

Fuel Security Senior Task Force

Mission

The Markets and Reliability Committee (MRC) approved the creation of the Fuel Security Senior Task Force to determine what it means to be fuel/energy/resource secure and compare potential mechanisms to ensure and value fuel/energy/resource security in PJM.

Responsibilities

The FSSTF stakeholder group will conduct the following key work activities and produce the stated deliverables as described in the Issue Charge:

1. Provide education, at a minimum, on the following:
 - a. Fuel security study recently completed by PJM.
 - b. Work other ISO/RTOs are doing relative to fuel/energy/resource security.
 - c. PJM mechanisms and products from both the supply side and demand side that contribute to fuel/energy/resource security.
 - d. NERC Assessments that may support this initiative.
 - e. The primary risks to fuel/energy/resource security in PJM and the impact and likelihood of such risks.
2. Quantify the risk of occurrence of selected scenarios that might present a risk of fuel/energy/resource insecurity.
3. Determine what it means from a PJM system and/or resource level to be fuel/energy/resource secure. This determination should include all aspects of fuel supply characteristics, resource type characteristics, location of the fuel supply, roles of demand response and demand side management, location and characteristics of non-fuel generation (e.g., renewable and energy storage resources), and other alternative options that can ensure fuel/energy/resource security in the coming years.
4. Determine whether there is a quantifiable and/or locational requirement for fuel/energy/resource security in PJM.
5. Identify criteria to guide the selection of design alternatives that should be considered to ensure maintenance of any requirements identified in #3 and #4 above. Input into the determination of this criteria will include, at a minimum, the following:
 - a. Impact of existing tools, designs, and operational or planning standards on fuel/energy/resource security.
 - b. Results of Phase 1 Fuel Security Analysis and work completed for the other Phases.

- c. Timing of fuel/energy/resource security primary risks.
 - d. Triggering mechanisms to implement future design alternatives that are currently not needed but may be needed in the future.
 - e. Analysis of any benefits of design alternatives to ensure that they are commensurate with the costs incurred.
6. Consider the market responses to appropriate conditions that could lead to fuel/energy/resource insecurity identified in #4 above.
 7. Assess whether the current market construct is sufficient to cure the energy/fuel/resource insecurity identified in #4 above.
 8. Where technically feasible, provide stakeholder requested analyses and/or additional scenarios to support discussions, potential plausible future FERC/NERC reliability standards/guidelines, and for evaluating the potential impact of proposals to maintain any identified requirements.
 9. Determine and compare potential mechanisms to ensure and value fuel/energy/resource security, and their associated costs and benefits in PJM, and consider recommendations from relevant studies and assessments that are technically feasible.

Terminology

Fuel, Energy, and Resource Security are terms used throughout the Problem Statement, Issue Charge, and Charter. These terms are described as follows:

Fuel Security: A core problem being addressed in this task force is associated with *Fuel Security*. This can be categorized as the availability of fuel both on-site and assessed from delivery systems required for a unit to generate consistent with dispatch signals or operating instructions. This includes all resource types

Resource Security: Availability of a set of resources with the same fuel type associated with different types of common vulnerabilities. Includes all resource types.

Energy Security: The solution being address is *Energy Security*. This includes multiple potential solutions and recovery options. The solution may include areas such as a combination of system attributes, fuel, and resources that can be achieved through existing, modified, or new mechanisms

Expected Deliverables

As necessary, deliverables include the following:

1. A recommendation to the MRC on whether market or operational changes are needed to ensure current or future fuel/energy/resource security.

2. A recommendation to the MRC on proposed market or operational changes that address fuel/energy/resource security.
3. Revisions to the Operating Agreement, Open Access Transmission Tariff, Reliability Assurance Agreement, and manuals to implement the recommended enhancements, if any are needed.

Expected Overall Duration of Work

The activities of the group will begin in April 2019. By the end of the 3rd quarter 2019 the group will complete key work activities #1 - #4, and expected deliverable #1, and will report to the MRC their recommendations. The remainder of the key work activities and deliverables will be completed by the deadline to be set by the MRC at the September 2019 meeting.

Decision-Making Method

Tier 1 decision making will be used.

Administrative

1. The group name will be Fuel Security Senior Task Force (FSSTF).
2. The group will report to the Markets and Reliability Committee.
3. The group will be facilitated by:
Rebecca Carroll, Facilitator
Melissa Pulong, Secretary
4. The group will accomplish the scope of work identified above, and only that work.
5. Approval from the parent Standing Committee will be sought before engaging in any activity outside this scope.
6. The group will conduct its activities in accordance with the protocols found in the PJM Stakeholder Process Manual (M-34).
7. The group will periodically report progress on its chartered scope of work to the Markets & Reliability Committee.
8. All PJM Stakeholders may appoint representatives to the task force.
9. Membership in the group is open and will be identified by volunteerism. Group members are not required to sign a confidentiality agreement or non-disclosure agreement.
10. Meeting minutes (notes) and all meeting materials will be published on the PJM web site.