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# Double Counting & Double Compensation



FERC2222.org

Facilitating Collaboration Among Policy Makers on DER Integration

David Kathan – david.kathan@cusln.org

Chris Hickman – chris.hickman@cusln.org

Emily Beeson – emily.beeson@cusln.org

Suzanne Bertin – suzanne.bertin@cusln.org

William Parks – william.parks@hq.doe.gov

James Ogle – james.ogle@pnnl.gov

Chris Klasen – christopher.klasen@pnnl.gov



Empowering the Energy Transition



# DOE Project Information



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# FERC Order 2222 & DER Policy Tracking



## Bi-Monthly Report

With the first report in September 2024 and every other month thereafter, each report includes: ***Current News and Events***, ***Key Issues Analysis*** and ***Tracker Tips and Highlights***.

## Bi-Monthly Webinar

Beginning October 2024, bi-monthly webinars are being held to present current information and allow discussion on topics.  
❖ Today – **Double Counting and Double Compensation**

## FERC2222.org website & Policy Tracker

Launched November 2024, providing access to Policy Tracker that aggregates information related to FERC Order 2222 and DER policy that is shared with Collaborative Utility Solutions. This information is 'tagged' by state, ISO, and key issue to allow effective searching.

## White Papers

David Kathan is leading an effort to create a series of white papers relating to DER topics over the next year.

## Discussion Groups

The website includes secure chat rooms allowing policy makers a forum to discuss key issues.

## Library

Includes key DOE, NARUC, NERC or other papers relevant for policy makers. Not seeking to find every paper; attempting to highlight industry leading efforts to support policy decision and implementation.



# Bi-Monthly Reports

- **The Bi-Monthly Reports contain three primary sections:**
  - Current News and New Developments
  - Key Issue Analysis
  - Tracker Tips and Highlights
- **The most recent bi-monthly report follows this structure**
- **Each of these reports will be posted to the [FERC2222.org](https://www.ferc2222.org) website**



# FERC2222.org – Chat Rooms live

The screenshot shows the homepage of FERC2222.org. At the top, there is a navigation bar with links for Home, Policy Tracker, Reports, Library, Discussion Groups, and Contact. A search icon is located in the top left corner. The main content area features a dark blue background with the text "FERC ORDER 2222 AND DER POLICY COLLABORATION" in green and white. Below this, the main headline reads "COLLABORATING FOR SUCCESSFUL DER IMPLEMENTATION IN THE U.S.A" in white and green. The bottom section is divided into three columns, each with a dark background and green border. The first column is titled "LATEST REPORT" and features the report "FERC Order 2222 & DER Policy and Implementation Report" dated January 2025, with a "View Report" button. The second column is titled "NEW WEBINAR RECORDING" and features the recording "Introduction to FERC2222.org" dated December 12, 2024, with a "View Recording" button. The third column is titled "UPCOMING WEBINAR" and features the webinar "Data Access/Privacy and Governance" scheduled for February 27, 2025, with a "Register Now" button.

Home Policy Tracker Reports Library Discussion Groups Contact

FERC ORDER 2222 AND DER POLICY COLLABORATION

## COLLABORATING FOR SUCCESSFUL DER IMPLEMENTATION IN THE U.S.A

**LATEST REPORT**  
FERC Order 2222 & DER Policy and Implementation Report  
January 2025  
[View Report](#)

**NEW WEBINAR RECORDING**  
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February 27, 2025  
[Register Now](#)

# Recent FERC Order 2222 Developments



- FERC approved PJM’s third compliance filing (May 1, 2025) addressing two outstanding issues
  - Meter settlement timing issues
  - Shift of PJM implementation to February 1, 2028
- MISO DERTF/OMS met on April 7 to review findings from February 18 coordination workshop
- Maryland PSC issued Order No. 91603 regarding implementation of FERC Order 2222 issues, directing additional study from utilities and therefore deferring most issues to later consideration.
- Maryland PSC issued Order No. 91597, requesting Staff to consult with stakeholders to further refine its draft DERA registration application and file a modified proposal by June 2, 2025. On June 6, the PSC approved Staff's modified proposed DERA License to Operate application (effective July 1, 2025).

# Recent FERC Order 2222 Developments



- Iowa Utilities Commission opened a proceeding on whether to lift its prohibition on demand response aggregators being able to bid into wholesale markets. Comments were due April 21, 2025.
- In New York's *Grid of the Future* proceeding (Case 24-E—0165), the first iteration of the GOTF plan was filed, and interested stakeholders were initially invited to comment by May 21, 2025, but the deadline has been extended to July 15.
- Virginia State Corporation Commission requested comments on proposed interconnection rules for small electric generators and storage. Comments were due June 9, 2025.
- In May, Virginia Governor Glenn Youngkin signed the Community Energy Act which requires Dominion Energy Virginia to petition for approval of pilot programs to optimize demand, including Virtual Power Plants, by December 1, 2025.

# Double Counting & Double Compensation



- FERC Order 2222 sets requirements to remove the potential for double counting resources (e.g., claiming the same DER capacity simultaneously in multiple services) or compensating resources for providing the same service twice.
- FERC Order 2222 requires each RTO/ISO to revise its tariff to:
  - Allow distributed energy resources that participate in one or more retail programs to participate in its wholesale markets;
  - Allow distributed energy resources to provide multiple wholesale services; and
  - Include any appropriate restrictions on the distributed energy resources' participation in RTO/ISO markets through distributed energy resource aggregations, if narrowly designed to avoid counting more than once the services provided by distributed energy resources in RTO/ISO markets.
- Note that FERC Order 2222 allows state and local regulators to condition the participation of DERs in RTO/ISO DER aggregations.



# RTO/ISO Compliance

- All RTOs and ISOs complied with this direction.
- Most of the RTO/ISOs complied by requiring double counting to be addressed during the capability assessment portion of the 60-day EDC review or through attestations from DER aggregators that they are compliant with applicable rules and the DERs in their aggregations are not being double counted.

<b>RTO/ISO</b>	<b>Double-Counting Provisions</b>
CAISO	Coordination and EDC review process:
ISONE	Uses metering
MISO	EDC review and reconstitution
NYISO	DERA attestations and a retail market services matrix tool
PJM	EDC review along with PJM review
SPP	Attestations from EDCs, LSEs, DERAs



# Role of RERRAs

- RERRAs will need to develop complementary rules to RTO/ISO rules that govern the ability of DERs to participate in retail tariffs/programs and wholesale markets.
- RERRAs should proactively collaborate with utilities, DERs, and aggregators to create or modify rules and tariffs to establish guidelines governing DER dual participation, with consideration for both normal and emergency operations at the bulk, and distribution, system levels, so long as these rules do not conflict with FERC orders.
- Key issues that should be considered in the development of these state or local rules are metering, sub-metering, measurement, and data sharing rules.
- As RERRAs review their state policies and rate structures, structures that allow dual participation of DERs should be allowed if RERRAs desire their utilities to be able to utilize DERs in their own state programs.



# Role of RERRAs – Key Issues

- **Net energy metering** – A key issue, especially to determine whether DERs will be able to provide ancillary services or capacity to wholesale markets in addition to being compensated for selling energy to EDCs.
  - A good example of this type of guidance was provided by the Massachusetts Department of Public Utilities (DPU) in 2019.
  - The PAPUC found that the that 'full retail value' is the fully bundled retail rate, which includes generation, transmission, capacity, ancillary services, and distribution components as compensation for the electricity the customer-generator sends to the distribution grid.”
  - Depending on RTO/ISO rules, RERRAs will need to make clear delineations on the participation of net energy metered DERs.
- **RERRA conditions on DER participation** --RERRAs will need to determine whether they will limit and condition the participation of a DER in a DER aggregation based on the DER's or the customer's participation in a retail program.
- **Differences between distribution grid service and wholesale markets** – Particular care will need to be focused on clearly delineating the differences between the provision of distribution grid service and participation in wholesale markets.



# DER Registry Supports Review

- A DER Registry can provide the accurate and up-to-date information about
  - DERs and any participation in a retail program, such as net energy metering, or a wholesale DER program/market needed to prevent double counting, and
  - DER owner participation in retail tariffs that limit participation in wholesale programs will also need to be reviewed
- A DER Registry provides
  - A single point of truth for this review and avoids significant work and expense that would be required to collect and share this information, cross-check across disparate databases and sources of information and validate the status of the DER.
  - Information for DER aggregators by ensuring they know the status of any DER that a DER owner has allowed them to include in their portfolio of resources.



# Consumer Protections

- Consumer protections should be embedded in a DER Registry
- Approval procedures in a DER Registry should require customer approval to:
  - Select their aggregator
  - Sign and agree to data privacy and security rules
  - Allow customer switching to a different aggregator
- Information should be provided to the customer in a DER Registry to:
  - Show them their current aggregator selection
  - Show them the retail programs or market products they are currently enrolled in with links to details on the programs if they desire more information
  - Explain when they can switch. If enrolled in a program currently, and the program does not allow them to switch until a certain date, customer should have this information readily available to them to make informed decisions and limit negative impacts from bad faith players.
- Overall, process should not allow a DER site to be included in an aggregation without proper documentation from a customer to validate their participation.



# We Need Your Help!

Tracking a wide range of key policy issues related to DER integration across the U.S. is no small task. To that end, state commissions and RTOs/ISOs are invited and encouraged to assist Collaborative Utility Solutions in crowdsourcing information to be included in the Policy Tracker. The value the Policy Tracker can provide will be largely dependent on policy makers sharing information with CUS each month proactively. Specifically, CUS welcomes the opportunity to periodically meet with Commissioners or key staff members at state utility commissions and RTOs/ISOs to hear from you regarding your FERC Order 2222 and DER implementation activities, key dockets, rulemakings, or other proceedings.

Please email **Suzanne Bertin** ([suzanne.bertin@cusln.org](mailto:suzanne.bertin@cusln.org)) with any updates for your states or organizations that you would like to have included in the Policy Tracker, or to arrange a meeting to discuss your states or organization's implementation policy.