



Arizona G&T Cooperatives to Provide Energy and
Transmission Services To Metropolitan Water District
Of Southern California

Metropolitan is Nation's Largest Provider of Treated Drinking Water

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BENSON – Arizona G&T Cooperatives (AzGT) has entered into two agreements to provide scheduling and trading services as well as power system operation services to the Metropolitan Water District of Southern California (Metropolitan), a state-established cooperative of 26 cities and water agencies serving nearly 19 million people.

Under the Scheduling and Trading Agreement, AzGT will provide Metropolitan with energy management and scheduling services as well as California Independent System Operator (CAISO) scheduling coordinator services through its association with ACES (Alliance for Cooperative Energy Services Power Marketing LLC/www.acespower.com). ACES is a national power trading cooperative that operates its West Regional Trading Center at the AzGT main campus in Benson, Az.

Under the Power System Operation Services Agreement, AzGT will provide Metropolitan (www.mwdh2o.com) with a variety of system operation services, including performing the Transmission Operator (TOP) function with respect to Metropolitan's bulk electric system (BES) facilities and providing appropriate operational and monitoring activities related to the Colorado River Aqueduct (CRA) electrical system. These functions will help Metropolitan operate in compliance with reliability standards as established by multiple agencies, including the Federal Energy Regulatory Commission (FERC), the North America Electric Reliability Corporation (NERC), and the Western Electricity Coordinating Council (WECC). Metropolitan is also in the CAISO electricity market and AzGT will also help Metropolitan comply with regulatory standards.

Metropolitan owns a 230,000-volt transmission system that provides power to its CRA pumps located in eastern San Bernardino and Riverside counties. Metropolitan also has long-term contracts for energy from the Hoover and Parker dams. This energy is transmitted over the transmission lines to the CRA pumps.

Metropolitan delivers an average of 1.5 billion gallons of water per day to a 5,200-square-mile service area that includes Los Angeles, Orange, Riverside, San Bernardino, San Diego and Ventura counties.

Metropolitan will become the fifth Class D member of AzGT to receive energy and transmission services without utilizing AzGT energy or transmission facilities.

Patrick Ledger, AzGT CEO, said the agreements mark a major milestone for both entities.

“We have appreciated the opportunity to work with the dedicated staff at Metropolitan on an arrangement that we believe will be favorable for both our respective organizations. We understand that Metropolitan has the awesome responsibility to provide a safe and reliable water supply to millions of people in Southern California. We look forward to assisting Metropolitan in this important mission by providing them with effective, efficient, and cost-effective energy services,” Ledger said.

Metropolitan’s decision to partner with AzGT came, in part, after discussions with another large water conveyer in the region, the Central Arizona Water Conservation District, which operates the Central Arizona Project and is an AzGT Class D member. Metropolitan was also encouraged by AzGT’s relationship with ACES.

“We’re excited to start our new partnership with AzGT,” Metropolitan General Manager Jeffrey Kightlinger said.

“The agreements, negotiated over the past 18 months, will provide the necessary energy and power system services for Metropolitan to continue its reliable and efficient delivery of Colorado River water to its member agencies. We look forward to a long and mutually beneficial relationship with AzGT,” Kightlinger said.

About Arizona G&T Cooperatives

Arizona Electric Power Cooperative (AEPCO) and Sierra Southwest (Sierra) collectively make up Arizona G&T Cooperatives. AEPCO owns and operates the 605-megawatt (combined gross) Apache Generating Station, located at Cochise, east of Benson. AEPCO also owns and maintains more than 610 miles of transmission lines and 50 substations to provide wholesale electric power from Apache to six member distribution cooperatives in southern Arizona, western New Mexico, northwestern Arizona and California.

Combined, the distribution cooperatives that receive AEPCO’s wholesale power serve more than 150,000 meters representing more than 400,000 individual residential, commercial, agricultural, and industrial member/consumers.

The Class A member cooperatives that receive wholesale power from AEPSCO include Duncan Valley Electric Cooperative, Duncan; Graham County Electric Cooperative, Pima; Mohave Electric Cooperative, Bullhead City; Sulphur Springs Valley Electric Cooperative, Willcox; Trico Electric Cooperative, Marana; and our California member, Anza Electric Cooperative, Anza, California.

These member cooperatives own the AzGT and, by extension, the G&T Cooperatives are owned by their members—the people at the end of the line who use the power. Some of these cooperatives also borrow from the Rural Utilities Service, a federal agency.

About Metropolitan Water District of Southern California

The Metropolitan Water District of Southern California is a regional wholesaler that delivers water to 26 member public agencies – 14 cities, 11 municipal water districts, and one county water authority – which in turn provide water to 19 million people in Los Angeles, Orange, Riverside, San Bernardino, San Diego and Ventura counties. Metropolitan is governed by a 38-member board of directors representing their respective member agencies, ensuring each member agency is part of the governance of Metropolitan.

To supply the more than 300 cities and unincorporated areas in Southern California with reliable and safe water, Metropolitan owns and operates an extensive water system, including: the Colorado River Aqueduct, 16 hydroelectric facilities, nine reservoirs, 830 miles of large-scale pipelines and five water treatment plants. Metropolitan is the largest distributor of treated drinking water in the United States. The district imports water from Northern California and the Colorado River to supplement local supplies. It also helps its member agencies develop water recycling, storage and other local resource programs to provide additional supplies and conservation programs to reduce regional demands.