

CURRENTS

WHAT'S NEXT IN PUBLIC POWER

MID TRANSMITS AND DISTRIBUTES ELECTRICITY OVER MORE THAN 1,800 MILES OF POWER LINES THROUGHOUT ITS SERVICE AREA, PROVIDING POWER TO THE COMMUNITIES OF MODESTO, WATERFORD, SALIDA, MOUNTAIN HOUSE AND PARTS OF RIPON, ESCALON, OAKDALE AND RIVERBANK. THIS ISSUE OF CURRENTS EXAMINES WHERE MID GETS ITS POWER.

Q. Where does MID's power come from?

A. MID maintains a diverse, balanced power resource mix. We generate some electricity at our own power plants (some are owned in partnership with other public power utilities). We also buy power from others under long-term and short-term contracts in the energy marketplace. MID doesn't rely on any one resource.

POWER CONTENT LABEL			
ENERGY RESOURCES	2013 MID NON-RENEWABLE POWER MIX	2013 MID RENEWABLE	2012 CA POWER MIX** (for comparison)
Eligible Renewable	26%	100%	15%
Biomass & waste	0%	0%	2%
Geothermal	0%	0%	4%
Eligible hydroelectric	0%	100%	2%
Solar	3%	0%	1%
Wind	23%	0%	6%
Other Renewable	0%	0%	0%
Coal	16%	0%	8%
Large Hydroelectric	7%	0%	8%
Natural Gas	25%	0%	43%
Nuclear	0%	0%	9%
Other	0%	0%	0%
Unspecified sources of power*	26%	0%	16%
TOTAL	100%	100%	100%

* "Unspecified sources of power" means electricity from transactions that are not traceable to specific generation sources.
 ** Percentages are estimated annually by the California Energy Commission based on the electricity sold to California consumers during the previous year.

For specific information about this electricity product, contact Modesto Irrigation District. For general information about the Power Content Label, contact the California Energy Commission at 1-800-555-7794 or www.energy.ca.gov/consumer.

Q. MID first began providing electrical service in 1923. How has MID's power mix changed over the years?

A. MID initially served customers' power needs solely through Don Pedro hydroelectric power. As our communities grew through the years, MID incrementally added new resources. In 2003, MID relied on just two gas-fired power generation plants each consisting of two units, Don Pedro hydroelectric power and purchases on the open market. Since that time, MID has built one more gas-fired plant including two units; built an efficient, fast-starting reciprocating engine plant; along with other public utilities, built a large efficient gas-fired plant; and invested in more green, renewable energy sources. Total MID-owned local generation accounts for 25% of MID's energy needs.

Q. Why is a diverse mix of power resources important?

A. A diverse mix of power resources is the best insurance for MID customers. It limits exposure to all kinds of risks – marketplace, legislative, regulatory, technological and weather and climate related. MID's electric resources include power plants in different geographic locations and plants that use different kinds of fuel. When MID buys power from others, we do business with carefully screened companies. Our purchased power contracts are structured so they don't all expire at the same time.

Q. Are there mandated standards that MID must meet for renewable energy?

A. The California Air Resources Board (CARB) adopted a standard that one-third of the electricity sold in the state in 2020 comes from clean, green sources of energy. Per the California Public Utilities Code section 387, MID adopted a resolution in 2003 establishing a Renewable Portfolio Standard (RPS) policy to serve at least 20% of its customer power needs with eligible renewable energy sources by 2017. In November 2013, MID adopted its RPS Enforcement Program, which aligned MID with the new RPS targets for publicly owned utilities. Combined, the Enforcement Program and the previous policy have positioned MID to meet CARB's 2020 target in a cost effective manner.

Q. What is MID's renewable energy mix?

A. MID's Renewable Portfolio is currently at 26%. The majority of this renewable energy is from wind power contracts in California, Oregon and Washington. Approximately 3% of MID's renewable energy is solar power purchased locally from the McHenry Solar Project. Renewable resources are part of a diverse and balanced mix of electric resources.

Q. Is it true that Don Pedro's hydroelectric power cannot be counted as renewable energy?

A. Yes, even though hydroelectric power is a clean, sustainable resource, the California Legislature and California Energy Commission say that energy from hydroelectric plants of over 30 megawatts, such as Don Pedro, cannot be counted as green energy. The MID Board of Directors has chosen to comply with this definition. If it were to be counted as part of MID's renewable power mix, in an average water year, Don Pedro would increase MID's green energy mix by approximately 8%. In a dry year, Don Pedro would add approximately 4%.

Q. Is MID meeting its customers' power needs?

A. Yes, MID is providing reliable electric service to more than 95,000 residential customers and more than 12,000 commercial customers. We anticipate moderate growth over the next couple of years. MID has the necessary resources in place to meet these needs, and those of the near future, as we continue to safely and reliably serve power to our communities.