Cross Zonal Coordination Cost Allocation Issues

System Restoration Strategy Task Force
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Supply Black Start from Outside TO Zone to meet TO Critical Load Requirements

- PJM Tariff allows Black Start Unit Annual Revenues (regardless of zonal location) to be Allocated to Nominating Zone

• Cost Allocation Issues
  - NERC-CIP Cost Recovery for External TO (TO where BS is located)
  - Restoration Plan Revision

• Potential Solutions
  - Develop Annual Revenue Requirement for External TO in Schedule 6A
In Collaboration with TOs, Identify Opportunities to supply Critical Load and/or Customer Load pockets across TO Zones (Shared Black Start Unit)

• Cost Allocation Issues
  – Black Start Unit Serving Critical Loads in Two or More Zones

• Potential Solutions
  – Allocate Unit Annual BS Revenues to Each Zone by Critical Load Percentage
In Collaboration with TOs, Identify Opportunities to Fully Aggregate TO Restoration Plans

• Cost Allocation Issues
  – Black Start Units Serving Critical Loads in Consolidated Zones/Regions

• Potential Solutions
  – Allocate Aggregated TO Zones Units’ Annual BS Revenues to Each Zone by Critical Load Percentage (TO zones have been aggregated)
  – Allocate Aggregated Region Units’ Annual BS Revenues to Respective TO by Critical Load Percentage (Partial aggregation of zones)