

WESTERN ENERGY MARKETS

California ISO West-wide transmission activities

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WEM Governing Body meeting

General Session

June 18, 2025



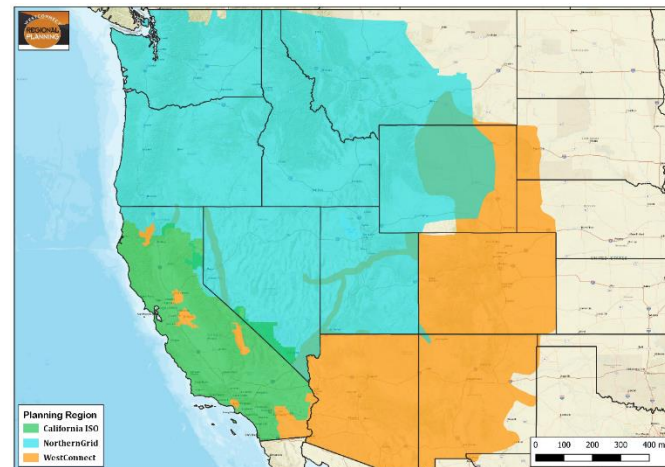
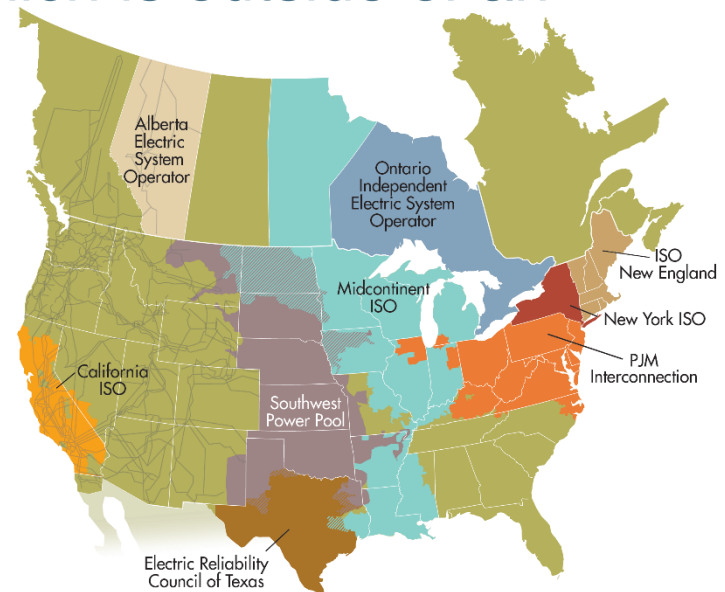
The ISO's planning activities coordinate with the rest of the western interconnection – most of which is outside of an ISO/RTO structure

The western interconnection has formed into three separate interregional planning areas pursuant to FERC Order 1000, that provides:

- Annual exchange of information
- Annual public interregional coordination meeting

As the existing interregional coordination framework approved by FERC has not been effective to date, the ISO has pursued other coordination opportunities as well

- State voluntary agreement framework
- subscriber participating transmission owner model



The ISO explores west-wide transmission planning on multiple tracks

Information-sharing to support west-wide study efforts

- FERC Order 1000 interregional coordination efforts
- FERC Order 1920 transmission planning
- DOE transmission planning and congestion studies
- WECC – model development and system planning studies
- NERC interregional transfer capability study
- Gridworks/Gridlab/PNNL Connected West initiative
- **Western Transmission Expansion Coalition (WestTEC)**
- Western States Transmission Initiative (CREPC)

Informal discussions with transmission planning peers

- Regional transmission planning discussions through a forum led by the ISO
- ESIG transmission planning task forces

Creative bilateral efforts to advance projects

- Subscriber PTO approach
- Bilateral arrangements through FERC's voluntary framework agreement approach

Monitor and engage in process reform

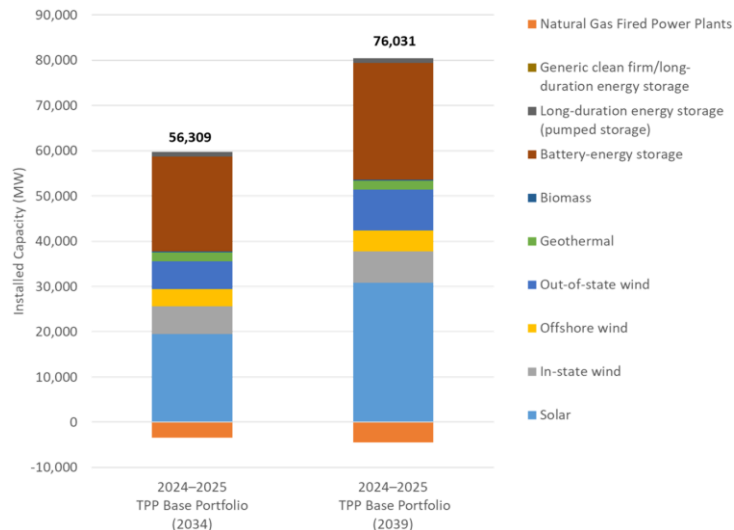
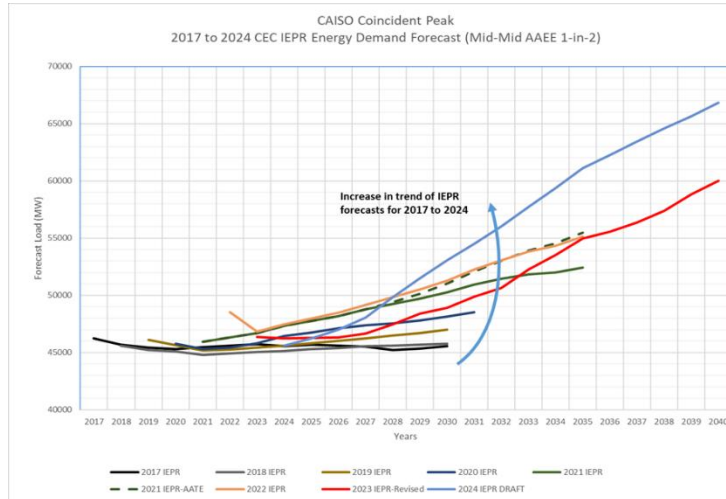
- WEM education and engagement on transmission planning efforts
- FERC technical conferences
- Comments on FERC NOPRs
- Department of Energy National Interest Electricity Transmission Corridor (NIETC) designations

The ISO's participation in interregional planning keys off our regional transmission planning process

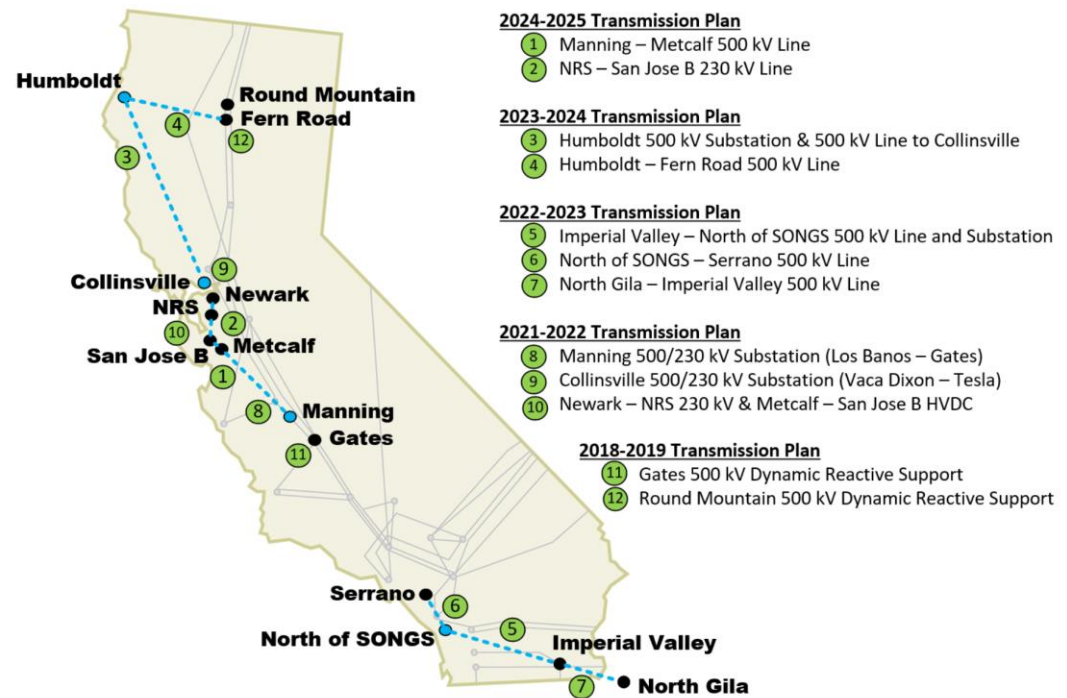
- Relies upon load forecasts and resource plans from our state and local regulatory authorities
- Annual 10-Year transmission plan is the formal approval document for expansion planning in our footprint
 - Responding to accelerating load growth and escalating clean energy needs
 - 2024-2025 Transmission Plan approved transmission totaling \$4.8 billion, largely load growth related.
 - Previous three transmission plans approved an average of \$5.8 billion, largely policy-driven transmission supporting access to resource basins
 - Focus on most efficient and effective long-term solutions, including grid enhancing technologies
- 20 Year Outlook assesses longer term needs
 - First prepared in 2022, updated in 2024
 - Establishes a longer-term direction and strategy
 - Provides context for nearer term decision
- FERC Order No. 1920 will require changes and add new considerations to regional transmission planning



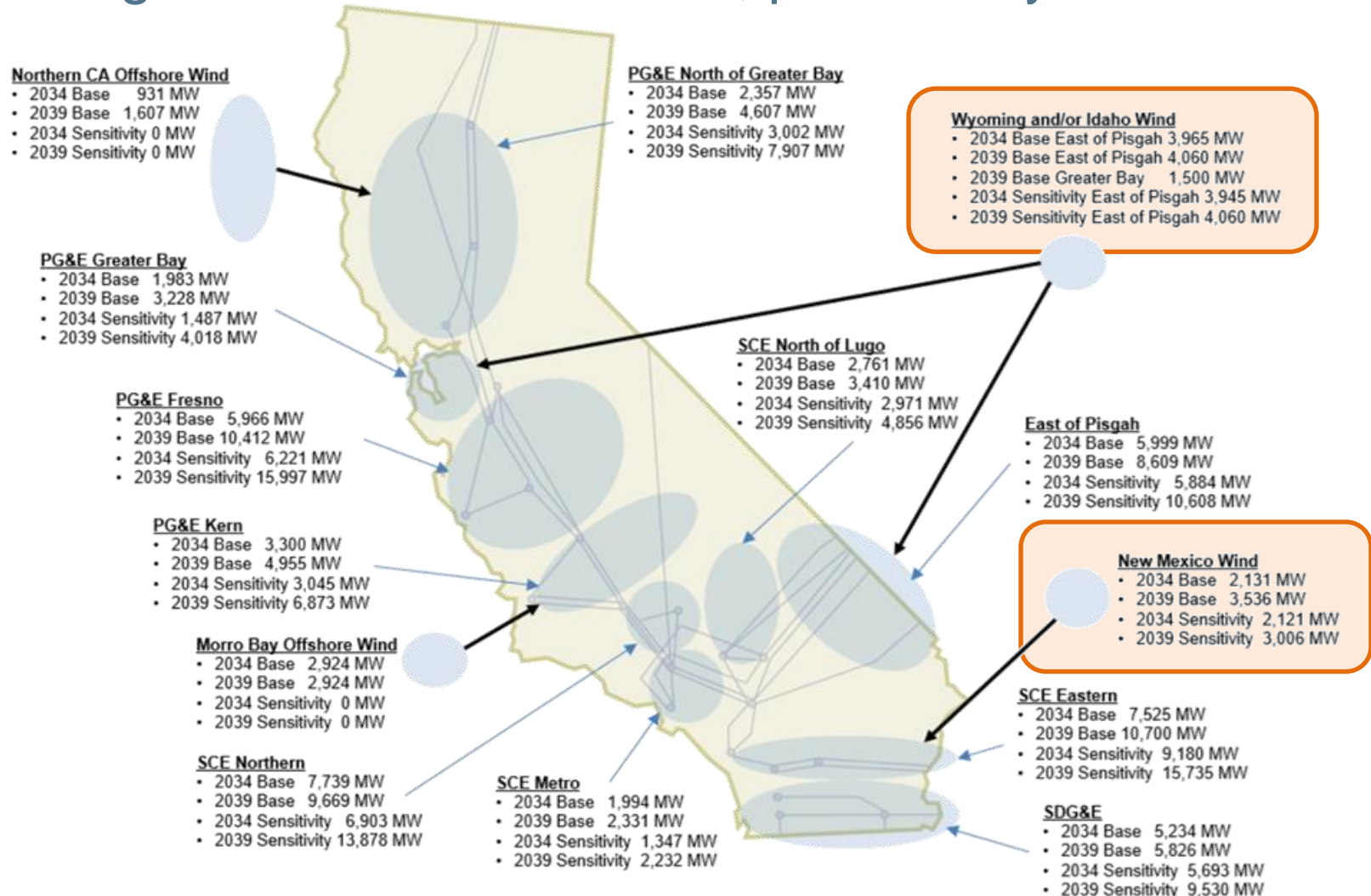
Load forecasts have been escalating, and driving increased resource and transmission requirements



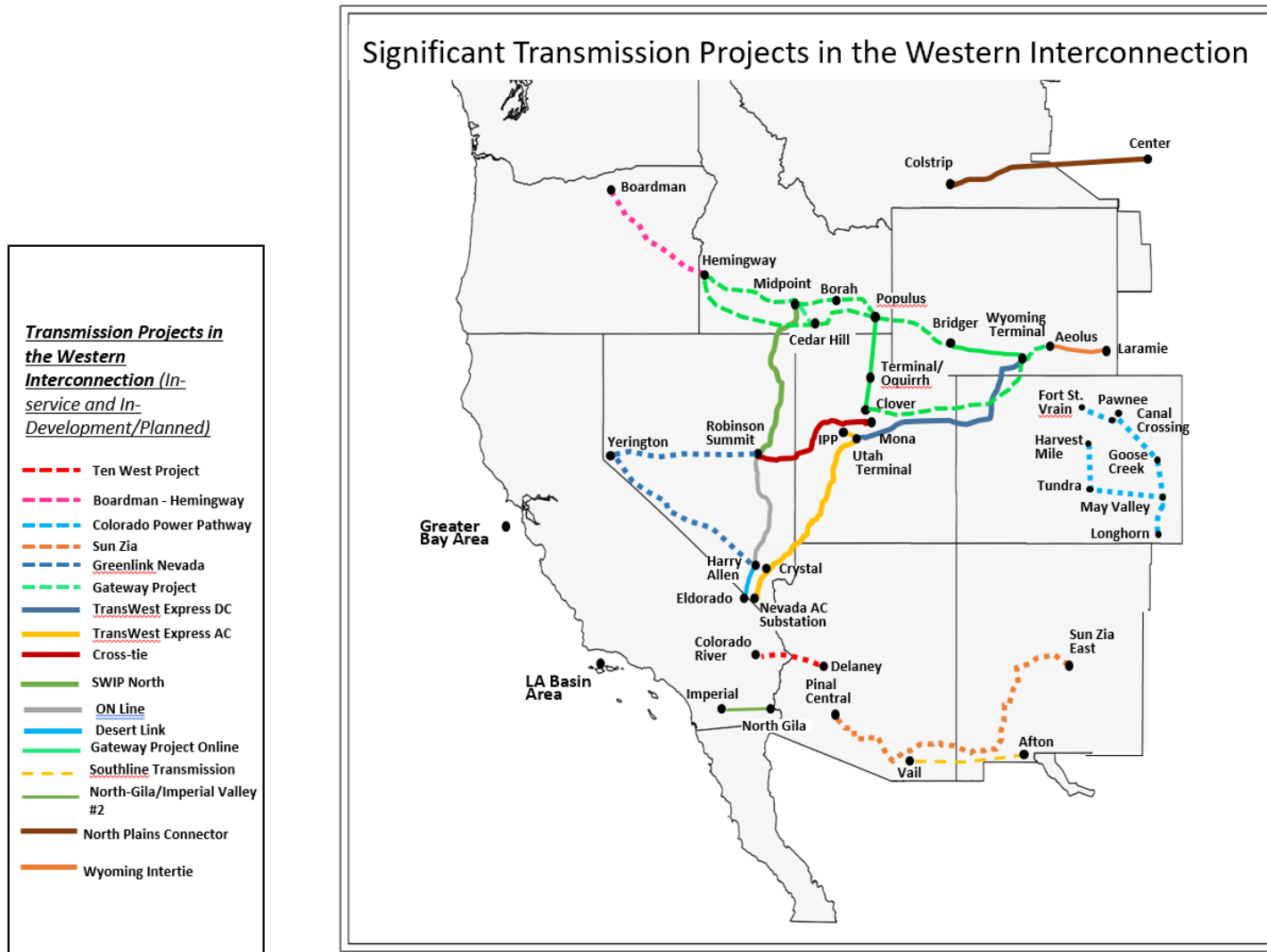
Major ***competitively procured*** transmission projects under development:



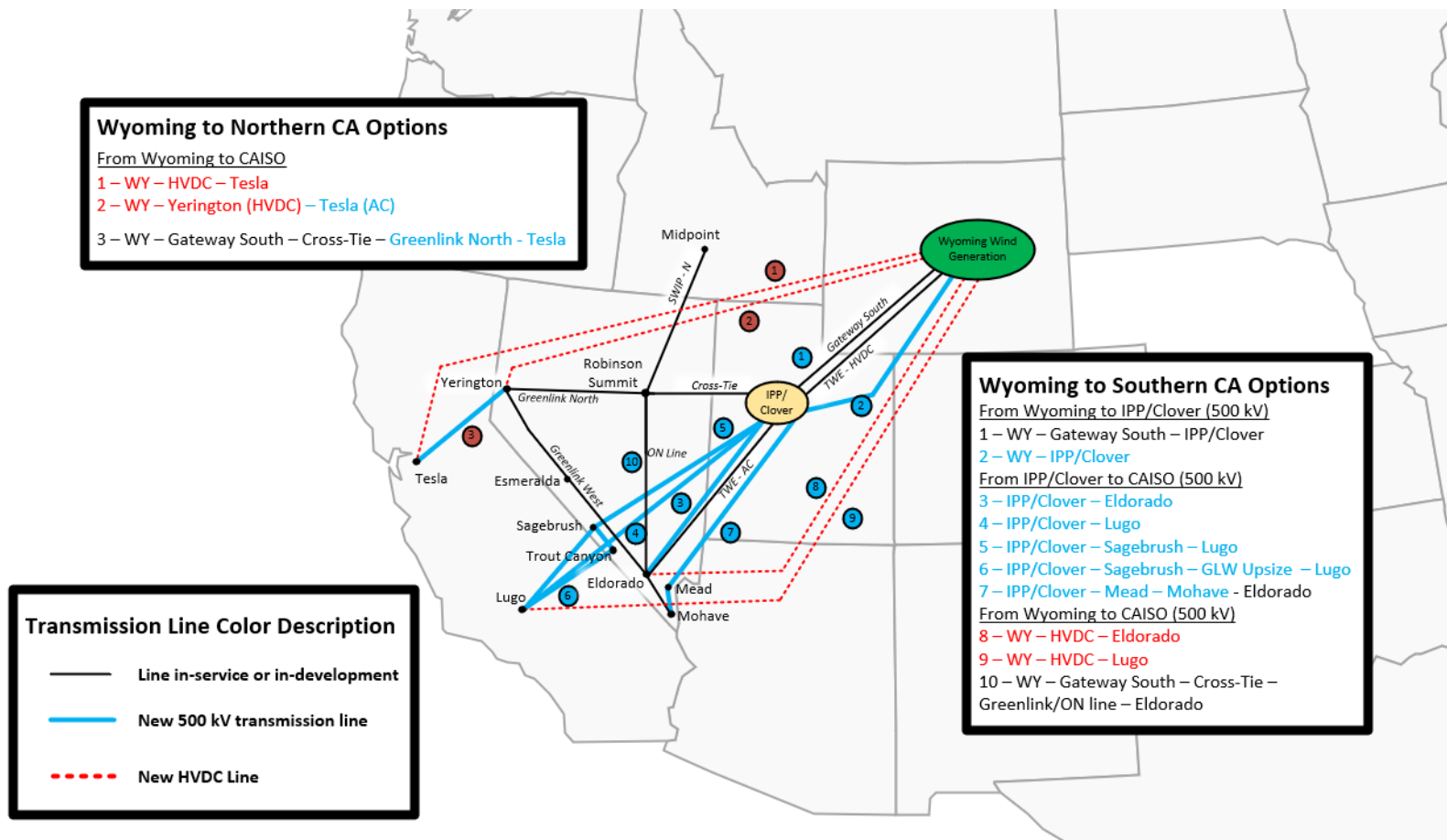
The 2024-2025 transmission plan continued to rely on accessing out of state resources, particularly wind



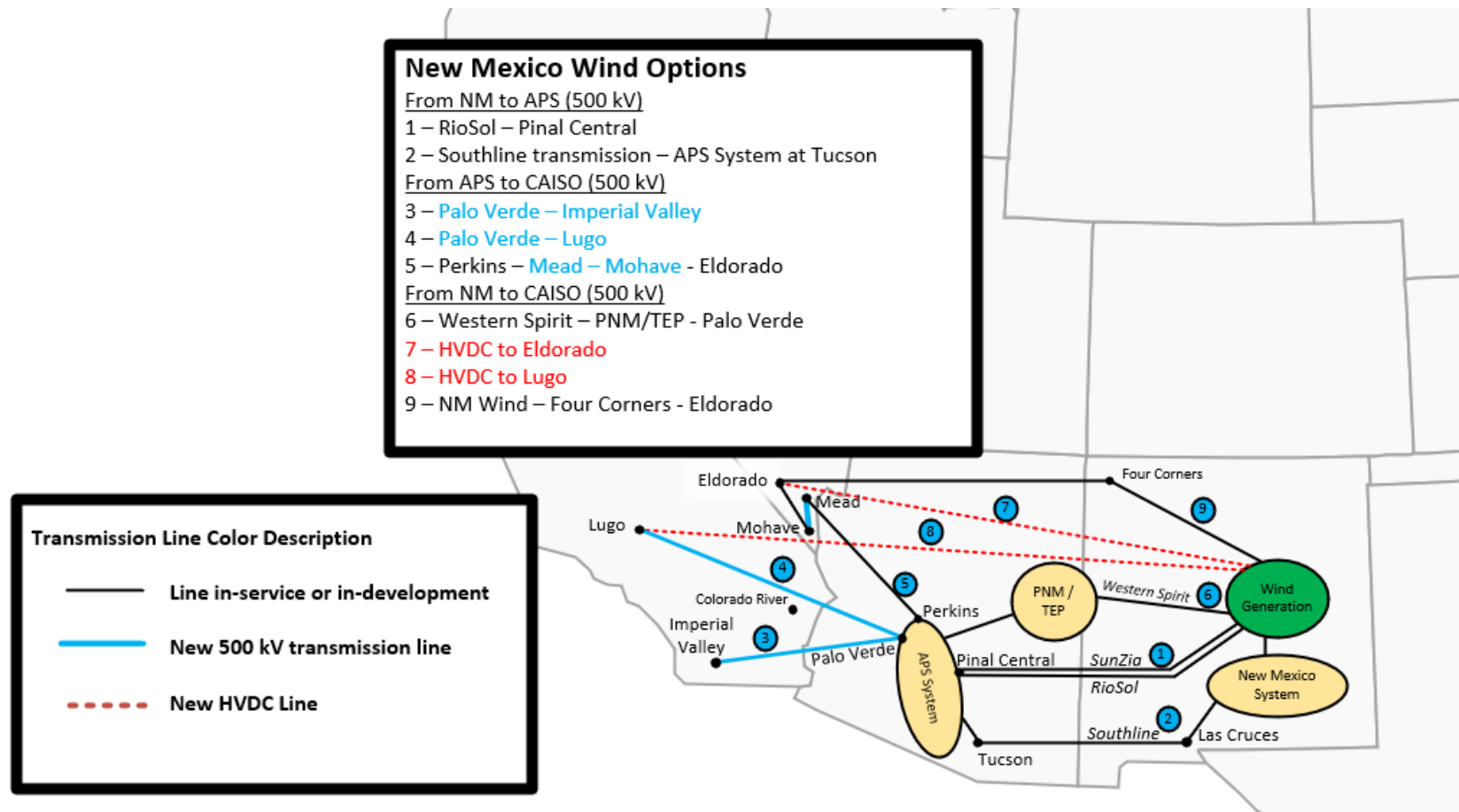
There are a significant number of transmission projects recently in-service or planned in the Western Interconnection



The ISO is exploring transmission solutions to integrate wind resources from Wyoming



The ISO is also exploring transmission solutions to integrate wind resources from New Mexico



Regional and Interregional Transmission – The path forward

- The ISO will continue to conduct proactive transmission planning based on long-term load-forecasting and resource planning and:
 - Assess our own needs
 - Support interregional west-wide planning efforts
 - Look for collaborative opportunities to work with other interested parties to advance beneficial transmission projects
- Supporting the Western Transmission Expansion Coalition (WestTEC) effort is a priority, to explore additional opportunities for mutual benefits
- The ISO will continue to explore funding options to lower the delivered cost of electricity to consumers