



Distributed Energy Resource Path to PJM Participation

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Special MRC Meeting – DER

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DER Path to PJM Participation

	Point of Interconnection	Injection Restrictions	PJM Participation	Netting Treatment for LSE*
Retail BTMG	Behind the retail load meter	No injection OR distribution system only (Net Energy Metering)	No direct participation as resource in PJM markets (peak shave)	Generation netted against retail load
		No injection	Demand Resource - registration in eLRS required	Generation netted against retail load except when add-backs are required per Manual 19, Attachment A.
Non-Retail BTMG	Not behind retail load meter Behind EDC/Muni/Coop wholesale load meter	Distribution system only - No injection beyond EDC/Muni/Coop wholesale load meter	Non-retail BTMG subject to RAA requirements	Generation netted against EDC/Muni/Coop wholesale load in accordance with RAA and Manual 14D, Appendix A (BTMG Business Rules). Amount eligible for netting reduced when amount of Non-Retail BTMG in PJM exceeds Threshold or if generation resource fails to operate during Max Emergency Generation conditions.
			Demand Resource - registration in eLRS required	Generation netted against wholesale load except when add-backs are required per Manual 19, Attachment A.
Traditional Generation	Not behind retail load meter Behind PJM wholesale generation meter	No restrictions - may inject into distribution & transmission system	Generation Resource - PJM interconnection request required	Not applicable

**Generation netted against load for purposes of calculating LSE transmission, capacity, ancillary services, and administrative fee charges associated with such load.*

Netting Impacts of DER Operation

Reduced retail/wholesale metered load when DER is operating (except when add-backs are required if Demand Resource)



Reduced zonal metered load when DER is operating



Impacts DY Peak Load Contribution (PLC)
determined for retail end-use customer or wholesale area if operating during RTO 5 CP hours for summer prior to DY



Impacts calendar year Network Service Peak Load (NSPL)
determined for retail end-use customer or wholesale area if operating during zonal 1 CP hour during Nov – Oct period prior to calendar year



Impacts Zonal Peak Load Forecasts – degree of zonal peak load forecast reduction dependent on number of hours DER operates in year and number of years DER operates



Reduced PLC used as basis for LSE UCAP Obligation and resulting Locational Reliability Charges in DY



Reduced NSPL used as basis for determining LSE Network Service Transmission Charges during calendar year



Reduced zonal peak load forecasts used in planning, RPM Auctions, and in allocating DY RTO UCAP Obligation to zones