load Billing (GLB) of Tx Connection charges

“The Billing Demand for Line and Transformation Connection Services is defined as the Non-Coincident Peak demand (MW) in any hour of the month. The customer demand in any hour is the sum of (a) the loss-adjusted demand supplied from the transmission system plus (b) the demand that is supplied by embedded generation for which the required government approvals are obtained after October 30, 1998 and which have installed capacity of 2MW or more for renewable generation and 1 MW or higher for non-renewable generation. The term renewable generation refers to a facility that generates electricity from the following sources: wind, solar, Biomass, Bio-oil, Bio-gas, landfill gas, or water. The demand supplied by embedded generation will not be adjusted for losses.”

Transmission Customer Requirements

“The Transmission Customers shall ensure conformance of Registered Wholesale Meters in accordance with Chapter 6 of Market Rules, including Metering Registry obligations, with respect to metering installations for embedded generation that is located behind the metering installation that measures the net demand taken from the transmission system”

IESO Market Rules – Embedded Generation

4.5 Alternative Metering Installation Standards for Embedded Generation Facilities

4.5.1 A *transmission customer* that has an *embedded generation facility* that:

- 4.5.1.1 is not separately registered as a *generation facility* in the *IESO-administered markets*;
- 4.5.1.2 is rated at greater than or equal to 1 MW and less than 20 MW;
- 4.5.1.3 meets the applicable Ontario Transmission Rate Schedule requirements with respect to the *transmission delivery point* through which the *generation facility* is connected to the *transmission system* and attracts Line or Transformation Connection Service charges; and
- 4.5.1.4 the applicable required approvals for the *embedded generation facility* were obtained after October 30, 1998;

shall either comply with the *metering installation* standards specified elsewhere in this Chapter 6 or with the *metering installation* standards specified in this section 4.5 for that *embedded generation facility*.

Issues

- **Rate order and Market Rules were intended to deal with situations where new generation was added where none existed previously**
- **Addition of incremental capacity at an existing generation facility was not contemplated**
- **Market Rules do not allow use of alternative metering standard with generation facilities that are registered market participants**
 - **Embedded generation that are registered market participants**

Potential Changes

- **Market Rule amendment to delete or modify 4.5.1.1**
- **Market Rule wording changes to remove direct reference to Transmission Rate Schedule**
- **Review / update settlement principles for embedded generators in market manuals**
- **Submission to IESO Technical Panel for October 20 meeting**