

This rulemaking would implement many of the regulatory changes necessary for DER service providers in Pennsylvania to participate in the PJM market. The proposed rules provide a transparent path forward for DER Aggregator participation while promoting reliability and market efficiency. SEIA supports this framework but recommends further adjustments to the proposed regulations to remove potential market barriers and maximize DER participation.

II. COMMENTS

A. Double Counting

Double counting arises when a Component DER is compensated twice for the same service under another program, such as a retail compensation program.² To limit double counting, the Commission proposes a set of conditions on Component DER participation that would require EDCs to allow DERs to participate in Aggregations. Specifically, the proposal provides: (1) customer-generators receiving service under the EDC's net metering tariff are precluded from participating as a DER Aggregator Resource in the PJM capacity and energy markets; and (2) the Component DER was approved by the EDC to participate as part of a DER Aggregators in the energy, capacity, or ancillary services markets.³

SEIA generally supports prohibiting double counting. A Component DER should not receive compensation from two programs for the same service. Doing so would reduce the economic benefits of an expanded DER program. However, just as FERC required Regional Transmission Organizations to establish "narrowly tailored" restrictions on market participation,⁴ the Commission should also ensure that retail regulations against double counting are also "narrowly tailored." In order to establish "narrowly tailored" restrictions against double

² *Participation of Distributed Energy Resource Aggregations in Markets Operated by Regional Transmission Organizations and Independent System Operators*, 172 FERC ¶ 61,247, P 160 (2020) ("Order No. 2222").

³ Proposed 52 PA Code § 57.263(a).

⁴ Order No. 2222 at P 161.

counting, SEIA requests that the Commission revise proposed section 57.263(a)(1) by changing the phrase “capacity *and* energy markets” to “capacity *or* energy markets.” In May 2026, PJM issued a whitepaper outlining three potential paths forward for the PJM markets.⁵ Each of these potential reforms could result in significant changes to the PJM markets, including, under one potential path, shifting revenues from the capacity to the energy and ancillary services market. Broadening section 57.263(a)(1) from “capacity *and* energy markets” to “capacity *or* energy markets” would accommodate the possibility that PJM either diminishes the capacity market or eliminates it completely.

B. EDC Review of Component DER applications

As approved by FERC, the PJM Tariff requires EDCs to review and approve DER participation to protect the safe and reliable operation of the distribution system.⁶ The Commission proposes three requirements governing EDC review of requests for a Component DER to participate in the wholesale market. First, the EDC must allow electronic submission of requests. Second, the EDC must complete its review of the request within 60 days of submission. Finally, the EDC shall describe, in detail, the reasons for any denial of a request.⁷ The Commission also proposes to allow EDCs to establish a fee, approved by the Commission, for processing a request.⁸ SEIA generally supports these requirements and requests three modifications.

⁵ PJM, Powering Reliability Through Market Design, Addressing Rising Demand and Constrained Supply, and Stimulating Investment to Support Durable Reliability, May 6, 2026, found at: <https://www.pjm.com/-/media/DotCom/library/reports-notices/special-reports/2026/20260506-powering-reliability-through-market-design.pdf>

⁶ Order No. 2222, 172 FERC ¶ 61,247 at P 292; *PJM Interconnection, L.L.C.*, 182 FERC ¶ 61,143, P 313 (2023); PJM Tariff, Attachment K Appendix Sec 1.4B DER Aggregator Participation (effective February 1, 2028).

⁷ Proposed 52 PA Code § 57.264(a).

⁸ Proposed 52 PA Code § 57.264(b).

First, if the EDC rejects a Component DER's wholesale market participation because it determines that resource is already a part of a retail program, the Commission should require the EDC to provide proof of the resource's registration in the conflicting program.⁹ Because the EDC likely operates the retail programs, it is better positioned to have access to the records of that registration. Providing that information to the Component DER owner could then allow the owner to decide whether to remain in the retail program.

Second, the Commission should require the EDCs to submit a quarterly report detailing how many requests it received, how many of those requests it rejected, and the reasons for those rejections. This report would help applicants to understand and avoid issues that may arise during the application process while also allowing the Commission, EDCs, and other stakeholders to recognize rejection patterns and take action to ensure more successful applications.

Finally, with respect to the proposed application fee, SEIA requests that the Commission limit the amount that the EDC may charge for processing requests. Although EDCs may incur some administrative costs in processing requests, the Commission must balance those costs against the benefits DERs provide to the market. A fee that is too high may deter participation in the program, undermine Order No. 2222, inhibit competition, and reduce the reliability benefits of having more resources on the grid. SEIA therefore requests that the Commission clarify that the fee is a one-time fee, capped at \$100, or one dollar per kW.

Further, SEIA also supports CADRE's recommendation to exempt aggregations composed of solely residential customers from any application review fee. Residential aggregations are likely to change frequently, with little notice as homeowners move in and out of

⁹ See proposed 52 PA Code § 57.263(a)(2).

their homes. Exempting residential-only aggregations from an application fee would encourage broader participation in DER Aggregations and help support stable operations for aggregations.

C. Dispatch override

Under Order No. 2222, EDCs may override a PJM dispatch of DERs and DER aggregations when an override is needed to maintain the reliability and safe operation of the distribution system.¹⁰ The Commission now proposes to require EDCs to establish procedures for those overrides.¹¹

SEIA generally supports requiring EDCs to establish transparent procedures for overriding dispatch instructions when necessary to maintain reliability and safe operation of the grid. However, the Commission must balance the reliability needs identified by the EDC against the reliability benefits of more generation serving the markets. To better strike that balance, SEIA requests that the Commission remove proposed section 57.265(b)(2)(III), which would allow EDCs to override a dispatch instruction under “other conditions established by the EDC.”¹² EDCs already have the authority to override a dispatch instruction in order to maintain system reliability and safety¹³ under the first two proposed conditions for dispatch override, which allow for overrides during pre-planned maintenance and emergency conditions.¹⁴ Order No. 2222 places the EDCs in a market gatekeeper role over their potential competitors. This authority must be narrowly constrained so that they do not have unfettered discretion to dictate which resources can compete in the market.

¹⁰ Order No. 2222 at P 310.

¹¹ Proposed 52 PA Code § 57.265(b).

¹² Proposed 52 PA Code § 57.265(b)(2)(III)

¹⁴ Proposed 52 PA Code § 57.265(b)(2)(I – II); *see also* Order No. 2222 at P 310.

¹⁴ Proposed 52 PA Code § 57.265(b)(2)(I – II); *see also* Order No. 2222 at P 310.

Further, the Commission must maintain oversight of the EDCs in their exercise of the dispatch override function. SEIA also requests that the Commission require EDCs to include the Commission on dispatch override notices. This requirement would give the Commission insight as to whether portions of the distribution grid are sufficient to host a robust DER market envisioned by Order No. 2222. It would also help reveal patterns in EDC behavior that may warrant further Commission attention. Because individual market participants may lack the information needed to identify or elevate those issues, direct notice to the Commission would improve oversight and accountability.

III. Conclusion

SEIA appreciates the opportunity to comment on these proposed regulations. These regulations, with the modifications proposed above, will support DER Aggregation participation while preserving reliability and promoting market efficiency.

Respectfully Submitted,

Georgina Arreola-Lennox
Director, State Affairs, Mid-Atlantic Region
Melissa Alfano
Senior Director of Energy Markets & Counsel
Solar Energy Industries Association
1425 K St NW Ste. 1000
Washington, DC 20005
(202) 566-2873
garreola@seia.org
malfano@seia.org

CERTIFICATE OF SERVICE

Distributed Energy Resources : Docket No. L-2023-3044115
Participation in Wholesale Markets :

I hereby certify that on this day, June 10, 2026, I served a copy of Solar Energy Industries Comments in accordance with the requirements of 52 Pa. Code § 1.54.

Word®-compatible copies have been circulated to the contact persons for this matter via electronic mail in accordance with the Commission's Order posted on February 22, 2024, in this proceeding.

Dated this 10th day of June 2026

SERVICE BY EMAIL ONLY

Christopher F. Van de Verg
Assistant Counsel
Pennsylvania Public Utilities Commission
cvandeverg@pa.gov

Tiffany L. Tran
Assistant Counsel
Pennsylvania Public Utilities Commission
tiffran@pa.gov

Joseph P. Cardinale
Assistant Counsel
Pennsylvania Public Utilities Commission
jcardinale@pa.gov

Karen Thorne
Regulatory Review Assistant
Pennsylvania Public Utilities Commission
kathorne@pa.gov

Aiden McEvoy
amcevoy@paoca.org
Darryl A. Lawrence
DLawrence@paoca.org
David T. Evrard
DEvrard@paoca.org
Pennsylvania Office of Consumer Advocate

Elizabeth R Marx
emarx@pautilitylawproject.org
John Sweet
jsweet@pautilitylawproject.org
Lauren Berman
lberman@pautilitylawproject.org
PA Utility Law Project

Allison Bates Wannop
allison@dertaskforce.com

Richard Cole
rcole6398@me.com

Anthony Gay

Cailee Mangan

Exelon
anthony.gay@exeloncorp.com

Caroline Choi
PECO energy Company
caroline.choi@exeloncorp.com

Matthew Finnegan
ProtoGen, Inc.
m.finnegan@protogenenergy.com

Frank Lacey
Electric Advisors Consulting LLC
frank@eacpower.com

Kevin Broug
Renew Home
keven.brough@renewhome.com

Laura Antinucci
Philadelphia Law Department
laura.antinucci@phila.gov

Liz Robinson
Philadelphia Solar Association
lizhrob2@gmail.com

Michael Shafer
PPL Services Corporation
mjshafer@pplweb.com

Pamela C Polacek
McNees Wallace & Nurick
ppolacek@ctenterprises.org

Ria Pereira
PA Utility Law Project
rpereira@pautilitylawproject.org

/s/ Georgina Arreola-Lennox

Georgina Arreola-Lennox
Director, State Affairs, Mid-Atlantic Region
Solar Energy Industries Association
Date: June 10, 2026

Recurve Analytics
cailee@recurve.com

Catherine Gilman
cgilman@udel.edu
University of Delaware

Glen Brand
Solar United Neighbors
glen@solarunitedneighbors.org

Glen Thomas
PJM Power Providers Group
dslifer@gtpowergroup.com

Kimberly Klock
PPL Services Corp
kklock@pplweb.com

Lindsay Baxter
Duquesne Light Company
lbaxter@duqlight.com

Matthew Finnegan
ProtoGen Inc.
m.finnegan@protogenenergy.com

Michael Murray
Mission Data Coalition
michael@missiondata.io

Phyllis Blumberg
PA Jewish Earth Alliance
phyllis2723@gmail.com

Stephen Oyler
CPower
tphen.oyler@cpowerenergy.com