

Consideration of participating in the upgrade of the IID S Line

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The ISO and IID are pursuing upgrades to IID's existing S-line

- The S-Line is an 18.1 mile, 230 kV single circuit wood pole construction line from IID's El Centro substation to SDG&E's Imperial Valley substation owned by IID
- The ISO is exploring funding - through a participating transmission owner - the upgrade to 230 kV double circuit steel tower construction, and the necessary upgrades to termination equipment, in return for entitlements to the incremental transmission capacity created by the upgrade

The upgrades would provide economic benefits to the ISO by alleviating limitations on the use of the ISO system caused by parallel flows (loop flows) identified in previous planning study results

- Reducing local capacity needs materially in the combined San Diego - Imperial Valley areas in the range of 250 MW to 500 MW
- Reducing market congestion on the ISO system - which totaled \$6 million in 2015 and 2016.
- In addition to the above economic benefits, there is added benefit of removing a limitation to increased deliverability from the Imperial area, and IID in particular.

ISO management is considering expediting approval an economically driven project

- The current estimate from IID for upgrades to the transmission line plus the cost of upgrading termination equipment is below the \$50 million threshold for management approval
- Expedited approval provides certainty into other processes, including future local capacity studies and transmission planning activities.
- Additional details will be provided in the draft transmission plan posted at the end of January and at February 8 stakeholder meeting
- Management will consider approval after the February 15-16 Board of Governors meeting
 - As an opportunity for public comment, not an agenda item