



Engineering, Operations, & Technology Committee

Update on Colorado River Aqueduct High Voltage Transmission System – Affected Systems Mitigation Agreements

Item 6c

October 13, 2025

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CRATS Affected Systems Mitigation Agreements

Subject

Update on Colorado River Aqueduct High Voltage Transmission System – Affected Systems Mitigation Agreements

Purpose

Provides information relevant to the Board for future approval of Affected Systems Mitigation Agreements with generation project developers

Next Steps

Presentation by staff of Affected Systems Mitigation Agreements with specific generation project developers for Board review and approval

CRATS Affected Systems Mitigations Agreements



Background

- Follow-up to EO&T from May 12, 2025
- Metropolitan has received multiple requests from third-party generation developers for affected system studies
 - Close proximity to the Colorado River Aqueduct Transmission System (CRATS) but not directly connected
 - Identified by California ISO (CAISO) and Western Area Power Administration (WAPA) studies
 - Projects required to obtain each affected system's permission to connect & begin commercial operation
- Affected system studies identify potential impacts to Metropolitan's transmission & water operations
 - Highly technical & time-sensitive
 - Study work funded by interconnection customer study deposits
- Critical to meeting regulatory obligations & protecting Metropolitan's energy & water operations

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Background

- Affected System Study Cluster 1
 - 11 projects identified by CAISO & WAPA studies
 - 4,689 megawatts (MW) of generation and/or Bulk Energy Storage (BES)
 - Includes 6,172 MW of previously approved projects
- Study initiated December 2024
 - Steady-state thermal and voltage analysis largely complete
 - Voltage transient stability analysis underway
 - Initial high-level costs to mitigate system impacts estimated at \$280 million
- Study completion estimated for 1Q 2026
 - Completion of technical studies
 - Detailed engineering cost estimates for mitigations
 - Final agreements with developers

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Need for Bridge Agreements

- Several study participants need to secure financing & begin construction prior to completion of the studies & final agreements
- Bridge agreements allow study participants to demonstrate they have provisional agreement from Metropolitan for their project to become operational
- Metropolitan is not obligated to provide bridge agreements, but doing so supports state RPS goals and is in alignment with Metropolitan's CAP
- Also protects Metropolitan's electric and water operations by requiring a financial deposit to offset study & engineering costs

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What's in a Bridge Agreement?

- Study participant commitment to study and mitigation efforts
 - Agreement to enter into a full mitigation agreement once the cluster study is completed
 - Credit or security commitment equal to 10% of each project's pro-rata share of mitigation costs to offset planning and engineering costs
 - Agreement to work cooperatively with Metropolitan, CAISO, and other stakeholders to establish and operate subject to interim operating measures
- Metropolitan commitment to preliminary authorization for the study participant to commence commercial operation
 - Develop interim operating mitigations with CAISO

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Future Board Actions

- Bridge agreements under development for three (3) affected projects
 - Three-party agreements: Metropolitan, developer, and CAISO
- Staff will return with proposed bridge agreements for the Board's review & approval (November)
- Staff will return with permanent & long-term mitigation and interconnection agreements following completion of the current study in 1Q 2026

Project Schedule – Affected System Studies Cluster 1



