

MERCED IRRIGATION DISTRICT RESOURCE ADEQUACY NARRATIVE

(Attachment to Merced Irrigation District's Electricity Resource Plan)

Merced Irrigation District (MID) is located within the Turlock Irrigation District (TID) Control Area, and operates under a partial requirements power purchase agreement with TID, effective February 1, 2011. MID is required to supply sufficient generating reserves to meet the Resource Adequacy Policy established by the TID Board of Directors for TID. The current Power Purchase Agreement requires acquisition of capacity equal to 115% of the greater of the forecast annual peak demand or actual peak demand. MID is currently complying with this requirement through purchased capacity resources.

DOCKET

11-IEP-1B

DATE Dec 15 2010

RECD. Feb 18 2011