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# Communications Between EDCs and DERAs



FERC2222.org

Facilitating Collaboration Among Policy Makers on DER Integration

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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 – **Communications Between EDCs and DERAs**

## 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.

## 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.

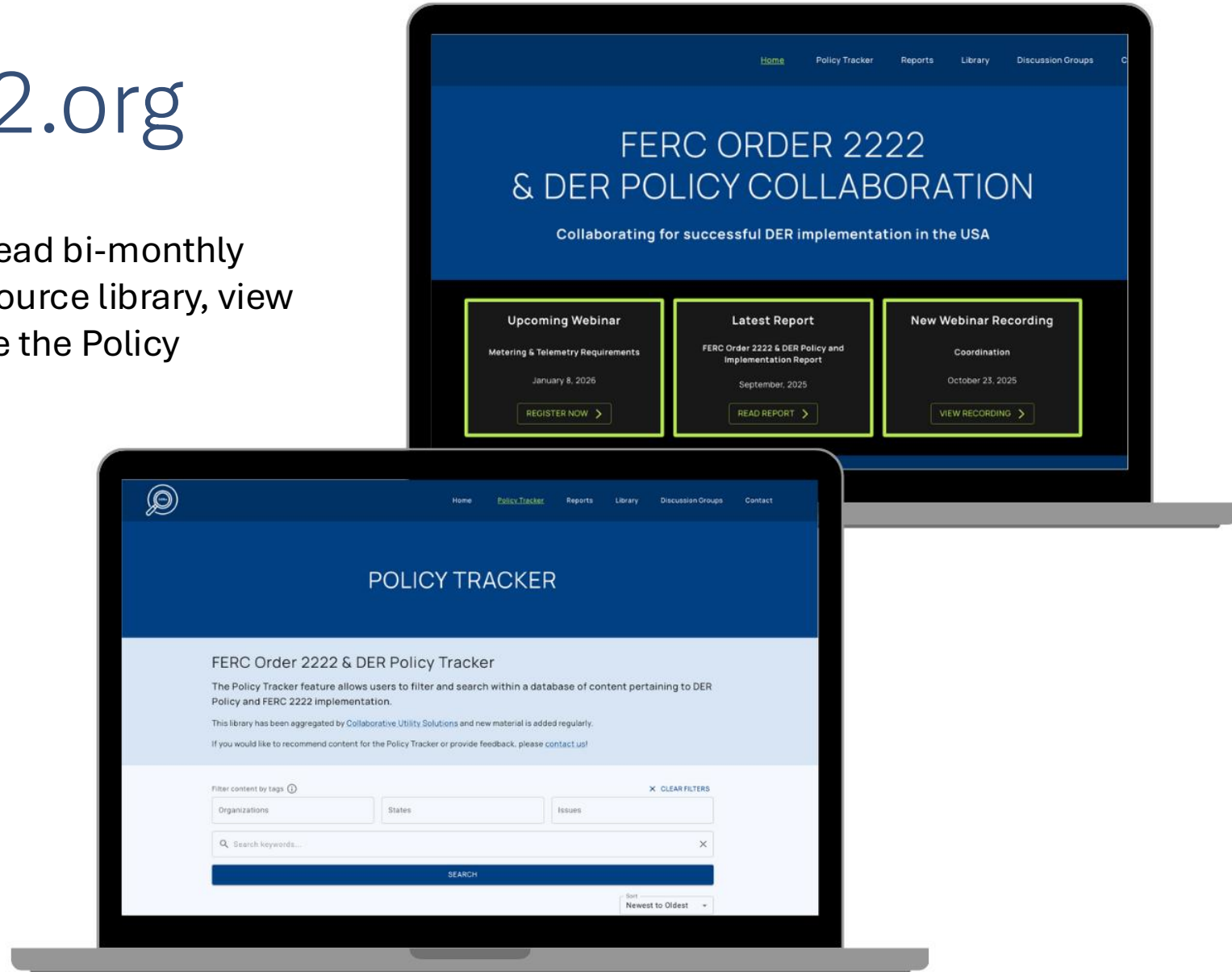


# Bi-Monthly Reports

- **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

Visit FERC2222.org to read bi-monthly reports, access our resource library, view webinar recordings, use the Policy Tracker and contact us!



# Recent FERC Order 2222 Developments



- On October 28, 2025, in Docket ER26-284, PJM filed a series of changes associated with FERC Order 2222 to its Tariff and Reliability Agreement. These changes are largely ministerial and reflect changes in the Reliability Agreement due to how the RTO calculates Electric Load Carrying Capacity (ELCC), and the timing of capacity auctions prior to the 2028 FERC Order 2222 implementation. These changes were approved by FERC letter order on November 25, 2025.
- On October 31, 2025, FERC accepted several NYISO informational filings and approved two outstanding NYISO compliance filings. The ER21-2460-009 proposed tariff revisions allowed technically capable DERs to provide Operating Reserves and Regulation Service. The ER21-2460-010 filing was largely contained ministerial, cleanup and errata resolutions.

# Recent FERC Order 2222 Developments



- On November 14, 2025, SPP filed its third FERC Order Compliance filing. This filing complies with FERC direction in the following areas: eligibility to participate in RTO/ISO through a DER aggregation; double counting; distribution factors and bidding parameters; coordination; ongoing operational coordination; role of RERRA; and market participation agreements.
- On January 13, 2026, FERC approved by delegated letter order MISO's removal of the DRR-Type I alternative. The DRR-Type I changes had been proposed by MISO to provide a pre-2029 DER aggregation option. FERC had rejected the DRR-Type I in its January 2025 order.

# State FERC Order 2222 Implementation



- On November 5, 2025, the Public Utilities Commission of Ohio (PUCO) adopted amendments to its interconnection rules in Ohio Administrative Code (OAC) Chapter 4901:1-22 to better align with FERC 2222 wholesale market processes. This action includes adopting IEEE 1547-2018 standards.
- On December 18, 2025, the Pennsylvania Public Utility Commission (PAPUC) voted to advance the development of a Notice of Proposed Rulemaking (NOPR) aimed at modernizing the Commission's electric interconnection regulations. The rulemaking will include a review of interconnection regulations, including how new electric load, upgrades to existing load, and distributed energy resources are connected to the distribution system. This rulemaking is separate from and does not replace the PUC's active proceeding addressing FERC Order 2222 but instead is intended to ensure that Pennsylvania's broader interconnection framework reflects current technologies, customer needs, and grid conditions.



# Other DER Policy Developments

- On October 24, 2025, the Oregon Public Utility Commission opened a rulemaking to develop a regulatory framework for the ownership, deployment, and use of microgrids and community microgrids for Oregon's electric companies. Oregon's House Bill 2066 directs the PUC to establish a microgrid regulatory framework by March 26, 2027.
- On November 19, 2025, the Staff of New York's Department of Public Service was granted an extension until June 30, 2026, for filing its updated Grid of the Future Plan (which had been due December 31, 2025).



# Other DER Policy Developments

- On December 15, 2025, the Colorado Public Utilities Commission granted, with modifications, Public Service of Colorado (Xcel's) applications for a distribution system plan and VPP program and tariff.
- On December 18, 2025, the Illinois Commerce Commission (ICC) opened a proceeding to update its Renewable Energy Access Plan (REAP) as required by state law. A portion of the Staff's draft plan focuses on distributed energy resources (DERs), demand response, energy efficiency, and virtual power plants to offer localized relief and defer larger upgrades.



# Other DER Policy Developments

- On December 8, 2025, in Docket No. RMU-2025-0020: Rulemaking Regarding Third-Party Aggregators of Electric Retail Customers, the Iowa Utilities Commission issued an Order Rescinding Prohibition Against Aggregators of Retail Customers (ARCs). The Commission determined that lifting the prohibition immediately would permit ARCs to bid DR into the 2026 MISO capacity auction on behalf of Iowa customers. The Commission still intends to move forward with a rulemaking proceeding in 2026.
- On January 6, 2026, the Minnesota Court of Appeals found that the MN PUC did not have authority to issue a rule to ban ARCs in 2010, and therefore vacated its 2010 rule banning ARCs.

# Communications Between EDCs and DERAs



- Communications among EDCs, DERAs, and RTOs/ISOs will be crucial in effective and reliable FERC Order 2222 implementation.
- Communications needed between EDCs and DERAs to support DER aggregation include
  - The transfer of information about DERs and usage, and
  - Information about DER operation and possible EDC overrides.
- However, since FERC does not have direct jurisdiction over DERA/EDC interaction or communication, specific direction and rules governing DERA/EDC communications must be developed by states.

# Types of Communications – Data on DERs



- To be able to identify and assess potential DERs for participation in a DERA, a DER aggregator will need information on the characteristics of a DER, past operation, and/or customer usage information, subject to privacy and cybersecurity rules and laws.
- Data on DERs can be provided through
  - A data portal such as the DER Registry, or
  - Direct transfers between EDCs and DERAs.

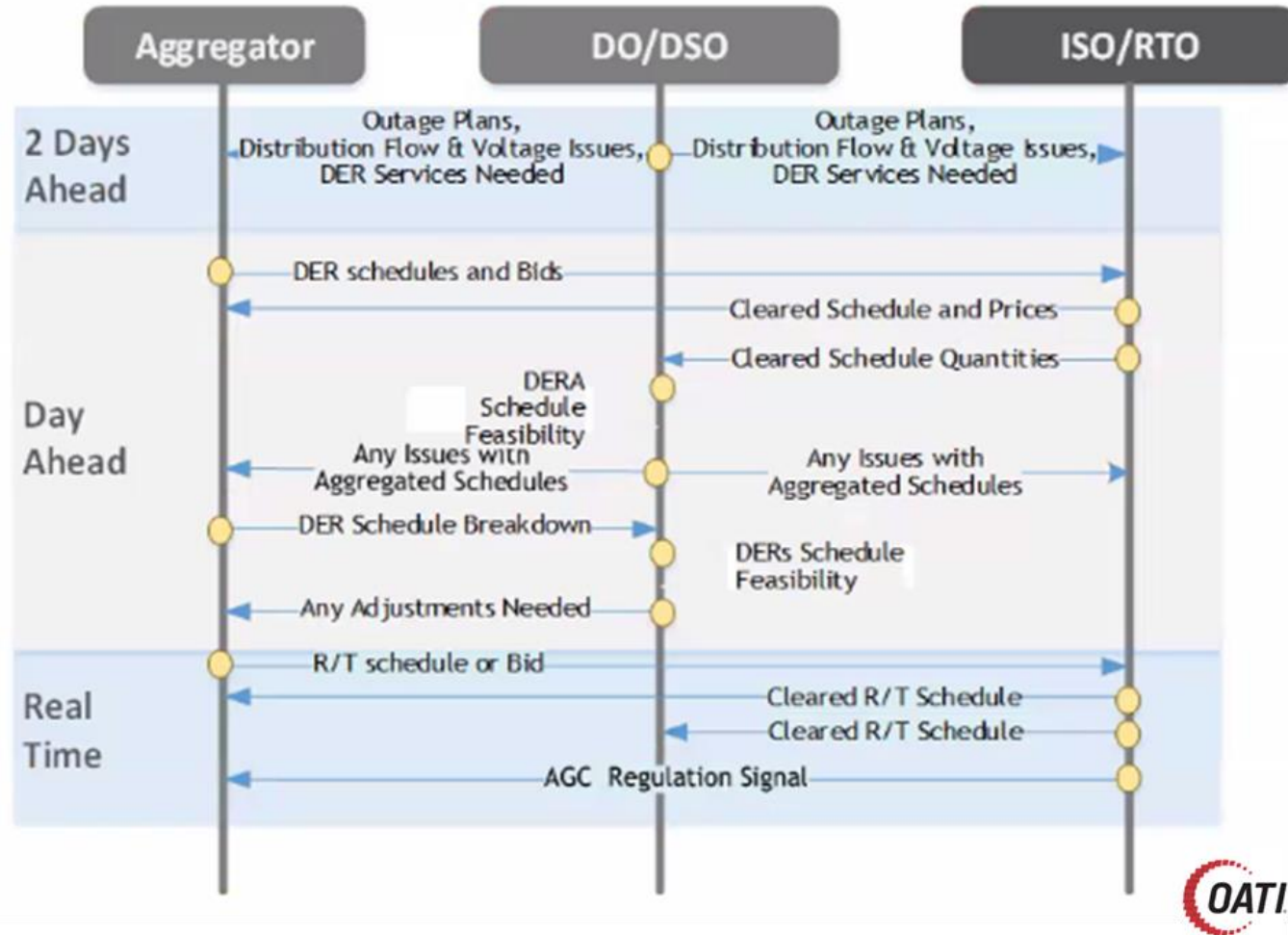
# Types of Communications – Operational Information



- Information on operational coordination before and during the operating day will be critical during DER aggregation, especially in the event of EDC DER overrides.
- Specific communication pathways include:
  - **Prior to day-ahead market** – Prior to the day-ahead market, DERAs need to inform EDCs of their intentions to operate DERs to support bids and schedules in the wholesale markets.
  - **During operating day** – If an EDC determines that operation of DERs within a DERA is infeasible, impossible, or could create reliability problems, EDCs will have the capability of overriding DER scheduled operation. Timely communication of these overrides will be necessary to allow DERAs to submit revised schedules or real-time bids to RTOs and ISOs that reflect changes in possible delivery of wholesale services.



# Illustrative Example of Market and Operational Coordination Interaction



# FERC Order 2222 Operational Coordination Requirements



- FERC Order 2222 requires coordination protocols and processes for the operating day that allow EDCs to override RTO/ISO dispatch of DERs within a DER aggregation
- FERC Order 2222 requires each RTO/ISO to revise its tariff to
  - Establish a process for ongoing coordination, including operational coordination, that addresses data flows and communication among itself, the DERA, and the EDC; and
  - Require the DERA to report to the RTO/ISO any changes to its offered quantity and related distribution factors that result from distribution line faults or outages.
- Processes that allow distribution utilities to override RTO/ISO dispatch must be contained in the tariff and must be non-discriminatory and transparent but still address distribution utility reliability and safety concerns.

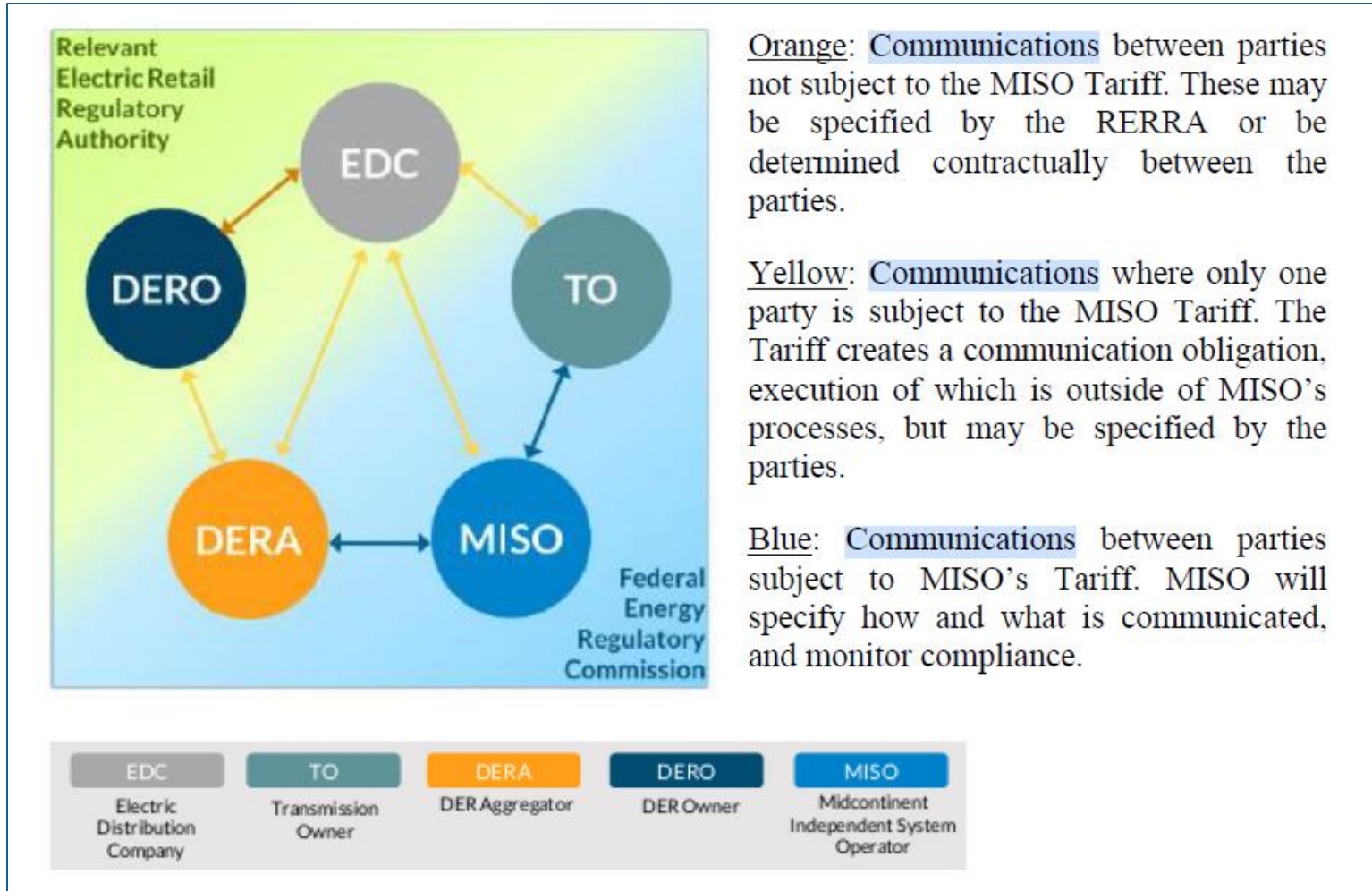


# RTO/ISO Compliance

- **CAISO** – CAISO uses Scheduling Coordinators, and it is the responsibility Scheduling Coordinators to communicate between CAISO and DERAs to ensure ongoing operational coordination. CAISO did not specify any specific DERA/EDC communications protocols, and that DERA/EDC communications protocols would be in a schedule 4 of each Distributed Energy Resource Provider Agreement. As of early 2026, there have been no schedule 4s filed.
- **ISO New England** – Coordination requirements are in sections III.6.7 and III.6.8 of its Tariff. These sections of the Tariff provide a framework for communications pathways in both day-ahead and real-time for the reliable operation of aggregations. However, the Tariff does not specify the nature of the communication pathways and only states that “the Host Utility shall notify the relevant Distributed Energy Resource Aggregator as soon as practicable.”
- **MISO** –MISO provides a process for the DERA to communicate and coordinate with the EDC on an ongoing basis to provide data and information necessary for operational coordination. MISO’s compliance proposal states that the EDC “may communicate” its override decision directly to the DERA. FERC objected to this conditional language and required further clarity that the communications is required.



# Communications Pathways -- MISO





# RTO/ISO Compliance (Cont.)

- **NYISO** – NYISO stated that “the Distribution Utility will be responsible for advising the aggregator of any distribution system conditions affecting the Aggregation.” FERC objected to the lack of precision of this requirement. NYISO submitted additional compliance on this issue and FERC approved the new language, but details and requirements about communications between DERAs and EDCs were not included in the revised Tariff or manuals.
- **PJM** – PJM proposed to revise its tariff to establish a process for ongoing coordination, including operational coordination, that addresses data flows and communication between PJM and the EDC. PJM states that distribution utilities will communicate with the DER Aggregator or the DER Aggregation Resource dispatch agent to inform them of any distribution activities that may require Component DERs to modify their operations. While FERC did require further compliance on the nature of PJM/EDC communications, it did not require any additional detail on the nature of DERA/EDC communications.
- **SPP** – SPP complied with FERC Order 2222 on operational coordination by submitting tariff revisions to allow EDCs to override DER dispatch. SPP did not propose any specific communications requirements for EDCs to communicate with DERAs, and FERC did not require any further detail on communications in its compliance orders.



# State and Local Action Needed

- Due to the lack of FERC and RTO/ISO direction, state and local regulators will need to take a careful examination of EDC communication plans and potentially develop policies guiding these communications.
- Specific DERA/EDC communications items that need examination include:
  - **What is communicated?** – A core issue when developing state policy is to identify what information is required to be transferred and for what purposes.
  - **How is it communicated?** – States should consider requiring standard formats and the use of communications protocols like IEEE 2030.5 to facilitate accurate and timely communications.
  - **Timeliness of communications?** – The speed and timeliness of the information exchange will be critical during operational coordination. Communication of these overrides will require very short latency, and states may need to consider setting maximum latency requirements.
  - **Implications of non-performance?** – States will need to develop rules/guidelines on the expectations of effective communications between DERAs and EDC, and potentially the use of penalties for non-performance.
  - **Cost Recovery?** – The development of communications pathways and systems will require EDC investment, effort, and expense. States will need to develop policies to assess prudent costs and cost recovery.



# Summary

- As of early 2026, no state has fully developed rules for ongoing coordination.
- Due to this "gap" in specific instructions for the development of communications processes and protocols, EDCs are not required to take any specific action, and they likely will not take action until directed.
- Consequently, RERRAs should include rules governing DERA/EDC communications in their implementation of FERC Order 2222.



# 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.



# Time for Q & A

Thank you for attending today's webinar!

Please use the chat room or raise your hand to ask us a question

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