

Point of Interconnection for Wholesale DER

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DER Subcommittee

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- Most distribution lines are used entirely for retail delivery and are entirely under local jurisdiction.
- Some distribution lines in PJM have hosted wholesale sales under PJM's Tariff, and are therefore under FERC jurisdiction for the purposes of those sales and future wholesale interconnections, etc. These are called "dual use facilities".
- Order 2003: "[W]here the 'distribution' facilities have a dual use, i.e., the facilities are used for both wholesale sales and retail sales, the Final Rule applies to interconnections to these facilities only for the purpose of making sales of electric energy for resale in interstate commerce."
- The Commission bifurcates the use of the facility and applies its jurisdiction only to the applicable transaction, the wholesale sale.

“Point of Interconnection” shall mean the point or points, shown in the appropriate appendix to the Interconnection Service Agreement and the Interconnection Construction Service Agreement, where the Customer Interconnection Facilities interconnect with the Transmission Owner Interconnection Facilities or the Transmission System.

“Transmission System” shall mean the facilities controlled or operated by the Transmission Provider within the PJM Region that are used to provide transmission service under Tariff, Part II and Part III.



A Dual Use Facility = The Transmission System

e.g., FERC Order 2003a:

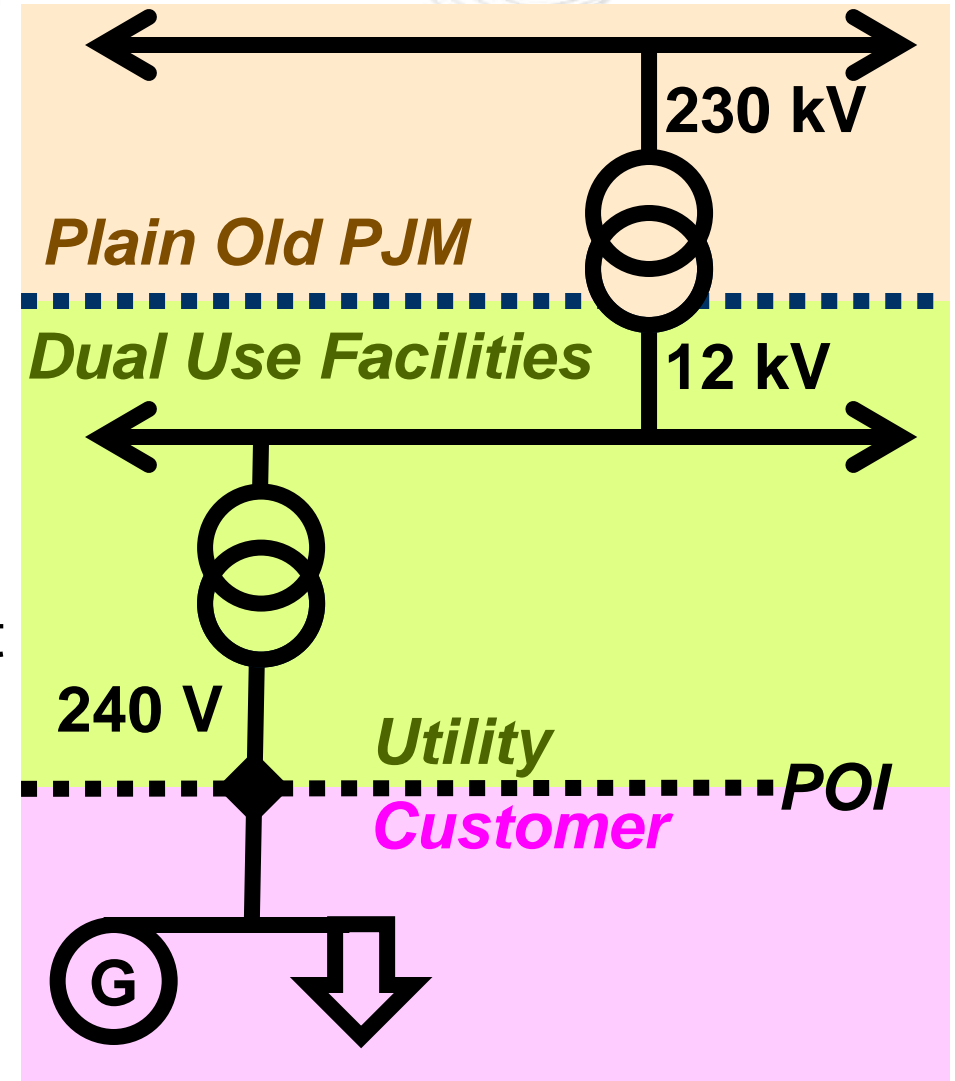
- *An Interconnection Customer is entitled to use the LGIP and LGIA to request interconnection to "distribution" facilities owned, controlled, or operated by the Transmission Provider or the Transmission Owner, or both, but only if those **distribution facilities are used to provide Transmission Service under an OATT** that is on file at the Commission at the time of the Interconnection Request and the interconnection is for the purpose of facilitating a jurisdictional wholesale sale of electricity.*

PJM Tariff:

- *“**Transmission System**” shall mean the facilities controlled or operated by the Transmission Provider within the PJM Region that are **used to provide transmission service under Tariff, Part II and Part III.***

Where is the Wholesale DER POI for Dual Use Facilities?

- For TO-affiliated EDCs, once there is a wholesale sale, the distribution line becomes a Dual Use Facility under PJM’s Tariff.
- The Dual Use Facility (i.e., the distribution line, e.g., the 12 kV or even 240V lines) is part of the Transmission System, and...
- The POI for the Wholesale DER is “where the Customer Interconnection Facilities interconnect with the Transmission Owner Interconnection Facilities or the Transmission System”
- So, the POI for Wholesale DER is at distribution voltages, wherever the customer facilities meet the utility facilities.



More Examples of Wholesale DER POI

