



Order No. 2222: Participation of Distributed Energy Resource Aggregations in Wholesale Markets

*Approach to Address FERC's November 2, 2023 Order
on Compliance Filing*

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Participation of Distributed Energy Resource Aggregations in Wholesale Markets

WMPP ID:
155

Proposed Effective Date: November 1, 2026

- The ISO is proposing revisions to address the Commission's November 2, 2023 Compliance Order relating to Distributed Energy Resource (DER) Aggregator responsibility for submitting metering data under the ISO's Order No. 2222 participation model
 - The [Appendix](#) and the ISO's presentation to the MC on [December 12-14, 2023](#) provides further detail on the Commission's requirements and the ISO's compliance approach
- This presentation describes the changes to the proposed redlines since the previous meeting to address stakeholder feedback
- The ISO will seek a vote on the proposed Tariff revisions at the January 9-11, 2024 MC meeting and the February 1, 2024 PC meeting

Responses to Stakeholder Feedback

- To comply with the Commission's November 2, 2023 Compliance Order, the ISO proposes to allow a DER Aggregator to designate itself, a party acting on its behalf, or the Host Participant to be the Assigned Meter Reader for DERAs that include Generator Assets or Load Assets
- At the December MC meeting, stakeholders expressed concerns regarding the extent to which the proposed Tariff language:
 - Allowed Host Participants to conduct required adjustments related to any Load Assets associated with a DERA to account for losses and other energy balance related calculations
 - Were overly limiting in explaining the types of coordination agreements that DER Aggregators may be required to enter into with Host Participants
- ISO has made revisions to the proposed Tariff language in response to each of these concerns

Responses to Stakeholder Feedback, contd.

Where	Revised Language	Explanation
<p>I.2.2 Definitions</p>	<p>Directly Metered Assets are specifically measured by OP-18 compliant metering as currently described in Section IV (Metering and Recording for Settlements) of OP-18. Directly Metered Assets include all Tie-Line Assets, all Generator Assets, as well as some Load Assets. Load Assets for which the Host Participant is not the Assigned Meter Reader are considered Directly Metered Assets, provided that a Load Asset that is part of a Distributed Energy Resource Aggregation for which the Host Participant is not the Assigned Meter Reader shall not be considered a Directly Metered Asset if the Host Participant determines that the meter data associated with that Load Asset must be adjusted to include non-PTF losses. In addition, the Host Participant Assigned Meter Reader determines which additional Load Assets are considered Directly Metered Assets and which ones are considered Profiled Load Assets based upon the Host Participant Assigned Meter Reader reporting systems and process by which the Host Participant Assigned Meter Reader allocates non-PTF losses.</p>	<p>Ensure that a Load Asset in a DERA in which the meters are read by the DER Aggregator is <i>not</i> considered a Directly Metered Asset if the Host Participant determines that data adjustments are required for settlement</p>
<p>III.6.4(f)</p>	<p><u>Where a Distributed Energy Resource Aggregator designates itself or an agent acting on its behalf as the Assigned Meter Reader for its Distributed Energy Resource Aggregation, it shall provide all data necessary for settlement to the Host Participant Assigned Meter Reader and the ISO, as appropriate, on the same schedule applicable to other Assigned Meter Readers as described in Section 5.3 of Manual M-28 - Market Rule 1 Accounting. If the data provided includes any Profiled Load Asset data, as determined by the Host Participant, the Host Participant Assigned Meter Reader shall submit the Profiled Load Asset meter data directly to the ISO for settlement after appropriate adjustment for losses and/or residual unmetered load.</u></p>	<p>Clarify the path of data submittal for DERAs that contain a Load Asset</p>



Responses to Stakeholder Feedback, contd.

Where	Revised Language	Explanation
III.6.4(f)(2)	<p>2) enter into applicable coordination agreements with the relevant Host Utility, which may include, but need not be limited to including any agreements required by the Host Utility or the relevant electric retail regulatory authority regarding:</p> <ul style="list-style-type: none">i) specific requirements related to adjustments for losses and/or residual unmetered load for any Load Asset metering data;ii) coordination of data transmittal; andii) and its relevant electric retail regulatory authority with respect to the protection of retail customer information.	Clarify the types of coordination agreements that may be required for DER Aggregators or their agents to act as Assigned Meter Readers



Conclusion

- The ISO must file an additional compliance filing by January 31, 2024 addressing the Commission's November Order
- The ISO proposes that the January 31, 2024 compliance filing:
 - Designate the DER Aggregator as the entity responsible for providing any required metering information to ISO-NE
 - Give DER Aggregators a choice of metering provider for DERAs providing energy injection and/or withdrawal service
 - Allow metering data to come from or flow through the relevant Host Utility so that accurate Energy Market settlement can occur
 - Explain the protocols for sharing such meter data, how such protocols minimize costs and other burdens, and addresses concerns raised with respect to privacy and cybersecurity
 - Explain the current meter data submission deadline for settlement and explain why Tariff revisions enforcing these deadlines are not necessary



Stakeholder Schedule

Stakeholder Committee and Date	Scheduled Project Milestone
Markets Committee <u>December 12-14, 2023</u>	Initial Presentation and Proposed Tariff Language
Markets Committee January 9-11, 2024	Vote
Participants Committee February 1, 2024	Vote
ISO Compliance Filing January 31, 2024	Filing with the Commission due

Questions

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APPENDIX



Background

- As described in detail in the [December MC presentation](#), the [November 2, 2023 Order on Compliance](#) (“November Order”) required that the ISO **submit an additional compliance filing regarding** DER Aggregator Responsibility for Submitting Metering Data
- The Tariff must be revised to designate the DER Aggregator as the entity responsible for providing any required metering information to ISO-NE (November Order at PP 33-34)
- As clarified in the October 6, 2023 [Order Addressing Arguments Raised on Rehearing, Setting Aside Prior Order, in part, and Granting and Denying Clarification](#) (“Rehearing Order”), metering data may come from or flow through the Host Utility, provided that ISO-NE coordinates with distribution utilities and relevant electric retail regulatory authorities to:
 - Establish protocols for sharing such metering data, and
 - Explains how such protocols minimize costs and other burdens and address concerns raised with respect to privacy and cybersecurity
- The Tariff revisions must also include the meter data submission deadline for settlement for DERAs, or ISO-NE must explain why such Tariff revisions are not necessary (November Order at P 79)
- The required Tariff changes must be filed within 90 days – *i.e.*, by January 31, 2024 (November Order, Ordering Paragraph B)

Compliance Approach – Summary

- The ISO proposes Tariff changes that designate the DER Aggregator as the entity responsible for providing metering information for its Distributed Energy Resource Aggregations (DERAs)
- DER Aggregator could designate itself, a party acting on its behalf, or the Host Participant to be the Assigned Meter Reader for DERAs that include Generator Assets or Load Assets
- If the DER Aggregator or its agent acts as the Assigned Meter Reader for its DERA, it would provide data for settlement to the relevant Host Participant using the protocols applicable to other Assigned Meter Readers as detailed in the ISO's Manual M-28, Market Rule 1 Accounting
- The DER Aggregator would enter into applicable meter data coordination agreements with the relevant Host Participant subject to any relevant electric retail regulatory authority requirements (including those concerning privacy and cybersecurity)
- The November Order requires either Tariff revisions specifying the meter data submission deadline for settlement, or the filing must explain why such Tariff revisions are not necessary - ISO plans to explain that Tariff revisions are not necessary as the relevant meter data submission responsibilities and deadlines are currently specified in Section 5 of Manual M-28