







November 3, 2025

## INDIANA RURAL ELECTRIC MEMBERSHIP COOPERATIVES REPLY COMMENTS TO MAY 28 STAKEHOLDER MEETING ON FERC ORDER 2222 IMPLEMENTATION

Northeastern Rural Electric Membership Corporation ("NREMC"), Johnson County Rural Electric Membership Corporation ("JCREMC") Tipmont Rural Electric Membership Corporation ("Tipmont"), and Bartholomew County Rural Electric Membership Corporation ("BCREMC") (collectively the "named Indiana REMCs" or "REMCs"), respectfully submit the following reply comments in response to comments posted following the May 28, 2025, stakeholder meeting regarding the implementation of FERC Order 2222.

## I. REPLY COMMENTS

1. DER Aggregator Registration with the IURC

The REMCs fully support the DER Aggregator – IURC Certification proposal put forth by Indiana Michigan Power. We agree that the Commission should register all DER Aggregators to do business in Indiana, provide dispute resolution processes, allow utilities to reject certain DER facilities from joining an unregistered/incomplete Aggregator, and de-certify Aggregators that violate Commission or RTO rules<sup>2</sup>. Each of these requirements functions as a consumer protection measure, ensuring that Aggregators are legitimate, vetted entities (not "fly-by-night" operators) and that customers entrusting control of their resources are doing so with qualified, accountable businesses. These measures protect both the integrity of the grid and Indiana consumers and should therefore be adopted.

Furthermore, this proposed IURC certification process is not inconsistent with FERC Order 2222's 60-day review window. The certification would serve as a prerequisite to conducting business in Indiana, not as part of an EDC's reliability

<sup>&</sup>lt;sup>1</sup> Indiana Michigan (I&M) Power Comments on Indiana Utility Regulatory Commission (IURC) Rulemaking for FERC Order 2222, 1 (2025).

<sup>&</sup>lt;sup>2</sup> *Id*.

study through the RTO. As such, it is neither unduly burdensome nor duplicative but instead represents a necessary safeguard for Indiana ratepayers.

2. Component Aggregating DERs Registration with the Relevant Utility / RERRA

It is important to note that the local boards of electric cooperatives serve as the RERRAs for cooperative utilities, while the IURC performs this role for regulated utilities.

The REMCs agree with NIPSCO's position that the RERRA/IURC should have a preliminary registration process for DERs participating in aggregation for improved grid reliability and safety, prevention of double counting, and streamlined utility review.<sup>3</sup> We also agree with I&M that the Commission (or appropriate RERRA), should require utilities to review interconnection agreements, model aggregations from a distribution engineering perspective, and review component DER for double counting before registration with PJM.<sup>4</sup>

As stated in our initial comments, the REMCs strongly oppose double counting. The IURC / RERRAs must clearly distinguish between wholesale compensation through aggregation and participation in retail programs such as net metering, excess distributed generation (EDG), time of use incentives, other retail tariffs or special contracts that incentivize load modifications. Dual participation of retail and wholesale programs should not be allowed as retail programs consider compensation for the DER being available during high cost, peak times. This delineation is important to avoid shifting costs to customers that do not participate in DER programs. Allowing additional time beyond the 60-day RTO review window would enable utilities to conduct thorough evaluations to prevent double counting and uphold cost causation and fairness principles for all ratepayers.

Moreover, accurate and comprehensive aggregation-level grid reliability studies cannot be realistically completed within the 60-day window (or in the case of PJM utilities, 45 days for reliability assessments and 15 days to verify locational data). As NIPSCO pointed out, "aggregations can span multiple feeders and substations, making it difficult to assess their collective impact." Couple this with the fact that the aggregations may be participating in distinct markets (energy, capacity, or ancillary services), each with its own operational characteristics and modeling requirements.

The Public Interest Organizations statement that "we have not seen any evidence that an aggregation of DERs could harm grid reliability in a manner distinct from

<sup>&</sup>lt;sup>3</sup> NIPSCO Comments For IURC May 29<sup>th</sup> 2025 Meeting, 3 (2025).

<sup>&</sup>lt;sup>4</sup> *I&M* at 1-2.

<sup>&</sup>lt;sup>5</sup> NIPSCO at 3.

the impact that each individual DER could have" is short sited. Widespread growth in aggregations can inherently pose a greater systemic and coordinated risk than individual DERs, creating single points of potential failure or attack over multiple resources, interconnection points, and substations that could jeopardize grid reliability and security. Additionally, third-party control and operation of large, distributed portfolios without full transparency to utilities or RTOs introduce operational uncertainties that can hinder accurate forecasting and real-time system management.

The importance of enough time to study the grid reliability impacts of DER aggregation cannot be understated. If not done properly, DER aggregation could pose a substantial threat to reliability, stability, and security of the electric grid. While AEU and the Public Interest Organizations cite FERC's 60-day limitation on (most) distribution utility review,<sup>7</sup> it is reasonable and prudent for the State to institute additional review time to ensure the protection of Indiana's electric grid and consumers. Additional data collection, modeling, and review are not "barriers" or "abuses" — they are necessary diligence checks to maintain grid integrity and consumer protection.

## 3. Customer Enrollment in DER Aggregation

The REMCs strongly oppose the proposal supported by the Public Interest Organizations to establish a centralized website where customers could select a DER Aggregator from a registration list and authorize access to their resources. This approach is highly problematic as many Indiana utilities such as REMCs are exempt from FERC Order 2222 under the small utility exemption. Customers of these utilities could inadvertently enroll in DER aggregation programs without realizing that their distribution provider does not participate in such programs.

Customers must therefore be required to directly contact their distribution utility to affirmatively opt out of their existing retail rate or tariff before enrolling with a DER Aggregator. This process ensures that the customer is joining a program authorized by their utility, and the customer makes a fully informed decision with a clear understanding of what may be forfeited, such as legacy net metering status, bill credits, time of use opportunities, or other benefits. Only the

<sup>&</sup>lt;sup>6</sup> Comments of Citizens Action Coalition of Indiana, Solar United Neighbors, Environmental Law & Policy Center, and Vote Solar on IURC Implementation of FERC Order 2222 following May 29,2025 Stakeholder Meeting, 3-4 (21 July 2025) ("Public Interest Organizations").

<sup>&</sup>lt;sup>7</sup> Comments of Advanced Energy United Concerning the Indiana Utility Regulatory Commission's Roundtable Meeting on May 29, 2025 regarding the Implementation of FERC Order No. 2222, 7-8 (2025); Public Interest Organizations at 1-2.

<sup>&</sup>lt;sup>8</sup> Public Interest Organizations at 2.

<sup>&</sup>lt;sup>9</sup> Order No. 2222, 172 FERC P 61, 247 at P 64. "Recognizing this potentially greater burden on small utility systems, we will exercise our discretion to include in this final rule an opt-in mechanism for small utilities similar to that provided in Order No. 719-A. Specifically, we determine that customers of utilities that distributed 4 million MWh or less in the previous fiscal year may not participate in distributed energy resource aggregations unless the relevant electric retail regulatory authority affirmatively allows such customers to participate in distributed energy resource aggregations."

distribution provider can accurately explain these implications and confirm whether participation in a DER aggregation is compatible with the customer's existing tariff. Accordingly, affirmative, direct engagement between the customer and their utility should be required to verify both eligibility and informed consent. Passive enrollment through an online platform fails to provide the necessary consumer education and verification that must accompany any transition from retail programs to wholesale aggregation.

## II. CONCLUSION

The REMCs thank the Commission for the opportunity to provide reply comments on these critical issues of FERC 2222 implementation.

Respectfully submitted, on behalf of the named Indiana REMCs

Want J. Jus

Alexandra L. Jones

Vice-President & Senior Counsel of Energy and Regulatory Affairs

Northeastern REMC 4901 East Park 30 Drive

Columbia City IN 46725 Telephone: (317) 964-1752

Fax: (260) 625-3407 a jones@nremc.com

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