

RESOLUTION 2014-80

APPROVING A NEW CAPITAL BUDGET ITEM FOR THE INSTALLATION AND INTERCONNECTION OF A FLOW BATTERY DEMONSTRATION PROJECT, APPROVING EXECUTION OF THE MEMORANDUM OF UNDERSTANDING BETWEEN MODESTO IRRIGATION DISTRICT AND PRIMUS POWER CORPORATION FOR SAID DEMONSTRATION PROJECT AND AUTHORIZING THE GENERAL MANAGER TO TAKE ALL ACTIONS NECESSARY TO IMPLEMENT SAID MEMORANDUM

WHEREAS, energy storage has the potential to provide operational and economic benefits to electric utilities; and

WHEREAS, Primus Power Corporation (Primus) has developed a flow battery concept in order to provide fast response, utility-scale stored energy upon demand; and

WHEREAS, the MID Board of Directors, on July 13, 2010, approved a Joint Development Agreement between Modesto Irrigation District and Primus to study the potential benefits of adding a Primus storage project to the MID electric system in support of Primus' Department of Energy grant work; and

WHEREAS, the work performed under the Joint Development Agreement has identified MID-specific operational needs that may be met with energy storage; and

WHEREAS, Primus has proposed a two-year demonstration project to validate the work conducted under the Joint Development Agreement and to demonstrate the technology's ability to provide the expected benefits; and

WHEREAS, Primus and MID have negotiated an acceptable Memorandum of Understanding (MOU), under which each party would carry its own costs related to the installation and interconnection of the demonstration project; and

WHEREAS, MID staff has determined that its project responsibilities under the MOU can be completed for an estimated \$108,000.

BE IT RESOLVED, That the Board of Directors of the Modesto Irrigation District does hereby approve the creation of a new capital budget item of \$108,000 for the installation and interconnection of a flow battery demonstration project, approves the Memorandum of Understanding between Modesto Irrigation District and Primus Power Corporation for a flow battery demonstration project, and further authorizes the General Manger to take all actions necessary to implement said Memorandum.

Moved by Director Mensinger, seconded by Director Wenger, that the foregoing resolution be adopted.

The following vote was had:

Ayes: Directors Blom, Byrd, Campbell, Mensinger and Wenger

Noes: Director None

Absent: Director None

The President declared the resolution adopted.

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I, Angela Cartisano, Secretary of the Board of Directors of the Modesto Irrigation District, do hereby CERTIFY that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of said Board of Directors held the 14th day of October 2014.

ORIGINAL SIGNED BY
Angela Cartisano

Secretary of the Board of Directors
of the Modesto Irrigation District