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ISO Board approves entering into a transition agreement with Merced Irrigation District to join the California ISO grid

FOLSOM, Calif. – Merced Irrigation District is a step closer to joining the California Independent System Operator Corporation (ISO). The ISO Board of Governors today approved entering into a transition agreement. Merced could join the ISO as a participating generator owner by summer 2014 and a participating transmission owner upon completion of the 230 kV interconnection.

The Board authorization clears the way to proceed with all the necessary filings at the Federal Energy Regulatory Commission to seek approval for implementing a successful transition agreement.

A <u>memorandum of understanding</u> between the two entities was signed in February 2013. Merced owns 100 megawatts of installed capacity including two hydro generation plants. The partnership would alleviate transmission constraints that currently exist within Merced's territory, and Merced would offer its flexible hydro resources to the market.

With the potential addition of Merced, the number of municipal utilities participating in the ISO as transmission members would grow to a total of nine community-owned entities.





The California ISO provides open and non-discriminatory access to one of the largest power grids in the world. The vast network of highvoltage transmission power lines is supported by a competitive energy market and comprehensive grid planning. Partnering with about a hundred clients, the nonprofit public benefit corporation is dedicated to the continual development and reliable operation of a modern grid that operates for the benefit of consumers. Recognizing the importance of the global climate challenge, the ISO is at the forefront of integrating renewable power and advanced technologies that will help meet a sustainable energy future efficiently and cleanly.