

CPower differences from PJM proposal

- 1. Extend from 3 years to 5 years the eligibility of a state or regional TRM** – While it is apparent PJM wants to have an age limit on TRMs, 3 years is unreasonably short for a couple of reasons. First, as perhaps the most obvious example, the PA PUC is one state that actually *does* have a process where the state approves a TRM. They do so on a 5 year basis, per law, 66 Pa. C.S. 2806.1(c)(3). The 3 year limit in the current PJM draft renders the currently valid TRM in PA obsolete as of March, 2024. [The next updated TRM will be published in 2026.](#)* This means that any installations from now thru 2025/26 would suddenly become ineligible to use the current load baseline. There has never been an age limit before on TRMs. Having a 5 year limit would at least align with the practice of the most procedurally aligned state in PJM. Second, PJM is proposing this expedited approval in order to impact market participant decisions for the 25/26 delivery. It will be important to know whether the current TRMs in widespread use today will be valid or not at the time of the auction. If the 3 year limit remains, EE providers have to assume they are not valid. It would not be appropriate or fair to invalidate what the PA PUC or other states have been doing for years without objection.
- 2. Change ‘but for’ standard to “influenced by” wholesale market participation** – In the accompanying presentation materials when PJM describes how the draft standard could be met, it is clear that PJM is not really seeking a ‘but for’ standard. Rather, what PJM is proposing a causal link to the EE capacity participation in PJM. CPower has heard anecdotally that there are situations in which an aggregator may acquire retail sales records without any nexus to the wholesale market in order to claims EE capacity. If that is actually happening, and CPower does not have information that it is or is not, CPower does not defend that practice. PJM wants a rule that distinguishes legitimate from illegitimate activities, and the amended language CPower proposes achieves that without creating problematic causality situations (e.g. proving how a customer receiving weatherization assistance was influenced by the wholesale market).
- 3. Allow PJM discretion for EE provider demonstrating post-installation validation of projects** – CPower supports PJM’s effort to add rigor to project verification. Nevertheless, there are “Personally Identifiable Information” (PII) issues and other practical challenges if the only means to do so is end use customer information. The addition of “if request by PJM” is intended to ameliorate this concern. CPower suggests the language should more clearly state that end use information is not the only means possible, while leaving it to PJM to determine what type of information will be satisfactory.

* - <https://www.puc.pa.gov/filing-resources/issues-laws-regulations/act-129/technical-reference-manual/>