



Engineering, Operations, & Technology Committee

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

Item 9-5

May 12, 2025

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CRATS Affected Systems Mitigation Agreements

Subject

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

- Metropolitan has received multiple requests from third-party generation developers for affected system studies
 - Seven official study requests
 - Several thousand megawatts (MW) of solar generation & energy storage systems
 - Close proximity to CRATS but not directly connected
- Affected system studies identify potential impacts to Metropolitan's transmission & water operations, are highly technical in nature & time sensitive
- Critical to meeting regulatory obligations & protecting Metropolitan's energy & water operations

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Background

- Each study participant is responsible for the costs of their study & 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 & perform the necessary technical analysis
 - February board informational item
- Staff will rely heavily on industry consultants to perform the technical analysis & develop mitigations and cost estimates
 - April board action to extend GridSME agreement

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Affected System Study - Scope of Work

- Transmission Planning Consultant
 - Perform technical analysis to identify system impacts
 - Develop operational & physical improvement mitigations
 - Develop scope & cost estimates for physical improvements
 - Estimates pro rata costs for each study participant proportional to their project's impact
- Metropolitan Staff
 - Manage interconnection queue, study agreements, & study deposits
 - Set technical study parameters & review work product
 - Track study-related costs for reimbursement
 - Develop Capital Investment Plan (CIP) as necessary

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Need for Bridge Agreements

- Several study participants need to secure financing & begin construction prior to completion of the studies
- Bridge agreements allow study participants to demonstrate they have provisional agreement from Metropolitan for their project to become operational
- Protects Metropolitan's electric and water operations by requiring a financial deposit to offset mitigation 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 to offset the study participant's pro-rata share of mitigation costs
 - Agreement to work cooperatively with Metropolitan, the California ISO (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

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Future Board Actions

- Staff will return with proposed bridge agreements for the Board's review & approval
 - First bridge agreement may be brought for Board approval as early as June 2025
 - Several bridge agreements are possible in this first cluster of projects during 2025
- Staff will return with permanent & long-term mitigation and interconnection agreements following completion of the current study in 4Q 2025 or 1Q 2026

