

# Proposal to Address Existing Providers of Black Start and Restoration Services in Local Transmission Districts

Management Committee  
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# Overview 1

- The OATT, Rate Schedule 6 covers “Black Start Service”, while Rate Schedule 5 of the Services Tariff covers “Payments for Black Start Capability.”
- State-wide black start and system restoration services and charges are provided for and paid for by all NYCA loads.
- Parts of the NYCA Power System require additional black start services which are managed by local Transmission Owners and paid by loads in the respective zone(s)
- The proposed tariff amendment addresses terms and conditions of local system restoration plans.

# Overview 2

- Current tariff provisions address compensation as follows:
  1. “Capital and fixed operation and maintenance costs associated with only those facilities within Generators that provide Black Start Capability; [based on FERC Form No. 1 or “equivalent data”] and
  2. “annual costs associated with training operators in system restoration”.
- Very little detail about other terms and conditions provided.

# The Proposed Program:

- Establishes verifiable testing procedures which:
  - Require an annual demonstration that local system restoration units can safely shut-down and start-up after a blackout
  - Provide for training of plant operators
- Establishes an annual compensation plan that is based on equipment type and interconnection level.

# Con Edison Specific Provisions

- Con Edison specifies the generation assets that are needed to provide Black Start and System Restoration Services in New York City.
- Suppliers commit to participate in the Restoration Plan for a minimum three-year period. At the end of the second year either Con Edison or supplier can exercise a one year opt-out notice provision.
- Annual test must be successfully completed between November 1<sup>st</sup> and May 31<sup>st</sup>, after the equipment has completed its planned maintenance outage.

# Compensation – Con Edison Transmission District

- System Restoration Units will be compensated on a per location and facility basis which reflects the sites' relative values in restoring transmission system and network loads in Con Edison's Transmission District.
- Owners of System Restoration Units will be reimbursed for operator training costs and variable costs associated with annual testing.

Table of Annual Payments		
	Steam Turbine	Gas Turbine
345 kV	\$350,000/yr/unit	\$350,000/yr/site
138 kV	\$300,000/yr/unit	\$300,000/yr/site

# Black Start and System Restoration Services In Other Local Transmission Districts

- O&R – Mirant
- Central Hudson – Dynegy
- Discussions underway regarding terms and conditions of service and compensation in upstate zones.
- Presentation to BIC scheduled for September.

# Next Steps

- Approve tariff amendments for Con Edison Transmission District and submit to FERC as soon as practicable.
- Fast track resolution of upstate Local System Restoration terms and conditions.