



Engineering, Operations, & Technology Committee

Professional Services Agreement for Transmission Planning Services

Item 7-1

April 7, 2025

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Professional Services Agreement for Transmission Planning Services

Subject

Authorize an increase to a professional services agreement with Grid Subject Matter Experts, LLC for a new not-to-exceed total amount of \$1.245 million for electric transmission planning and North American Electric Reliability Corporation-related electric reliability compliance services

Purpose

Provides information relevant to the Board for approval of an increase and extension to an existing agreement for transmission planning services

Recommendation and Fiscal Impact

Authorize extension of agreement for transmission planning services in support of third-party affected system study requests

Fiscal impact - None

Budgeted

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Background

- Metropolitan has received multiple requests from third-party generation developers for system impact studies
 - Seven affected system study requests
 - One interconnection request
 - Additional requests are pending
- These studies identify potential impacts to Metropolitan's transmission and water operations, are highly technical in nature, and are time sensitive
- Critical to meeting regulatory obligations and protecting Metropolitan's energy and water operations

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Background

- The interconnection customer is responsible for the costs of the study, and makes a deposit to offset Metropolitan's expenses at the time of application
 - Study deposits range from \$50k to \$250k
- Metropolitan does not have sufficient staff to manage the queue of study requests and perform the necessary technical analysis
- Staff will rely heavily on industry consultants to perform the technical analysis and develop mitigations and cost estimates

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Alternatives Considered

- RFP for transmission planning consulting services
 - Current RFP timeline will result in delay of the ongoing study work with impacts to requesting development companies
- Rely on Metropolitan staff resources
 - Not supported by current staffing levels
- Selected Alternative – Extend current professional services agreement
 - Allows timely completion of work

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Extend current professional services agreement

- Metropolitan has an on-call professional services agreement with GridSME for transmission planning and electric compliance services
- GridSME has performed similar studies for Metropolitan under the current agreement, and has already started work on the current study queue
- This action will allow Metropolitan to see the current work through to completion and meet customer expectations
- An RFP is in process for additional transmission planning professional services
 - Submit for board review estimated Q2-Q3 2025

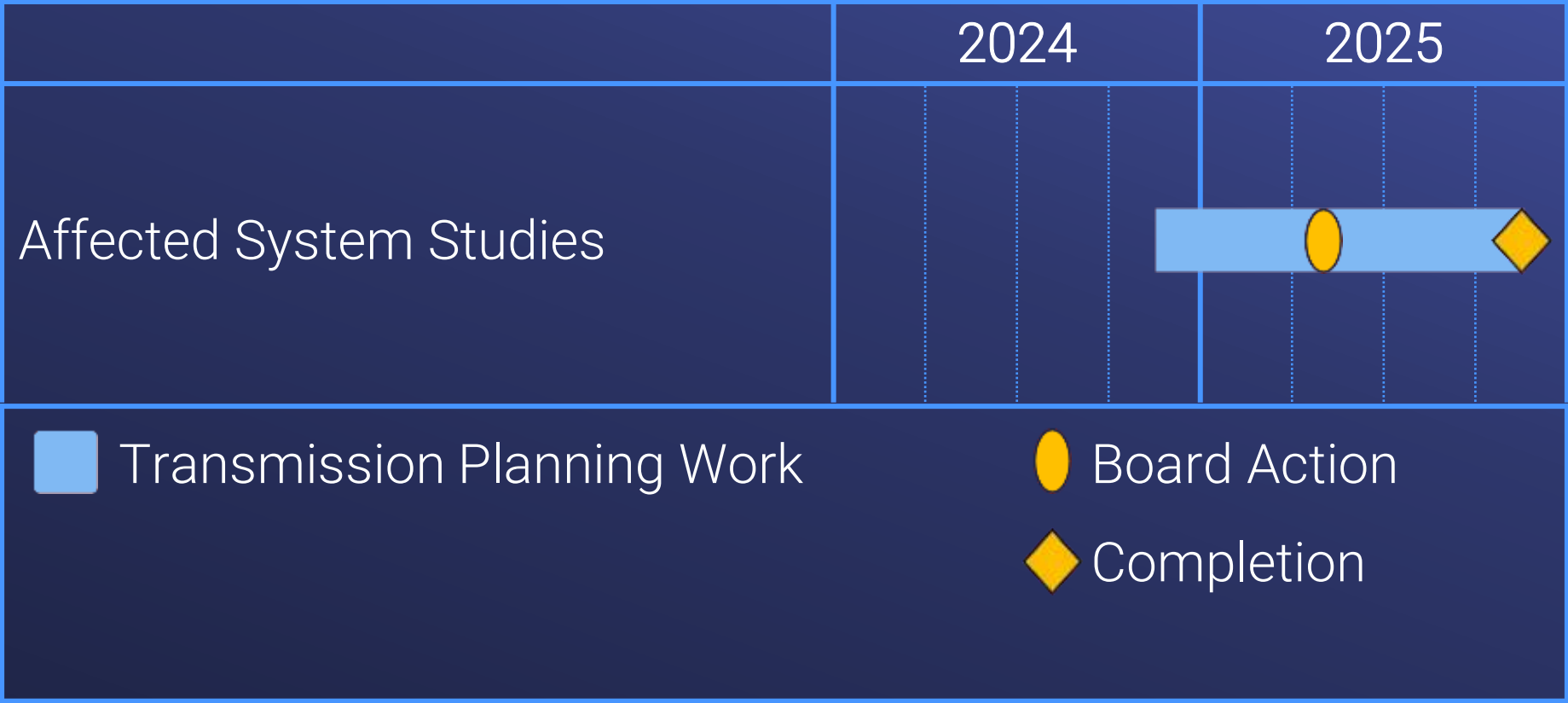
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Affected System Study - Scope of Work

- Transmission Planning Consultant
 - Perform technical analysis to identify system impacts
 - Develop operational and physical improvement mitigations
 - Develop project scope and cost estimates for physical improvements
- Metropolitan Staff
 - Manage interconnection queue, study agreements, and study deposits
 - Set technical study parameters and review consultant work product
 - Track study-related costs for reimbursement
 - Develop Capital Improvement Projects (CIP) as necessary

Project Schedule



Board Options

- Option #1
Authorize an increase to a professional services agreement with Grid Subject Matter Experts, LLC for a new not-to-exceed total amount of \$1.245 million for electric transmission planning and North American Electric Reliability Corporation-related electric reliability compliance services
- Option #2
Do not authorize the increase

Staff Recommendation

- Option #1

