

## Fourth PJM Order No. 841 Compliance Filing (ER19-469)

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Market Implementation Committee August 5, 2020

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### Fourth PJM Order No. 841 Compliance filing

Action Required	Deadline	Who May Be Affected
Provide feedback on FERC compliance directive, if any, to PJM.	9/15/2020	Entities engaged with/impacted by Order No. 841.
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- PJM made its third Order No. 841 compliance filing on December 16, 2019.
- In the July 16, 2020 Order, FERC:
  - accepted PJM's tariff revisions, effective December 3, 2019.
  - accepted PJM's tariff revisions related to more appropriately accounting for an Energy Storage Resource's State of Charge, effective March 31, 2024.
- Gave PJM <u>one</u> additional compliance directive related to netting of Direct Charging Energy.



# Language PJM had proposed related to netting Direct Charging Energy

If the distribution utility is unwilling or unable to net out Direct
Charging Energy associated with an Energy Storage Resource
that is co-located with end-use load other than Station Power
from the host customer's retail bill, PJM shall not bill the Energy
Storage Resource for any Direct Charging Energy.

Tariff, Attachment K-Appendix, § 1.4A.1;

Operating Agreement, Schedule 1, § 1.4A.1.

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#### Additional Compliance Directive

- The Commission had previously directed PJM to revise its tariff to state that PJM will not charge a distribution-connected ESR for charging energy if the distribution utility is unwilling or unable to net out any retail energy purchases associated with the ESR's wholesale charging activities from the host customer's retail bill.
- In the July 16, 2020 Order, the Commission found that PJM's proposed tariff language specified that the provision only applies to an ESR that is "co-located with end-use load."
- The Commission stated that it was "concerned that this language could exclude a
  distribution-connected Energy Storage Resource that is not directly on the site of
  end-use load but nonetheless receives a retail bill because it is located behind a
  distribution utility meter."

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### Additional Compliance Directive

- The Commission directed PJM to, within 90 days (i.e. Wednesday, October 14, 2020), submit a further compliance filing to either:
  - clarify how its proposed tariff provisions prevent all distribution-connected ESRs from paying twice for the same charging energy; or
  - propose tariff revisions to ensure this outcome.



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Please send feedback on compliance directive, if any, to the above contacts.



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