



California ISO

Decision for Participating Transmission Owner application for SunZia Transmission, LLC

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Management

ISO Board of Governors meeting

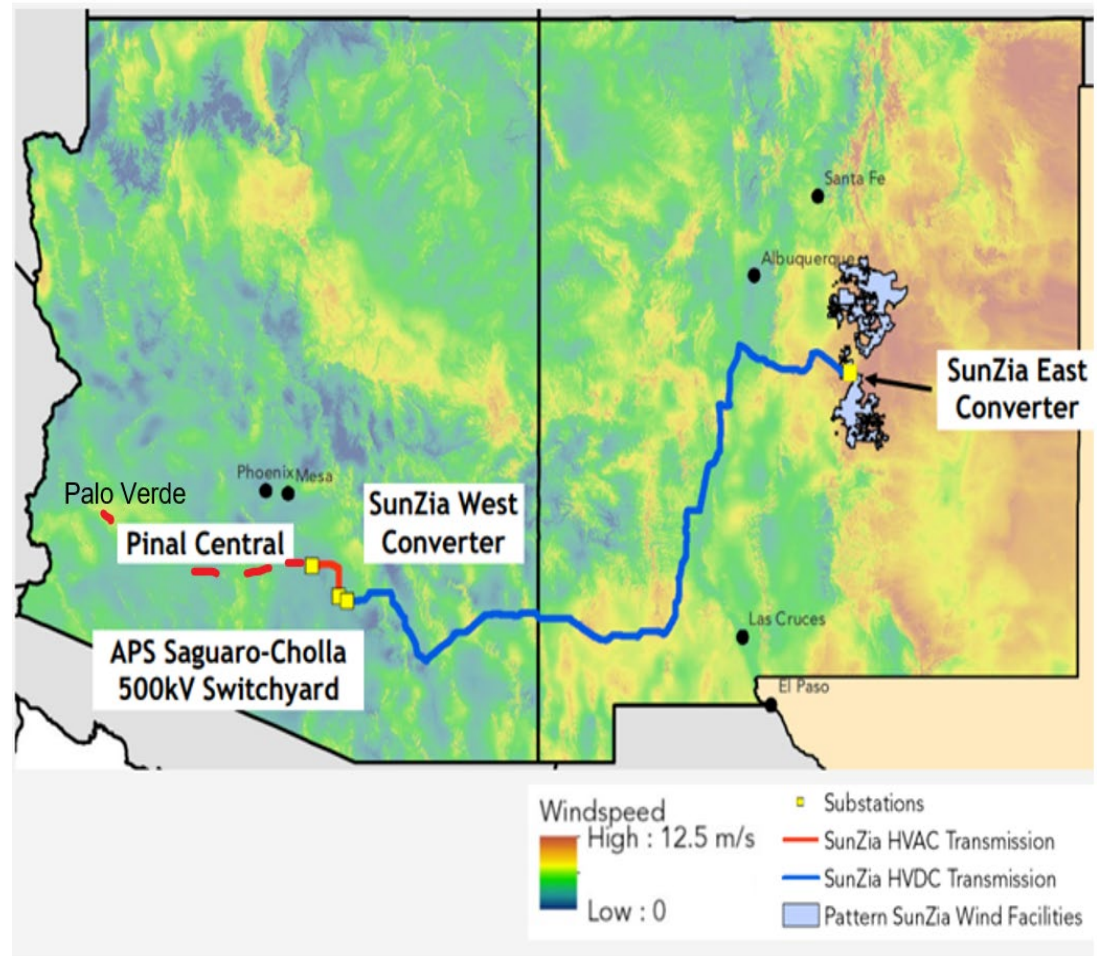
General Session

May 23, 2024



SunZia Transmission Project Overview

- 3,000 MW line
- 551 miles 525 kV DC Line
- 0.75 miles 500 kV AC Lines
- 3,021 MW wind generation
- 2,131 MW to California via Palo Verde
- Entitlement rights from Pinal Central to Palo Verde under Open Access Transmission Tariff agreements with Arizona utilities (dashed line)
- In-service April 2025
- Generation April 2026



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

- SunZia will be the second Participating Transmission Owner application brought to the Board seeking to join the ISO as a Subscriber Participating Transmission Owner.
- The Arizona Entitlements will be utilized to connect SunZia's transmission system to the current ISO Balancing Authority Area boundary.
- Certain stakeholders raised questions regarding the implementation of these entitlement rights in the ISO market.
- The usage of these entitlements will be dictated by the OATT and transmission service agreement provisions of the transmission providers.

Management recommends that the Board approve the ISO's acceptance of SunZia Transmission's application

- The participation of SunZia is critical to enabling the delivery of wind generation from New Mexico consistent with California Public Utility Commission's ("CPUC") 2024-2025 "Preferred System Plan."
- SunZia's remains eligible to join as a Participating Transmission Owner considering that the Arizona entitlements remain available for use by the wind generation.
- SunZia's application was posted on the ISO website for 60 days for public comment and received comments from four stakeholders with none opposing SunZia's Participating Transmission Owner application.