

From: London, Sarah
Sent: Tuesday, November 26, 2013 3:34 PM
To: 'dgram@ap.org'
Subject: RE: Public records request
Attachments: GPS to Blittersdorf 7-14-11.pdf; ISO to Blittersdorf 10-11-2013.pdf

David, attached please find records in response to your public record act request that we received, corrected as noted below, on Friday, November 22, 2013. We do not have a signed copy of the 2011 letter at this time. If you have any questions, let me know, and have a good holiday.

Sincerely,

Sarah

Sarah London
Counsel to the Governor
802-828-3333
sarah.london@state.vt.us

July 14, 2011

Dear David,

Congratulations on your selection by *Business Week* as one of America's Most Promising Social Entrepreneurs of 2011. I understand the magazine selected companies by reviewing both their business success and social mission.

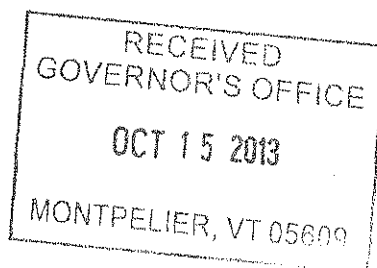
Vermonters have long known of your commitment to renewable energy, innovative technology and social responsibility. You are a leader in the industry and your recognition by *Business Week* is well deserved!

Again, congratulations. I look forward to seeing you on July 27th at the commissioning of the solar farm in South Burlington.

Sincerely,

Peter Shumlin
Governor

ISO new england



Vamsi Chadalavada
Executive Vice President
Chief Operating Officer

October 11, 2013

Mr. David Blittersdorf
Managing Partner
Georgia Mountain Community Wind
94 Harvest Lane
Williston, VT 04595

Dear Mr. Blittersdorf:

I am in receipt of your letter to ISO New England (ISO) dated October 7, 2013 in which you express concerns regarding the operation of Georgia Mountain Community Wind (GMCW), and am responding on behalf of Gordon van Welie. As the Chief Operating Officer of the ISO, I want to assure you that we take our responsibility to reliably operate the power system and administer wholesale electricity markets very seriously.

As the independent operator of the region's electric grid, the ISO has the responsibility to dispatch power generators to meet continually changing demand for electricity across New England in a resource-neutral manner. On October 6, 2013, the ISO took precautionary actions to protect the power grid from potential reliability issues that can occur if generation exceeds the demand for electricity. It is not unusual for generation to approach levels where it could exceed demand during the spring and fall when the weather is mild and there is little or no heating or cooling demand on the system. This process is referred to as a "Minimum Generation Emergency Warning."¹ During a Minimum Generation Emergency Warning, operators take steps to reduce generation and energy imports to balance supply and demand.

Late in the evening of Sunday October 6th, the demand for power was low (about 11,500 MW, by comparison, the 2013 peak demand was about 27,000 MW) and ISO anticipated that the amount of generation on the system was nearing the point where it could exceed demand. Therefore, the ISO, following its operating procedures, began issuing instructions to several generators to reduce their output and they ordered a reduction of imports. This process begins with instructions to generators that do not have prior wholesale market based commitments to run in the energy markets. Because GMCW did not have such a commitment, they were dispatched down until, and only until, demand picked up early Monday morning.

¹ See: <http://www.iso-ne.com/calendar/detail.action?eventId=122087&date=20131006&cats=&type=2&link=yes&filter=off>

Mr. David Blittersdorf
October 11, 2013
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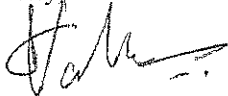
Pursuant to federally approved market rules, the ISO dispatches generators according to economics in order to minimize wholesale electricity prices. Your letter states that GMCW was curtailed for economic reasons. This is simply not true. The ISO curtails² generators to maintain reliability, not for economic³ reasons. The ISO cannot favor one type of generating resource over another in the dispatch of the power system.

The ISO understands that some stakeholders are interested in changing the way the ISO dispatches resources, based on environmental or other factors. However, the market rules administered by the ISO do not allow for such considerations.

The ISO has a strong track record of working with the New England states to meet their goals of integrating renewable energy resources, as well as advancing new technologies. The ISO is nearing completion on a Wind Power Forecast Integration Project and implementation of additional tools to enhance our system operators' situational awareness during changing weather conditions and their ability to communicate with and dispatch wind resources.

In your letter, you request reimbursement by the ISO for GMCW's lost revenue. There is no provision in the market rules for the ISO to reimburse resources that could sell more power than the regional grid could accommodate reliably. The ISO is committed to continuing our work with stakeholders on these important challenges and opportunities. We would be happy to host you at the ISO for further discussion on this matter. I have asked Eric Wilkinson (ewilkinson@iso-ne.com or 413-540-4686) from our External Affairs Department to follow-up directly with you to discuss any additional concerns you may have.

Sincerely,



Vamsi Chandalavada, Ph.D., EE

cc: Governor Peter Shumlin
Kate Jackson
Gordon van Welie

² Curtailment is defined in ISO's tariff as "... a reduction in the dispatch of a transaction that was scheduled, using transmission service, in response to a transfer capability shortage as a result of system reliability conditions." See: http://www.iso-ne.com/regulatory/tariff/sect_1/sect_1.pdf.

³ For more background information on curtailments, see ISO's curtailment summary at: http://www.iso-ne.com/pubs/pubcomm/corr/2013/curtailment_summary_2013.pdf