

# Large Load Additions Non-Binding Guidelines<sup>1</sup>

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## I. Need, Scope, and Load Characteristics

The proposed load addition needs to be clearly defined as to:

- Maximum demand (MW)
- Annual energy consumption (MWh)
- Load factor and operating profile
- Coincident peak contribution
- Expected ramp schedule

The load profile needs to be evaluated under:

- Peak and off-peak conditions
  - Seasonal extremes
  - Abnormal system stress scenarios
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## II. Resource Adequacy & Capacity

The utility needs to provide sufficient firm, deliverable capacity that exists or will be constructed to serve the load without impairing system reliability.

The utility needs to show:

- Capacity accreditation reflects actual availability during system peak
  - Deliverability constraints have been evaluated
  - Capacity resources are aligned temporally and geographically with the load
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## III. Transmission & Interconnection

The utility needs to identify all required transmission upgrades that need to be constructed or have their planned construction accelerated due to the new load.

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<sup>1</sup> NOTE-These guidelines are intended to ensure a utility is addressing known areas of concern for the Commission; while non-binding, failure to adequately address these concerns is a risk on the utility.

The utility needs to demonstrate:

- Network and interconnection costs caused by the load are fully assigned to the load
- No material transmission costs are shifted to existing customers that they otherwise might not bear or for which they do not receive commensurate benefits.
- Upgrade timelines are consistent with the load ramp

The utility needs to demonstrate that queue priority and interconnection treatment are consistent with tariff requirements and do not disadvantage existing customers.

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## **IV. Stranded Asset & Exit Risk**

The utility needs to demonstrate reasonable protections exist against stranded generation, transmission, and fuel infrastructure.

The Utility needs to demonstrate that:

- Contract terms align with asset lives
  - Excess generation at end of contract can be economically used by remaining load, or
  - Adequate financial security (including corporate guarantees) is in place to prevent ratepayers from paying for unneeded generation
  - Partial load reductions
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## **V. Rate Design & Cost Recovery**

The Utility needs to demonstrate that rates and other financial terms applicable to the load:

- Recover the full incremental revenue requirement of all generation and transmission and ancillary assets needed to serve the load
  - Avoid cross-subsidization by existing customers
  - Ensure that other customers will not be impacted from an early termination
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## **VI. Operational Control & Curtailment**

The utility needs to retain sufficient operational control to maintain system reliability, including a right of curtailment if judged necessary to meet this requirement.

The utility needs to demonstrate:

- Curtailment rights, to the extent there are any, are contractually enforceable
  - Priority of service during emergencies is clearly defined
  - Compensation for curtailment, if any, is pre-approved and transparent
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## **VII. Ancillary Services & Power Quality**

The utility needs to demonstrate that the load's impacts on the following have been identified and mitigated at the load's expense:

- Frequency regulation
  - Voltage support
  - Power quality
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## **VIII. Fuel Supply & Infrastructure Risk**

The utility needs to demonstrate that fuel supply arrangements supporting new generation are adequate under peak and contingency conditions and that fuel deliverability risks are not shifted to other customers.

The utility needs to address any incremental costs related to fuel deliverability such as pipeline upgrades, firm transport or storage.

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## **IX. Load Ramp Management**

The utility needs to demonstrate that the load ramp schedule:

- Is coordinated with resource and transmission availability
  - Includes enforceable milestones
  - Prevents interim reliability degradation
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## **X. Market & Planning Impacts**

The utility needs to demonstrate that the load's impact on the following has been evaluated:

- Resource adequacy obligations
  - Capacity markets (if applicable)
  - Long-term system planning
  - Impacts on energy markets and FAC pricing
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## **XI. Environmental & Local Impacts**

Utility needs to demonstrate that environmental and local system impacts associated with the utility serving the load have been identified, and to the extent mitigation is required, a mitigation plan is developed and that compliance costs are appropriately assigned.

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## **XII. Ongoing Oversight**

The utility needs to propose ongoing reporting requirements, including:

- Contract compliance / milestone status
- Actual load versus forecast
- Resource and transmission status
- Cost recovery performance