COLLABORATIVE UTILITY SOLUTIONS
3500 CONFEDERATE DRIVE
EL PASO, TX 79936

OCTOBER 23, 2026

To: North American Energy Standards Board (NAESB)

RE: CUS Comments on 2026 WEQ Annual Plan Item 5.a / 2026 RMQ Annual Plan Item 2.a

With one suggested addition, Collaborative Utility Solutions (CUS) supports the Distributed Energy Resource Registry Interoperability Model Business Practices that were posted on the NAESB website on October 9.

CUS is a non-profit entity formed to address key needs common to the electric industry in a manner that will save the entire industry significant costs while rapidly advancing the enablement of distributed energy resources (DERs) for grid and market purposes. CUS's goal is to develop and support those industry processes and systems that can be collaborative and shared from utility to utility or market to market and, therefore, implemented at a dramatically reduced cost to create a much more efficient shared ecosystem of use by all the stakeholders in the energy value chain. CUS's objective is to partner with electric industry stakeholders and find the opportunities to collaborate and provide effective tools that can be used by everyone.

The only change we would recommend is to add an item (or possibly two items) that identifies the date that a DER was installed or when the applicable interconnection agreement became effective to the DER Data Dictionary.

The reason that these data items should be added to the DER Data Dictionary is that the application of FERC's "first use policy" has a time element. The first use policy was developed by FERC in Orders 2003 and 2006 on large and small interconnections, respectively. The policy states that, the first time a DER connects to a distribution feeder or circuit in order to participate in wholesale markets or transmit power to the transmission system, it is subject to state interconnection rules and procedures. Once the DER is installed, the affected feeder/circuit has become federalized for interconnection purposes because it is now being used for wholesale transactions. Any DER that wants to install on the same feeder/circuit after the first DER is actively participating in the wholesale market is subject to FERC (and RTO/ISO) interconnection rules and must follow FERC-jurisdictional transmission system operator interconnection rules in order to interconnect.

Including this information in the DER Data Dictionary will provide important information to guide DER developers/aggregators to know which interconnection rules they must follow when and where they install DERs. Data on the date that DERs were installed or interconnected will also be critically important for EDCs to provide correct information when DER developers seek guidance from EDCs.

The first use policy has proven to be an issue in ISO New England. A developer checked with an EDC about the status of a distribution line before bidding their project in the ISO New England capacity market. The developer was told that they were subject to state interconnection, and subsequently the developer's capacity cleared in the capacity market. After the DER had cleared, the EDC realized that they were wrong about the status of the applicable feeder/circuit and then informed the DER developer that it needed to go through the ISO New England interconnection process instead. Since the ISO New England interconnection queue was long, the DER developer was exposed to penalties and a need to sell its position in the capacity market if ISO New England could not process their interconnection in time, potentially at a loss. Including data on the dates of installation or interconnection in the DER Data Dictionary should reduce the potential for this scenario to occur in the future.

Please note that the first use policy is currently not active in the ISO New England and PJM regions. FERC approved proposals from both RTOs/ISOs that DERs in their regions to not be subject to the first use policy and only be subject to state interconnection. Also note that DERs participating in Order 2222 aggregations are not subject to the first use policy. At the same time, in order to ensure that the Distributed Energy Resource Registry Interoperability Model Business Practices are ready to address foreseeable issues, this addition would be a positive addition.

CUS appreciates the opportunity to provide these comments, and we look forward to discussing this further if there are any questions at the next NAESB WEQ and RMQ meeting.

Respectfully submitted,

_____

Chris Hickman
Chief Executive Officer
Collaborative Utility Solutions
3500 Confederal Drive
El Paso, TX 79936
Telephone: (970) 237-0990
Chris.Hickman@cusln.org