**Section 430.30 Definitions**

"Avoided costs" means the incremental costs to the electric utility of electric energy or capacity or both which, but for the purchase from the qualifying facility or qualifying facilities, the utility would generate itself or purchase from another source (18 CFR 292).

"Avoided energy costs" are the avoided variable costs associated with the production of electric energy (kilowatt-hours). These costs represent the avoided costs of fuel and some operating and maintenance expenses or the cost of purchased energy. Identifiable capacity charges included in purchase power agreements shall not be included in the calculation of avoided energy costs.

"Avoided total costs" means the total avoided system energy and new capacity costs (and not the average embedded system cost of capacity) or the avoided cost of a capacity purchase which result from the purchase of energy and capacity from a qualifying facility.

"Capacity costs" are the costs associated with providing the capability to deliver energy; they consist primarily of the capital costs of facilities used to generate and transmit electricity.

"Costs of interconnection" means the costs (initial installation and future) of transmission, distribution, metering, service and other physical facilities necessary under good engineering practices to permit interconnected operations with a qualifying facility, plus the engineering and administrative expenses incurred by the utility for the installation and maintenance of such physical facilities, to the extent that such costs are in excess of the corresponding interconnection costs which the electric utility would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy itself or purchased an equivalent amount of electric energy or capacity from other sources. Costs of interconnection shall not include any costs incurred in the calculations of avoided costs, and shall be assessed against a qualifying facility on a nondiscriminatory basis with respect to other customers with similar load characteristics or other cost-related characteristics, without regard as to whether the customer generates all or some of his own electricity (18 CFR 292).

"Customer" means any entity who receives service from a utility irrespective of its qualifying status under this Part.

"Interruptible power" means electric energy or capacity supplied by the utility to the qualifying facility subject to interruption by the utility under certain specified conditions (18 CFR 292).

"Maintenance power" means electric energy or capacity supplied by the utility during scheduled outages of the qualifying facility (18 CFR 292).

"Qualifying facility" means a cogeneration facility or a small power production facility which meets the criteria for qualification set forth in Subpart B of 18 CFR 292.

"Standby power" means electric energy or capacity supplied by the utility to replace energy ordinarily generated by a qualifying facility's own generation equipment during an unscheduled outage of the facility (18 CFR 292).

"Supplementary power" means electric energy or capacity supplied by the utility and regularly used by a qualifying facility in addition to that which the facility generates itself (18 CFR 292).

"System emergency" means a condition on a utility's system which is likely to result in imminent disruption of service to customers or is imminently likely to endanger life or property.