

ESR Grid Charging Business Practice

Reserving Transmission Service

Eligible Customers are solely responsible for procuring energy and transmission service for inverter-based Electric Storage Resources (ESR)¹ intending to charge from the transmission system (“grid”). Transmission Service is required for each related transaction:

- i) the energy flow from the grid to charge the ESR (“charging”)
- ii) the energy flow from the ESR to serve an on-system/off-system load (“discharging”)

Discharging from an ESR

As it relates to *discharging* transactions from an ESR, an Eligible Customer can request Transmission Service at any time in a similar manner as requesting transmission service from any other valid Source on Southern Companies’ OASIS.

Grid Charging an ESR

As it relates to *charging* transactions to an *eligible ESR*, an Eligible Customer will be required to request Transmission Service. For purposes of this business practice, an “eligible ESR” shall be an ESR that has been approved for grid charging under the ESR’s Generator Interconnection Agreement (GIA)². Grid charging under the GIA may be approved by the appropriate Transmission Service Provider (TSP) in the Southern Balancing Authority Area (SBAA) at initial commercial operations or approved at a later date once the appropriate requirements have been verified and demonstrated. The Eligible Customer is responsible for contacting the ESR’s appropriate GIA TSP to initiate approval for grid charging. Alternatively, an Eligible Customer may request Transmission Service for grid charging related to an ESR with an active interconnection request.

The Eligible Customer should complete and submit to Southern the posted **ESR Grid Charging Application**³ to facilitate valid OASIS transmission service requests and approval for ESR grid charging.

- a) An Eligible Customer may submit a Transmission Service request for ESR grid charging at any time in accordance with the posted timing requirements.
 - i) Either Point-To-Point transmission service (PTP) or Network Integration Transmission Service (NITS) may be requested to support ESR grid charging transactions.
 - ii) For NITS requests, the ESR must be added as a load under the Master Agreement.
 - iii) For both NITS and PTP, requests should utilize the ESR’s OASIS source/sink (as registered on OASIS).
- b) Valid long-term PTP and NITS requests shall be submitted in accordance with Section 17 and Section

¹ ESR describes a facility capable of storing electric energy that can be injected at a later time and is considered a Generating Facility pursuant to the *Open Access Transmission Tariff of Southern Companies* (Tariff), also referred to as “the Tariff”, located in the ‘Open Access Transmission Tariff (OATT)’ folder on Southern Companies’ OASIS website (www.oasis.oati.com/SOCO). For purposes of this document, it may also refer to the owner or operator of the ESR as appropriate.

² Located in the ‘Generator Interconnection’ folder on Southern Companies’ OASIS website (www.oasis.oati.com/SOCO) in the Generator Interconnection Business Practices, Effective 06/05/2024 (section 3)

³ Located in the ‘Transmission Service Request (TSR)/ESR Grid Charging’ folder on Southern Companies’ OASIS website (www.oasis.oati.com/SOCO)

29.2 of the Tariff and consistent with Southern Company Business Practices.

- c) NITS (Firm DNR or Secondary Network) may only be used to charge a *registered ESR* that is (or will become prior to confirmation) a Designated Network Resource, and the ESR's entire discharge capacity sinks into the same Network Load.
- i) If the *registered ESR's* entire discharge capacity is **not** designated or plans to discharge and deliver energy to another TSP, then PTP service must be utilized for charging the ESR up to the amount of capacity delivered to the Point-of-Delivery (POD).
 - ii) If the *registered ESR's* entire discharge capacity **is** designated, and a portion of the ESR's output is delivered to another TSP, the amount of capacity delivered to the POD plus applicable losses must be undesignated or annulled (6NN).
- d) Short-term PTP transmission service (less than one year) can be utilized by an Eligible Customer for grid charging a *registered ESR*.
- i) Eligible Customer must have an executed umbrella Short-term Firm PTP, Non-Firm PTP, and/or Non-Firm Energy Exchange service agreement(s) in accordance with the Tariff⁴.
 - ii) All other requirements of this transmission service are applicable (e.g. attributes, timing, etc.)

Tagging ESR transactions

When tagging a ESR grid charging transaction, the *charging* and the *discharging* transactions must be tagged separately; however, the following **exceptions**⁵ apply:

- The *discharging* transaction may not have to be tagged when the entire discharge capacity of the ESR is designated as a Network Resource serving a **single** Network Load on firm network transmission service (7FN).
- The *charging* transaction may not have to be tagged when a **single** Network Customer's Designated Network Resources are utilized to charge the ESR on firm network transmission service (7FN)

Applicable Rates and Charges

Transmission Reservations for PTP service will be assessed the applicable Bulk PTP rate as determined in accordance with the formula rate manual in Attachment M of the Tariff. Consistent with other PTP billing practices, a PTP Transmission Customer will be automatically invoiced for Schedule 1 and Schedule 2 of the Tariff for ancillary services as well.⁶

Transmission Customers utilizing NITS for ESR grid charging will be invoiced consistent with the negotiated terms for grid charging defined in the related NITSA/NOA. Generally, these terms are as follow:

- i) If the ESR's full charging capacity is designated, the Eligible Customer will pay the appropriate (i.e., on-peak or off-peak) non-firm hourly PTP transmission rate (including relevant

⁴ Located in the 'Open Access Transmission Tariff (OATT)' folder on Southern Companies' OASIS website (www.oasis.oati.com/SOCO).

⁵This exception is granted at the discretion of the Southern Company Balancing Area Authority and is subject to change at any time.

⁶ Refer to the General Business Practices, located in the 'Business Practices, Waivers, and Exemptions/Business Practices' folder on Southern Companies' OASIS website (www.oasis.oati.com/SOCO) for more information on ancillary services invoicing.

ancillary rates) multiplied by the hourly amount of energy delivered for charging the ESR during a billing month.

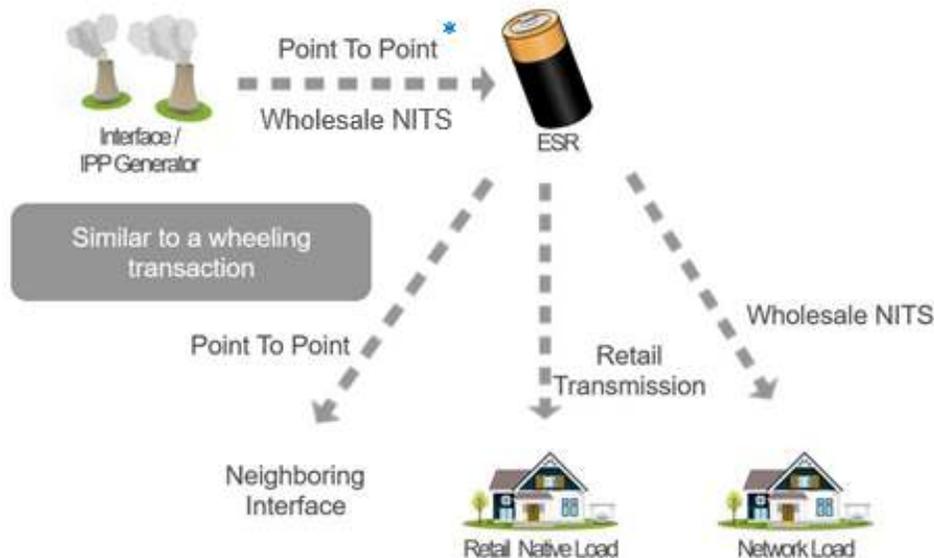
- ii) The Eligible Customer will be assessed a penalty for unreserved usage when energy delivered for charging the ESR during any hour exceeds the Eligible Customer’s reserved ESR charging designation reservation. The unreserved usage penalty provision is outlined in the *General Business Practices* posted on Southern Companies’ OASIS node.⁷

Examples of ESR charging and discharging scenarios

Example 1: Wholesale Transmission through ESR



Example 2: PTP Service into ESR – PTP/NL/NITS out of ESR



*PTP required for charging when any energy from an ESR is delivered to another TSP

⁷ Refer to the General Business Practices, located in the ‘Business Practices, Waivers, and Exemptions/Business Practices’ folder on Southern Companies’ OASIS website (www.oasis.oati.com/SOCO) for more information on Penalties for Unreserved Use of the Transmission System.

Revision Log

| Date | Description of Change |
|---------|--|
| 2/25/25 | Initial revision version as of 02/25/2025 for correctness and consistency. |