

FERC Refines DER Wholesale Market Participation Rules

“On March 18, 2021, the Federal Energy Regulatory Commission (“FERC”) issued an order on rehearing of its landmark final rule, Order No. 2222, pertaining to the participation of distributed energy resources (“DER”) through an aggregator in FERC-jurisdictional Regional Transmission Organization (“RTO”) and Independent System Operator (“ISO”) organized markets.[1] While FERC largely kept Order No. 2222 intact, Order No. 2222-A did refine and clarify certain aspects of Order No. 2222,” discusses Blake Urban in *Bracewell’s Energy Legal Blog*.

“The significant refinements made through Order No. 2222-A include:

- Refinements on information sharing and the review process associated with qualification of DER to participate in the wholesale markets through an aggregator by distribution utilities;
- A holding that demand response that is included in heterogeneous aggregation (i.e., the DER aggregation is not solely composed of demand response resources as the type of DER) will not be subject to the “opt-out” and “opt-in” requirements established by Order Nos. 719 and 719-A for demand response;
- A finding that FERC’s interconnection policies pertaining to Qualifying Facilities (“QFs”) do not apply to QFs requesting interconnection if that QF only seeks to participate in the RTO/ISO wholesale markets through a DER aggregator; and
- Clarifications on restrictions to avoid double counting of services.”

Read the article.