

# 2222 FERC Order Review

Maria Belenky

Market Design & Economics

**DISRS** 

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## **Approved Elements**

- On July 25, 2024, FERC issued an Order on PJM's Sept 1, 2023 Compliance Filing on the design of the DER Aggregation Participation Model.
- FERC approved the majority of PJM's substantive design proposals, including:
  - Nodal aggregations with a limited multi-nodal option
  - 60-day EDC review process (with one limited revision)
  - Rules for double counting of products/services
  - Disallowance of participation of DERs located at NEM sites (with one limited revision)
  - Settlement rules for DR with injections
  - EDC definition
  - Dispute resolution process
- PJM's proposed approach on the above topics, including Tariff language, was presented at the August 16, 2023 DISRS. The slides <u>are available here</u>.

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### **Additional Directives**

- FERC requested a further compliance filing on several issues:
  - 1. Component DER located at NEM sites: PJM's tariff requires limited additional clarification that the restriction on participation in capacity and energy markets applies only to injections and not to load reductions.
  - 2. Information and data requirements: PJM must revise its tariff to explicitly include any necessary information that must be submitted for the individual Component DER.
  - 3. Meter data submission deadline: PJM must further explain why the proposed one business day turnaround for meter data submission is just and reasonable or propose an alternative deadline.
  - **4. EDC Review Process:** PJM must explain why the proposal to trigger the 45-calendar day review on the DER Aggregator's designation of an aggregation rather than the EDC's receipt of such designation provides adequate time for EDC review, or to propose alternative tariff language.

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### **Additional Directives**

- 5. Operational coordination on overrides: PJM must clarify why the proposed Tariff language that EDCs "may communicate" the override decision to the DER Aggregator is non-discriminatory and transparent, or propose an alternative that requires the EDC to communicate overrides to the DER Aggregator.
- 6. Financial obligations resulting from overrides: PJM must specify the financial obligations that will apply when a DER Aggregation Resource does not perform due to a utility override decision.
- 7. Ongoing operational coordination: PJM must establish a process for ongoing coordination, including operational coordination, that addresses data flows and communication between PJM and the EDC.

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- PJM is seeking a 60 day extension to comply with the July 25 Order. This would move the compliance deadline from August 26, 2024 to October 23, 2024.
- The outstanding issue areas will be discussed at the September 9 and October 7
  meetings of the DISRS.
- PJM does not have an update on the implementation schedule at this time.



Facilitator:
Ilyana Dropkin,
ilyana.dropkin@pjm.com

Secretary:
David Hauske,
david.hauske@pjm.com

SME/Presenter:
Maria Belenky,
maria.belenky@pjm.com

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#### Member Hotline

(610) 666 - 8980

(866) 400 - 8980

custsvc@pjm.com

