



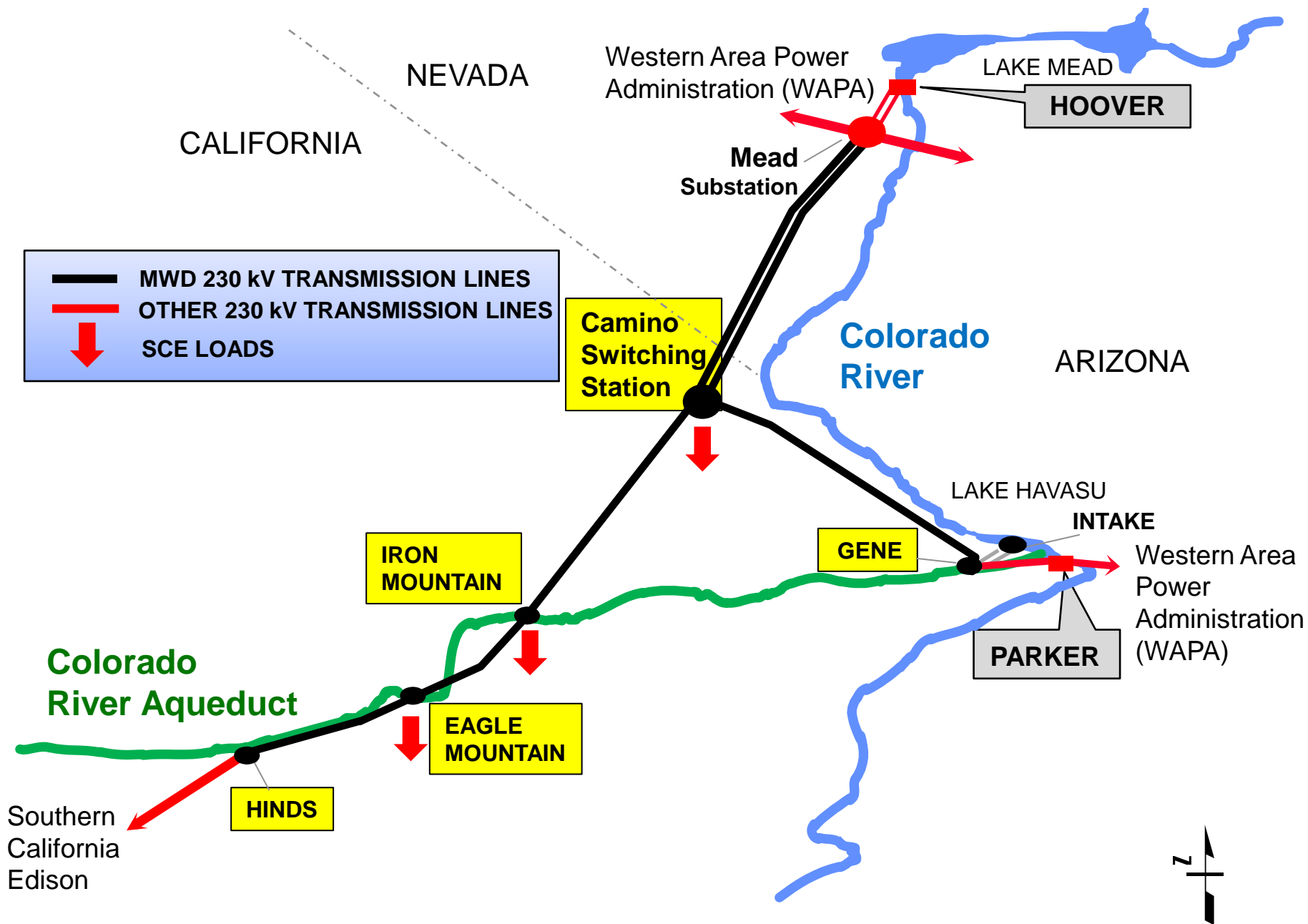
Authorize execution of transmission and facility interconnection agreements with Southern California Edison

Engineering and Operations Committee
Item 8-7
August 14, 2017

Current Action

- Authorize the General Manager to execute the Transmission Interconnection Agreement and five Interconnected Facilities Agreements with Southern California Edison

METROPOLITAN CRA ELECTRIC SYSTEM



2017 – Year of Transition

- Mead substation interconnection – expired May 31, 2017
 - New agreement approved December 2016
- Hoover contracts – expire September 30, 2017
 - New contracts approved July 2016
- CRA Service and Interchange agreement w/ Edison - expires September 30, 2017
 - Coordination with state's grid operator (CAISO) (approved June 2017)
 - Energy services (AEPCO) (approved July 2017)
 - Transmission services (AEPCO) (approved July 2017)
 - Transmission/facility interconnections (Edison)

Edison Background

- Historic partner with MWD for the operation of the CRA electric system
- Deregulation fundamentally changed Edison's business
- Transmission and facility interconnections are mutually beneficial
- Edison has significant electric system monitoring capabilities on the CRA
- Edison has transmission equipment located at pumping plants that support the CRA

Interconnection Agreements

- Provide for continued interconnections between MWD's CRA electric system and local Edison electrical facilities
- Connect MWD's CRA electric system to the main transmission grid in California
- Allow Edison to continue to provide electric service to their remote desert customers
- Establish parties' responsibilities including compensation to MWD
- License agreements for Edison's use of MWD land developed in parallel by the Real Property Group

Transmission Interconnection Agreement Terms

- Umbrella agreement with common terms and conditions
- Starts October 1, 2017 with no termination date
- Early termination provisions - 6 year notice by MWD
- Neither party may impact the other party's electric system
- Edison will provide electric system information to MWD, CAISO, and AEPCO
- MWD indemnified by Edison for third-party claims
- Edison will use its facilities to support the CRA electric system

Interconnected Facilities Agreement

Terms

- Five agreements, one for each of four CRA pumping plants and one for Camino Switching Station
- Unique provisions for each location
- Starts October 1, 2017 with no termination date
- Early termination provisions - 6 year notice by MWD
- Initial annual compensation of approximately \$12,000 with yearly CPI increase
- Edison will pay for new or replacement equipment that supports their connection
- Edison responsible for their equipment removal and cleanup

Board Options

- Option #1
 - Adopt the CEQA determination that the proposed action is not defined as a project
 - Authorize the General Manager to execute the Transmission Interconnection and Interconnected Facilities Agreements with Edison

Board Options

- Option #2
 - Do not authorize execution of the Transmission Interconnection and Interconnected Facilities Agreements

Staff Recommendation

- Option #1

