



June 10, 2026

Matthew Homsher
Public Utility Commission
Commonwealth Keystone Building, 2nd Floor
400 North Street
Harrisburg, PA 17120

**RE: Distributed Energy Resources Participation in Wholesale Markets, Chapter 57
Docket No. L-2023-3044115**

Dear Secretary Homsher,

The Keystone Energy Efficiency Alliance (KEEA) appreciates the opportunity to submit these comments to the Pennsylvania Public Utility Commission (PUC) regarding the Notice of Proposed Rulemaking of the proposed addition of Subchapter P to Chapter 57 of Title 52 of the Pennsylvania Code.

KEEA is Pennsylvania's trade association for the energy efficiency industry. With our sister organization the Energy Efficiency Alliance of New Jersey, we represent 80 business members across Pennsylvania and New Jersey. Our mission is to champion energy efficiency as the foundation of a clean, just, and resilient energy economy.

KEEA commends the Commission's efforts to comply with FERC Order 2222 in advancing regulations to govern distributed energy resource aggregator (DERA) participation in the energy market. DER aggregation presents a great opportunity to quickly and efficiently harness already-existing resources to strengthen the grid and ensure resource capacity. DER's also provide an opportunity to lay the foundation for future programming, particularly virtual power plants (VPP).

KEEA agrees with the Commission's determination that DERA participation in wholesale markets will provide benefits to the grid. In addition to the requirement that electric distribution companies (EDC's) with more than 100,000 customers allow DER aggregation in their territories and the proposed opt-in provision for EDC's with fewer than 100,000 customers, we recommend that the Commission provide a similar opt-in provision for municipal electric utilities and rural electric co-operatives. Those two utility types combined account for almost 800,000 customers across the Commonwealth. Ensuring those service territories are given the opportunity to

participate in DER aggregation programs will ensure that jurisdictional and geographic boundaries do not limit the programs' reach.

We also support the Commission's proposal to adopt narrowly tailored conditions for component DER participation. Double counting services provided by DER's in regional markets is a real risk to the cost effectiveness of the program. Limiting the ability of customer-generators to take advantage of both EDC net metering tariffs and participating in the wholesale capacity market while also allowing them to participate in wholesale ancillary services markets strikes a reasonable balance that will benefit the program as a whole.

Regarding EDC approval of component DER applications, we believe that the Commission has struck a good balance in giving the EDC's latitude in application evaluations. That being said, we would encourage the Commission to ensure more standardization for EDC processes. Different application requirements spread across different EDC territories runs the risk of causing unnecessary administrative burdens where a project may be approved in one territory while being rejected in another.

KEEA joins CAUSE-PA's concerns regarding utility cost recovery and recommends that the Commission establish standards protecting low-income and other vulnerable populations from bearing the cost of DER program administration. Although it is the case that a robust DER system will benefit the system as a whole, it is critical that low-income ratepayers do not carry additional burdens at a time when electricity affordability is in a crisis. We do support the idea of a fee imposed on applicants by EDC's in order to cover the administrative costs of administering the DER system.

Regarding the Commission's proposal to delegate the formation of data exchange protocols to the Electronic Data Exchange Working Group (EDEWG), we refer to the comments filed by our affiliated non-profit organization the Energy Efficiency Alliance (EEA). We would supplement EEA's comments with the recommendation that the Commission adopt the language proposed by Mission:data, which is based in large part on the AMI rulemaking currently pending before the New Jersey Board of Public Utilities. We believe that those proposed regulations will establish the framework for an effective data exchange platform.

Finally, we agree with the Commission's proposed dispute resolution framework, utilizing already existing mechanisms to ensure administrative consistency while allowing for the possibility that new procedures may need to be implemented. The Commission is already well-suited to mediate disputes between EDC's and third parties, and the additional regulatory oversight of DER aggregator/EDC disputes will ensure that the system works in the broader public interest.

We again appreciate the opportunity to submit comments in this matter.

Sincerely,

Justin L. Carpenter, Esq.
Policy Counsel
Keystone Energy Efficiency Alliance