RMI | ADVANCED ENERGY UNITED™

Large Load Tariff Design Principles

Customer Eligibility

The tariff should be non-discriminatory, should encourage participation from a diversity of large-load customers with different load shapes and geographic footprints, and should focus on load characteristics such as minimum demand or load factor.

Cost Allocation

The cost allocation methodology should fairly allocate costs among customer classes, ensuring that each customer class is paying its full cost of service.

Cost Control

The tariff should include price signals or other terms that encourage optimal siting, utility operational behavior, and customer behavior to unlock efficiencies both within the existing grid and as utilities invest in new infrastructure.

Ratepayer Protections

The tariff should include ratepayer protections to reduce risk to other customer classes if the load either fails to materialize or comes online more rapidly than anticipated. This can be done through contract minimums, term lengths, collateral, load ramps, exit fees, capacity reassignment terms, and more.

Eligible Resources

The tariff should specify the resource characteristics that large-load customers are seeking, including generation, transmission, and distribution resources that are sourced or supported via utility procurements, bilateral or trilateral contracting, behind-the-meter and front-of-meter co-location arrangements, or other sourcing processes.

Grid Flexibility

The tariff should consider options for investments in programs that can create headroom on the transmission and distribution system to lower the cost and increase the speed of connecting new loads. These can include energy efficiency, demand response, grid-enhancing technologies, and demand flexibility programs that deliver broader grid benefits.

As tariff design continues to evolve and innovate, RMI and Advanced Energy United are committed to developing further resources to complement these principles.

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Alignment with Grid Planning

The tariff should align with robust and transparent grid planning processes. This includes striving to ensure that eligible resources sourced or supported via the tariff are evaluated in long-term planning or similar dockets to determine whether they provide optimal system benefits and align with existing public policy goals impacting the grid. This includes ensuring the risk minimization measures in the tariff are evaluated and optimized in load forecasting processes.

Emissions Impact Assessment

When sourcing to support new large loads, either via the terms of the tariff or via a separate process, there should be a methodology to ensure that the new large load does not increase net emissions over the lifetime of the load and is aligned with voluntary or regulatory reporting requirements.