Working to Perfect the Flow of Energy

PJM Manual 12:

Balancing Operations

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Dispatch

4.6.9 Generator Owner's Commitment

The generator owner shall be committed to provide black start capability:

- Generators shall commit initially for at least two years to provide black start service from the black start service implementation date, with an annual right to terminate by each party (the generator owner and the transmission owner) with one year's notice. In the event that neither the Black Start Unit owner nor the Transmission Owner exercises its right to terminate by providing a one year notice of termination, the commitment to provide Black Start Service automatically will be extended for an additional year to maintain a rolling two-year commitment.

- All succeeding annual commitments must be at least an additional year to maintain a rolling two-year commitment. Changes in cost may be made annually, but will become effective in the second year of commitment.

- If due to an event of force majeure a generator owner cannot provide Black Start Service, the commitment requirements stated above shall not be binding.

- In the event that a Black Start Unit fails to fulfill its two year rolling commitment to provide Black Start Service, the Black Start Unit owner shall forfeit the received monthly Black Start Service revenues for the period of its non-performance not to exceed revenues for a maximum of one year.

- A failure by a Black Start Unit to complete its applicable annual black start requalification test or failure of the annual test does not serve as notification of the Black Start Unit owner's intent to terminate Black Start Service nor does it serve as notification to start the Black Start Replacement Process described in *Manual 14D - Generator Operational Requirements*.

- Black Start Unit Owners shall commit to supplying an update to the Black Start Service cost formula as detailed in Schedule 6A of OATT via eDART upload process using the Black Start Forms in Attachment C.

For New Black Start Units entering the service:

- New Black Start Unit Owners recovering capital cost under either Capital Cost Recovery Rate in PJM's Open Access Transmission Tariff Schedule 6A shall provide PJM an estimated annual revenue requirement based on the most current cost data at the time the unit enters Black Start Service.

- New Black Start Unit Owners will submit capital cost documentation to PJM and the IMM within 3 months after entering Black Start Service. Acceptable documentation may consist of:

    ο Third party invoices supporting costs for contractor services and materials,

> ο Time sheets or other project tracking documentation for internal labor costs (components of labor rates) including rate sheets and applicable overheads.
>
> ο When applications and certificates for payment are used to confirm completion of any portion of a project, they must must be signed and notarized. The signature and notarization must be visible on any copies provided.
>
> ο When internal costs are charged to the project they must include documentation supporting all costs which will be included and a breakdown of how the costs were developed.

- New Black Start Unit Owners will submit annual revenue costs including variable black start and fuel storage costs (if applicable) to PJM and the IMM within 3 months after entering Black Start Service.

  > ο The annual Black Start revenue requirement may include annualized capital costs, Black Start O&M costs, existing unit level annual VOM cost, and NERC Standard compliance costs, all of which must include complete supporting documentation.
  >
  > ο If the Black Start unit can be fired on oil, additional required documentation include support for the claimed Minimum Tank Suction Level(s), size of tanks, fuel burn rates. If the tank is shared with other resources, a complete explanation with all supporting data of how tanks use is shared and the allocation factor(s) used.