

This is a working document to refine terminology used for the development of the new DER rules under Order 2222. This will be revised over time based on stakeholder feedback and finalized in the proposed rule changes.

1. **Wholesale Market participation** – The following is a list of resource types that may participate under the FERC Order 2222 proposed DER rules:
 - 1.1. Distributed Generation Resource (DGR) – Generator that does not go through the PJM queue but goes through State Interconnection process. PJM expects the rules for each Technology Type to be reasonably consistent with a Generation Resource.
 - 1.1.1.Solar
 - 1.1.2.Wind
 - 1.1.3.ESR
 - 1.1.4.Etc.
 - 1.2. Demand Response (DR) resource– any activity used to reduce load specifically for the wholesale market. A resource is defined as a unique EDC account number often referred to as a location, premise or site.
 - 1.2.1.Economic DR resource– Energy and AS participation when economic for retail customer to participate
 - 1.2.2.Load Mgt (Emergency + Pre-Emergency DR) resource – load reductions with a capacity commitment

Note: On-site Generator – generation/ESR used to reduce retail load and participates as DR. There are some specific provisions for participation when used to reduce load.

 - 1.3. DR w/ Distribution Injection (DRwDI) Resource – The same as DR but also has Generation that is approved by EDC to inject onto the distribution system. Modelling of this type of resource is still a work in progress but any aggregation that includes may be considered heterogeneous.
 - 1.4. EE Resource – demand that is permanently reduced because of installation of equipment that is more efficient than the prevailing standard. This can only participate in a DERA in the Capacity Market. DERA specific rules are still under consideration.
- 1.5. **Non-wholesale** DER – resources that do not participate in the wholesale market. They are out of scope for 2222, but included here for completeness.
 - 1.5.1.Behind the Meter Generation (BTMG) – Generation/ESRs that do not participate in the wholesale market and is used to reduce load.
 - 1.5.1.1. Non-Retail Behind the Meter Generation (NRBTMG) – generation that will offset muni/coop load and tied to distribution/transmission system
 - 1.5.1.2. Retail Behind the Meter Generation (RBTMG) (implied term) – generation that offset retail load (located behind EDC retail electricity account number)

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1.6. Non-wholesale and wholesale market participation for injection amount

- 1.6.1.RBTMGwDI – retail BTMG is not in the wholesale market but the distribution injection that goes through the state interconnection process may participate in the market subject to other participation rules (e.g.: NEM agreement)

Other Resource definitions

- 1) Generation Resource – any generator/ESR that goes through the PJM queue and can provide power to the transmission or distribution system. This may include only part of a generator where some of the generator is used to reduce load and excess generator output injects onto the transmissions system (ie: went through the PJM queue)
 - a. Intermittent - Wind, Solar, Batteries/ESR
 - b. Non-intermittent (implied) – thermal, or nuclear
- 2) DR w/ Transmission Injection (DRwTI) Resource – Very rare resource type to participate. Same as DR but also has Generation that is approved by PJM/TO (PJM queue) to inject onto the Transmission system. This is modelled as 2 underlying resources today where each resource follows associated market and operational rules:
 - a. DR Resource – all activity that occurs behind the customer’s meter
 - b. Generation Resource – all injection activity
- 3) Price Responsive Demand (PRD) – demand that will reduce based on energy prices and therefore PJM will procure less capacity.
- 4) Peak Shaving Adjustment (PSA) – demand that will reduce in the summer and therefore PJM will reduce the amount of capacity procured for a zone.

Proposed and Current Definitions

1. Distributed Energy Resource (DER): A resource as defined above that participates under the DER market rules.
2. Distributed Energy Resource Aggregation (DERA): A resource comprised of more than 1 Distributed Energy Resource.
3. Heterogeneous DERA – An aggregation that includes more than 1 type of DER (or technology type of a Distributed Generation Resource)
4. Homogeneous DERA – An aggregation that only includes 1 type of DER ((or technology type of a Distributed Generation Resource)
5. Distributed Energy Resource Service Provider (DERSP) “Distributed Energy Resource Service Provider” or “DERSP” shall mean a Member or a Special Member, which action on behalf of itself or one or more other Members or non-Members, participates in the PJM Interchange Energy Market, Ancillary Services markets, and/or Reliability Pricing Model by operating DER participating in a DERA.

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6. Distributed Energy Resource Service Provider Agreement (DERSPA) – An agreement between PJM and a Distributed Energy Resource Service Provider (DERSP), a pro forma version of which is set forth in PJM Tariff.
7. Electric distribution company or “EDC” – This is not a OATT tariff defined term but is used to represent a PJM member (or their designated agent that is a PJM member) that manages a distribution system. This term is currently used for DR registration, RERRA and settlement review process.
8. “Electric Distributor” shall mean a Member that 1) owns or leases with rights equivalent to ownership of electric distribution facilities that are used to provide electric distribution service to electric load within the PJM Region; or 2) is a generation and transmission cooperative or a joint municipal agency that has a member that owns electric distribution facilities used to provide electric distribution service to electric load within the PJM Region.
9. Fully Metered EDC - Electric Distributor that reports hourly net energy flows and net generator output plus additional tariff responsibilities.