

standards or guidelines of the Applicable Reliability Council, the latter shall control.

499. *Article 7.4—Testing of Metering Equipment*—Proposed LGIA Article 7.4 provided that if at any time Metering Equipment fails to register or is found to be inaccurate by more than one percent, the Transmission Provider shall correct all measurements made by the inaccurate meter.

500. *Article 7.5—Metering Data*—Proposed LGIA Article 7.5 provided that the official measurement of the amount of energy delivered from the Generating Facility to the Point of Interconnection is the metered data, which would be telemetered to one or more locations designated by the Transmission Provider and one or more locations designated by the Interconnection Customer.

Comments

501. Cal ISO and SoCal Edison argue that, in California, it is the Cal ISO Tariff that governs metering provisions. They further argue that many provisions of proposed LGIA Article 7 appear to be at odds with Cal ISO's Tariff and WECC requirements. For example, Cal ISO points out that proposed Article 7.1 appears to require metering only at the Point of Interconnection which would mean "net metering," whereas WECC requires Cal ISO to meter a generator's gross output.

502. SoCal Edison and WEPCO argue that the Transmission Provider should not be required to own the meters because owning meters carries with it some liability associated with inaccurate meter readings.

503. Dynegy comments that meters should be installed at an agreed-upon location rather than at the Point of Interconnection, and metering information should be provided in analog and digital form to no more than two locations specified by the Transmission Provider. It also proposes that check meter measurements be used when the primary meter is inaccurate, and that the Final Rule specify in more detail the cost responsibility of the Transmission Provider if it does not properly maintain the metering equipment.

504. Baker & McKenzie and Dynegy argue that proposed LGIA Article 7.2 incorrectly references Article 7.3 and should refer instead to Article 7.4. Several commenters, including Baker & McKenzie, the Bureau of Reclamation, Dynegy, and Monongahela Power, propose that language should be added to Article 7.4 to use check meters to correct the measurements read by failed or inaccurate Metering Equipment.

Baker & McKenzie proposes several editorial changes to clarify Article 7.4.

505. FirstEnergy argues that the one percent metering accuracy is very difficult to achieve and its current interconnection agreement as well as the industry standard allows for a two percent metering error. It asserts that the provision should be changed to allow for a metering error of two percent. Monongahela Power argues that the allowed metering error should be 1.5 percent.

506. Several commenters including EEI, FirstEnergy, and Southern argue that the last sentence of proposed LGIA Article 7.5 incorrectly states that "metering data [is] provided by the Interconnection Customer" because the metering data is being provided by the Transmission Provider to the Interconnection Customer.

Commission Conclusion

507. Cal ISO's concern with regard to metering being allowed only at the Point of Interconnection is misplaced. Proposed LGIA Article 7.1, which provides that "[u]nless otherwise agreed by the Parties, Transmission Provider shall install Metering Equipment at the Point of Interconnection," clearly allows Metering Equipment to be placed at an agreed upon location different from the Point of Interconnection. However, in response to Cal ISO's and SoCal Edison's concern that their metering provisions are governed by WECC requirements, we are adding the following language to Article 7.1: "Each Party shall comply with the Applicable Reliability Council requirements." The Commission does not expect that Applicable Reliability Council requirements will conflict with our provisions in Final Rule LGIA Article 7. Accordingly, we find the following language to be unneeded and are deleting it from Article 7.3 (Standards): "To the extent this Article 7 conflicts with the manuals, standards, or guidelines of the Applicable Reliability Council regarding interchange metering and transactions, the manuals, standards and guidelines of such Applicable Reliability Council shall control."

508. In response to SoCal Edison and WEPCO, we are not revising proposed LGIA Article 7.1 because the Final Rule contains the phrase "[u]nless otherwise agreed by the Parties" which allows any Party to own the meters. In response to Dynegy and Baker & McKenzie we are changing the reference in Final Rule LGIA Article 7.2 to Article 7.4. We are also adding language in Final Rule LGIA Article 7.4 for the use of check meters to correct the measurements read by

failed or inaccurate Metering Equipment. In response to FirstEnergy and Monongahela Power's argument, the Commission adopts a metering error of two percent because, as pointed out by FirstEnergy, two percent is the industry standard. Finally, we are correcting the error in the last sentence of proposed LGIA Article 7.5 noted by EEI, FirstEnergy and Southern.

509. *Article 8—Communication*—Proposed LGIA Article 8 described the operating communications and dedicated data circuits between the Parties that would be necessary and the cost and maintenance responsibility for such equipment.

510. *Article 8.1—Interconnection Customer Obligations*—Proposed LGIA Article 8.1 would have required the Interconnection Customer to maintain satisfactory operating communications with the Transmission Provider's Transmission System dispatcher or designated representatives.

Comments

511. NERC and Western recommend that a Transmission Provider be permitted to use a voice communications system that does not rely on the public telephone system.

512. Dairyland Power proposes that maintenance be performed by the Transmission Provider, in an agreed upon manner, at the Interconnection Customer's expense.

513. Cleco and FirstEnergy propose that the Interconnection Customer be responsible for the cost of maintaining any communications and computer equipment belonging to either Party, as well as the hardware and software necessary for the Transmission Provider to interface properly with the Interconnection Customer's system.

514. Progress Energy requests that the first sentence of proposed LGIA Article 8.2 be rewritten to read: "Prior to the Initial Synchronization Date of the [Generating] Facility, a remote terminal unit, or equivalent data collection and transfer equipment acceptable to both Parties shall be installed * * *"

515. The Bureau of Reclamation believes that cyber-security and data security issues should be addressed in the body of the LGIA, and not in an Appendix.

Commission Conclusion

516. The Commission concurs with the recommendations of NERC, Western and Progress Energy, and revises Proposed LGIA Articles 8.1 and 8.2 to allow greater flexibility.

517. In response to the Bureau of Reclamation, the Commission notes that