Distributed Energy Resources (DER)
Stakeholder Process Update

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• Options within the solutions matrix developed in the MIC Special Session on DER may require feedback or endorsement by the OC

• A standing agenda item will be added to the OC meeting to keep members informed and to obtain feedback
  – An update on recent MIC DER Special Sessions will be provided
  – As needed, more detailed agenda items will be added for topics that require feedback or endorsement by the OC

• Determine if similar updates are required from Planning Committee
1. Education:
   - PJM rules for generation
   - PJM rules for demand response
   - Other RTO rules benchmarking
   - State/federal jurisdictional rules

2. “Consider modifications to **PJM interconnection queue rules** for distributed resources.”

3. “Consider modifications to **market participation rules** for distributed resources to more efficiently incorporate these resources into the energy, ancillary services and capacity markets.”
• Task 1: Education—**COMPLETE AND CLOSED (2016)**
• Task 2: Interconnection modifications—**IN PROGRESS (Planning Committee)**
  – Scope includes education and new rules on:
    • Alternate Queue Process
    • Allocation of upgrade costs <$5 million
    • Phasing in the queue process.
• Task 3: Market modifications—**IN PROGRESS (MIC Special Sessions)**
  – Goal: Evaluate current options for resources to participate in markets when both reducing load and injecting power past the load meter. Propose enhancements as necessary.
  – Approach: Initially focus on ancillary services, then energy and capacity.
• **Primary Focus:** Some generators and batteries behind a load meter have the ability to inject power:
  – How can they participate in wholesale markets?

• **PJM Demand Response** or **Generation framework**, but…
  – DR rules prohibit injection of power past load meter; and
  – Generation rules pose challenges for units that are wired with load.

• **Stakeholder Process Goal:**
  – Clear market rules for DER wired with and without load that wish to participate in wholesale markets.

• **Other discussion items of note:**
  – Non-wholesale DER visibility to PJM
  – Aggregation for DER less than 100 kW