



California ISO

Decision for Participating Transmission Owner application for Citizens Pacific Transmission LLC

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Citizens Pacific Transmission LLC entitlements overview

- Citizens Pacific Transmission LLC (“Citizens Pacific”) applied on July 15, 2024, to join the California Independent System Operator (“ISO”) as a participating transmission owner
- Citizens Pacific and Pacific Gas and Electric Company (“PG&E”) are parties to a Development, Coordination, and Option Agreement which allows Citizens Pacific to invest up to \$1 billion in certain identified transmission projects being developed by PG&E
- Citizens Pacific will execute the first of five entitlements leases with PG&E in 2025 and turn it over to ISO operational control. Future entitlements leases will also be turned over to ISO operational control

The first entitlements

1. Rio Oso – the installation of a 230 kV modular protection, automation, and control building
2. Rio Oso – installation of a 230 kV gas insulated switchgear and in a breaker and a half configuration
3. Gates – 500 kV T-Line
4. Gates – 500 kV dynamic voltage support
5. Monta Vista – installation of a 230 kV modular protection, automation, and control building
6. Table Mountain – modify 500kV series capacitors 1 & 2
7. Arco – 230 kV control building network upgrade
8. Tesla 500 kV – replacement of circuit breaker 542 and 642
9. Q1277 Tesla substation reliability network upgrade

The tariff and transmission control agreement provide a specific process to become a participating transmission owner

- ✓ Applicant transmission owner must submit an application to the ISO
- ✓ Application must be posted on ISO website for public comment
- ISO Board of Governors must authorize the ISO's acceptance of the application
- Applicant transmission owner must execute the transmission control agreement
- Upon FERC approval and transfer of operational control, the transmission owner becomes a participating transmission owner

Discussion and analysis

- PG&E will be responsible for the development, design, permitting, engineering, procurement, and/or construction of each project, and bear all costs for the development and construction of such project
- PG&E will retain full ownership of the projects and Citizens Pacific's interest in any project will be limited to a leasehold interest in entitlements
- Citizens Pacific has provided the list of identified projects for the first entitlements lease which will be finalized prior to the entitlements being turned over to ISO operational control

Management recommends that the Board approve the ISO's acceptance of Citizens Pacific's application

- The funding by Citizens Pacific supports development of PG&E's transmission projects in support of the California's energy policy goals
- Citizens Pacific meets all the criteria to become a participating transmission owner as identified in the transmission control agreement
- Citizens Pacific's application was posted on the ISO website for 60 days for public comment and no comments were received