

PJM's Co-Located Load Compliance Filing: Update Regarding Behind the Meter Generation Reforms and Certain Aspects of the New Transmission Service Products

PJM Staff

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- Consistent with FERC's directive, PJM intends to seek legacy treatment for retail BTMG facilities with existing agreements (e.g., bilateral agreements, interconnection agreements, etc.) executed on or before the date of FERC's December 18, 2025 co-located load order.
 - This includes BTMG facilities above the proposed threshold
- Consistent with the FERC order, PJM will also propose a three-year transition for any retail BTMG that is not the subject of an existing agreement
- PJM intends to seek a 50 MW threshold as part of the forgoing compliance filing
 - If FERC does not accept the aforementioned legacy treatment, PJM will instead request in the alternative that FERC approve a 200 MW threshold
- Any load eligible for netting under the Retail BTMG definition will not be able to participate under the Co-Located Load rules.

What is the proper generation threshold for firm/non-firm contract demand services? Should it be a threshold to qualify for use of any CDS, or just for non-firm CDS?

Intended path forward:

- Non-Firm Contract Demand Service to be limited to a maximum of 100% of the generation MFO.

What is the proper penalty structure for an Eligible Customer that does not follow an operating instruction or presides over a RAS failure?

Intended path forward:

- Failure to follow operating instructions – Referral to FERC Enforcement/ReliabilityFirst; breach of interconnection service agreement, transmission service agreement, and/or PJM Operating Agreement.
- RAS failure to operate as designed – “two strikes and your NITS”
 1. First Strike – PJM to require submission and review of information for up to a 120-day pause for service outlined in the transmission service contract, based on case-specific facts
 2. Second Strike – Termination of the transmission service contract. Must take NITS after.*

* *Still discussing penalties for unreserved use.*

Presenters:

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Member Hotline

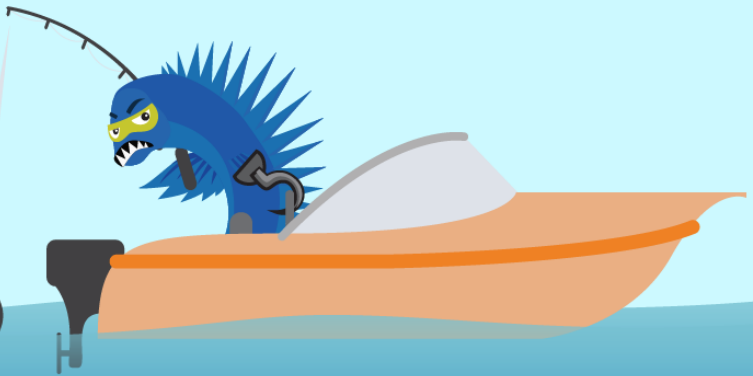
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