

Private Use Networks

And Other Behind the Meter Arrangements

CONFIDENTIAL
© Copyright Baker Botts 2021. All Rights Reserved.

BAKER BOTTS 

1

What is a Private Use Network?

"Private Use Network" - An electric network connected to the ERCOT Transmission Grid that contains Load that is not directly metered by ERCOT (i.e., Load that is typically netted with internal generation).

BAKER BOTTS Private Use Networks

2

Three Examples

1. A refinery with an onsite natural gas plant providing both electricity and steam.
2. An oil and gas producer drawing power directly from a nearby windfarm.
3. A data center located behind a solar array.

Motivations

Offtaker Motivations:

- Increased Reliability
- Reducing Transmission Charges
- Environmental Standards and Marketing

Generator Motivations

- Avoiding Congestion and Curtailment
- Higher Prices

Is it Legal?

Self-Service – Yes

Qualifying Cogenerator – Yes

Neither – Maybe

SELF-SERVICE 02

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](https://utcle.org/elibrary)

Title search: Private Use Networks

Also available as part of the eCourse

[2021 Gas and Power eConference](#)

First appeared as part of the conference materials for the
2021 Gas and Power Institute session

"Private Use Networks"