Draft Statement on Applicability of PJM Requirements to DER Interconnecting under State/Local Jurisdiction Seeking to Make Wholesale Sales

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PJM Distributed Energy Resources Subcommittee
For a DER wishing to make wholesale sales but connecting to a local distribution facility under state/local jurisdiction, the PJM Tariff does not govern the physical interconnection of the DER. Instead, states have jurisdiction over such physical interconnections. Nonetheless, in order to participate in PJM markets, such DER must meet certain PJM conditions:

a) enter the PJM New Services Queue;
b) follow through the study process to an executed Wholesale Market Participant Agreement; and
c) meet the technical requirements of market participation (including, but not limited to, operational telemetry and control requirements, as applicable)

As part of the study of New Services Queue, the DER will be assessed for any thermal, short circuit, or stability related impacts to the FERC-jurisdictional transmission system, and the DER will be responsible for the costs of any necessary transmission upgrades prior to participating in the PJM markets.

In sum, such DER are not subject to the physical interconnection requirements of PJM the PJM Tariff, but they nonetheless must apply to the New Services Queue and be assessed for impacts as a condition of participation in wholesale markets.