



RERRA review process of Energy Efficiency resources and FERC Order on Declaratory Order



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Market Implementation Committee
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- Problem statement and issue charge approved at 6/7/17 MIC
- Issue Charge - stakeholders consider reforms for Energy Efficiency Resources including:
 - the establishment of rules requiring that the providers of Energy Efficiency Resources comply with any RERRA orders, ordinances or resolutions relating to the participation of energy efficiency in the PJM markets;
 - if necessary, the establishment of rules requiring review of whether proposed Energy Efficiency Resources comply with RERRA orders, ordinances or resolutions; and
 - if necessary, the treatment of Energy Efficiency Resources that have already cleared a past capacity auction and have a position for a future Delivery Year.

- Request
 - That under the Federal Power Act, the Commission has exclusive jurisdiction over the rates, terms, and conditions under which Wholesale EERs are sold in wholesale electricity markets;
 - That an RERRA may not bar, restrict, or otherwise condition the participation of Wholesale EERs in wholesale electricity markets unless the Commission expressly adopts rules or regulations giving states and retail regulators such authority;
 - That Order No. 719 does not provide for an RERRA to exercise an “opt out” and bar or restrict the sale into the wholesale electricity markets of Wholesale EERs originating in their state or local area; and
 - That use of an RTO/ISO stakeholder process to develop tariff provisions giving an RERRA such “opt in / opt out” authority is improper.

Try to coordinate stakeholder process with Declaratory Order timeline

- FERC has exclusive jurisdiction for EE resources. RERRA may file with FERC to seek approval to qualify or prohibit participation
- EE may not participate in KY in future auctions without approval by KY RERRA.
 - EE Providers that have an EE commitment in KY from prior auctions can deliver EE in KY for such Delivery Year.

	First Read	Endorsement
MIC	12/13/17	1/10/17
MRC	12/21/17	1/25/17
MC		1/25/17

File with FERC by 2/1,
EE set up window for BRA closes 5/7

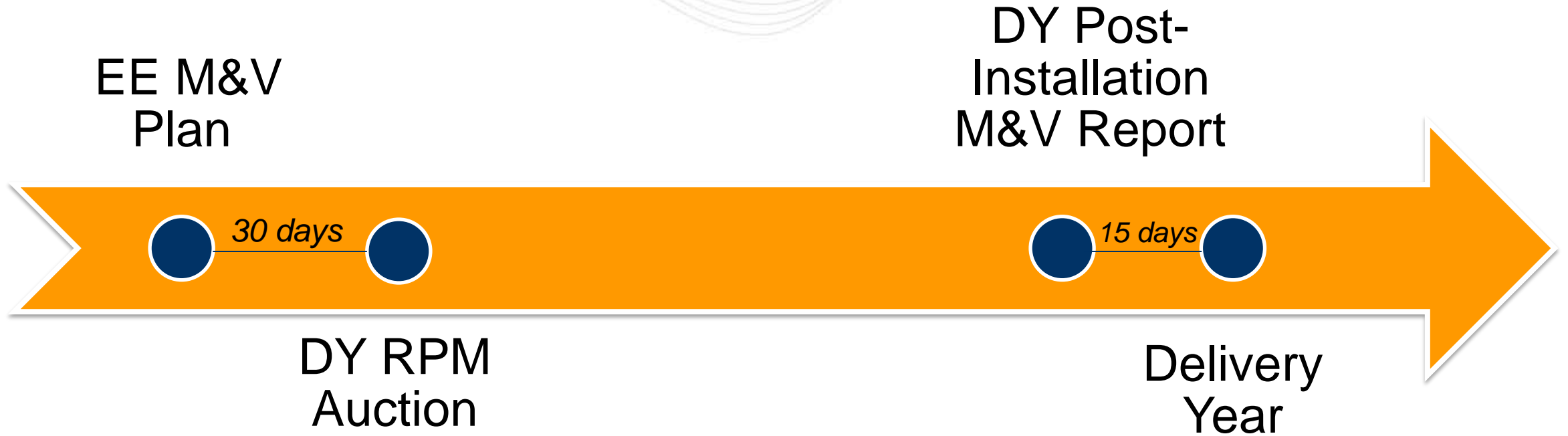
- If RERRA receives FERC approval on order, ordinance or resolution to qualify or prohibit EE participation then:
 - PJM to post reference to all RERRA evidence approved by FERC
 - PJM to adjust granularity of EE M&V plan and EE Post-Installation M&V report to facilitate necessary EDC review
 - PJM to send list of EE Providers with EE M&V plan (30 days prior to auction) and EE Post-installation M&V report (15 days prior to start of Delivery Year) to EDC to review for RERRA compliance
 - EDC to review EE Provider list and provide approval in 5 business days

EE Provider may provide EE for all retail jurisdictions unless FERC approves RERRA evidence

- EE cleared in auction that is not permitted to deliver EE in RERRA jurisdiction may be relieved of commitment and associated revenue
 - non-viable commitments similar to 5.14B (Generating Unit Capability Verification Test Requirements Transition Provision), 5.14C (Demand Response Operations Resource Flexibility Transition Provision), and 5.14E (Demand Response Legacy Direct Load Control Transition Provision) of Attachment DD of OATT
 - Non-viable commitment must be communicated to PJM no later than seven (7) days prior to the posting by the Office of the Interconnection of planning parameters for the Third Incremental Auction

- Require EE providers to itemize EE in AEP and DEOK zones into KY and non-KY location
 - EE plan and EE post installation measurement and verification plan templates will be updated
- PJM to send list of EE providers with EE identified in KY to EDC for approval
 - EDC will review list of EE providers and ensure they can deliver EE in KY based on RERRA
 - PJM will only allow EE Provider in auction and Delivery Year based on EDC approval.

- EE review timeline
- EE M&V plan
- EE Post Installation M&V report



- Includes project(s) description, M&V techniques used to determine and verify the Nominated EE Value and Capacity Performance value of project(s), and schedule for project(s) installation and M&V activities
- Provides Nominated EE Value and CP Value by installation period and zone/sub-zonal LDA that intend to offer
- Plan due 30 days prior to start of an RPM Auction.
- Plan is auction-specific and addresses the MWs that intend to offer in such auction.
- M&V Plan Requirements described in PJM Manual 18B
- EE M&V plan and nominated value templates are available on PJM Website at <http://www.pjm.com/markets-and-operations/rpm.aspx>

- Report includes:
 - Results of measurement activities and post-installation verification activities
 - Validated Nominated EE Value and Capacity Performance value of an EE Resource for the DY
 - Demonstration of capacity rights
 - Site-specific information for EE programs that involve a direct installation (e.g., lighting, HVAC, chiller, or motor retrofits)
- Report due 15 business days prior to the DY
- Report is DY specific and addresses the EE Resources that were committed for such DY
- Post Installation M&V Report Requirements described in PJM Manual 18B
- PI M&V Report template is available on PJM Website at <http://www.pjm.com/markets-and-operations/rpm.aspx>