



## Organization of PJM States, Inc. (OPSI)

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February 13, 2020  
*Via Electronic Delivery Only*

Dear PJM Board and Stakeholders,

OPSI appreciates the outreach from PJM staff regarding stakeholders' efforts to address black start fuel assurance and for the opportunity to comment on the proposals that have been under development. As you are aware, stakeholders have been addressing a Problem Statement and corresponding Issue Charge that would, among other things, "[d]evelop fuel assurance requirement(s) for all new and existing black start resources[.]"<sup>1</sup> "PJM considers fuel assurance for black start resources to be the ability of a unit to maintain full black start MW capability even during periods when the primary fuel source is unavailable[.]" yet currently "approximately 50% of existing black start resources do not have assurance of fuel beyond their primary source."<sup>2</sup>

While fuel availability may be a contributor towards ensuring that black start resources are capable of performing their intended function during a black start scenario, it is by no means the only contributor.<sup>3</sup> And while providing for a secondary fuel source may appear to improve resource availability, we have been presented with no data that would inform us of the level of improvement, or how that level of improvement required among all black start resources concurrently dispatched on the grid, factors into ensuring grid restoration within an appropriate timeframe. Furthermore, we have been presented with no probabilistic risk assessment of fuel supply failure for any of the fuel sources that could be utilized by black start resources or for any of the other factors that are critical to resource performance. We find this information necessary especially since a black start scenario is already deterministic in nature and system restoration assurance already relies on defense-in-depth measures.<sup>4</sup>

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<sup>1</sup> Fuel Requirements for Black Start Resources – Issue Charge

<sup>2</sup> Fuel Requirements for Black Start Resources – Problem Statement

<sup>3</sup> Other contributors include fuel quality, material condition, planned and maintenance outages, cranking path issues, etc.

<sup>4</sup> e.g. 16-hour run time, 110% critical load requirement, etc.

We understand that stakeholders have chosen to address a specific contributor<sup>5</sup> to resource availability and that they have also chosen to propose solutions to address a single-failure criterion<sup>6</sup> for that contributor. However, given that the proposed solutions could require over half a *billion* dollars in capital costs which could cost ratepayers from \$1.6 billion to \$3.1 billion over the projected ten to twenty year cost recovery period<sup>7</sup> with no clear measure of benefit or risk reduction, we are unable to provide specific guidance to PJM and its stakeholders on proposal selection. Rather, we submit that there is not a strong foundation at this time to support any of the options. As such, OPSI recommends that stakeholders consider refocusing their efforts towards exploring risk-informed measures that would be used to better define black start resource availability expectations.<sup>8</sup>

Sincerely,



Dr. Talina R. Mathews. President  
Organization of PJM States Inc.

*cc PJM Board of Managers*

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<sup>5</sup> Fuel supply/source

<sup>6</sup> The loss of the primary fuel source, and the requirement of a secondary fuel source for all or some percentage of black start resources per Transmission Owner zone.

<sup>7</sup> PJM OC/MIC Special Sessions: Fuel Requirements for Black Start Resources Slide Deck, February 6, 2020, Slide No. 5 (<https://www.pjm.com/-/media/committees-groups/committees/oc/2020/20200206/20200206-item-06-fuel-requirements-for-black-start-resources.ashx>).

<sup>8</sup> This letter was approved unanimously by the OPSI Board of Directors on February 10, 2020