

EDC Participation and Reliability Criteria

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307. ... Accordingly, we direct PJM to file, within 60 days of the date of issuance of this order, a further compliance filing that revises its tariff to include specific, transparent criteria by which an electric distribution company will determine during its review whether each proposed Component DER is capable of participating in a DER Aggregation Resource and to explain why these criteria are appropriate for the PJM region, as required by Order No. 2222.

314. we find that PJM does not address the scope of such review criteria. The Commission clarified in Order No. 2222-A that the potential impacts on distribution system reliability specifically refer to any incremental impacts from a resource's participation in a distributed energy resource aggregation that were not previously considered by the distribution utility during the interconnection study process for that resource. We find that, to demonstrate compliance with this requirement, PJM must propose in its tariff that the scope of distribution utility review is limited to any incremental impacts that the utility has not previously considered. Section 1.4B(b) of PJM's Tariff and Operating Agreement contain no provision that limits the scope of the utility's reliability review as the Commission required. Accordingly, we direct PJM to file, within 60 days of the date of issuance of this order, a further compliance filing that revises its tariff to clarify that the scope of the distribution utility review of distribution system reliability impacts is limited to any incremental impacts from a resource's participation in a distributed energy resource aggregation that were not previously considered by the distribution utility during the interconnection study process for that resource.

EDC Position and Response:

- Capability to participate in a DER Aggregation could involve many items, including retail interconnections, double counting determination by RERRA for NEM and other retail programs, location of the Component DER for a specific Pnode aggregation in the energy market, metering and telemetry etc. If/when any of the items identified are missing or cannot be validated by the EDC during their DER Aggregation review process, the DER Aggregation will be recommended for denial. As discussed more fully in the comments submitted for the Utility Review process, the EDCs want to avoid denying DER Aggregation registrations by utilizing a transparent process in PJM's proposed DER Hub tool where Component DER information can be gathered, verified and participation approved prior to being part of the DER Aggregation registration where there impacts of the DER Aggregation need to be studied and approved.
- DER Aggregators, PJM, LSEs and the EDCs all have roles in the process of validating Component DER data to ensure information is accurate and system impact studies performed for the individual Component DER and subsequently for the entire DER Aggregation.

- Reliability criteria must also be considered in day-to-day operation of the DER Aggregation. If there are electrical system changes due to outages or other causes that require the operation of a Component DER to be altered, there must be a process whereby the EDC provides notices to the DER Aggregator and PJM to inform each of the new restriction and to ensure operational compliance. In many cases, the EDCs will have control – either directly or contractually through an aggregator of the Component DER in their service territories to control their operations.