

New England States Committee on Electricity

November 6, 2009

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Dear Mr. Murrow and Mr. Stoddard:

Thank you for conveying your reactions to and recommendations associated with the New England Governors' *Renewable Energy Blueprint (Blueprint)*. We appreciate your kind words about the *Blueprint* and that you concur with its main observations - that there are ample clean, renewable energy resources in New England and immediately adjacent areas such as the Eastern Canadian provinces to meet our clean energy objectives and to enhance our energy independence.

In connection with renewables and transmission policy and procurement, you identify some types of potential legislative modifications that could further advance individual state's authority related to renewable development proposals that emerge in the market or through competitive processes. The *Blueprint* illuminated for policymakers and others the scope of contracting authority in each state, as well as a view of that authority in relation to other states' authority across the region. Pursuant to the Governors' *Blueprint* resolution adopted in September 2009, state officials throughout New England will consider issues related to coordinated procurement of renewable resources and report back to the Governors within the year. To the extent policymakers in individual states conclude that elements of their state statutory authority should be reconsidered, NESCOE would be pleased to provide information upon their request to inform those deliberations.

With respect to regional electricity planning, we agree entirely that states have an important role to play in developing analysis, offering guidance to the planning work performed by ISO-NE and in the broader work that will move forward in the context of Eastern Interconnection Planning. We also agree with your observation that significant renewable energy development will require broad input from

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stakeholders, and NESCOE will facilitate elements of that going forward as appropriate. With respect to your concern about stakeholder discussions occurring to date through ISO-NE's Planning Advisory Committee (PAC), we believe that the PAC was the right forum for stakeholder discussion of issues associated with NESCOE's request to ISO-NE for an Economic Study and the resulting work product. You also seem to suggest that NESCOE should solicit stakeholder input on ISO-NE's regional system plans. NESCOE has strong interest in understanding stakeholder views on regional system plans, and indeed has requested that ISO-NE make such input more transparent by posting stakeholder comments it receives. However, we do not believe that NESCOE should insert itself between ISO-NE and stakeholders for the purpose of gathering input on ISO-NE's regional system plans. We encourage you to communicate your concerns about ISO-NE's stakeholder input process and responsiveness directly to ISO-NE. We would be happy to participate in stakeholder discussions about potential ways to improve the process.

Finally, you recommended a series of additional analysis and modeling, including combined scenarios with diverse resources. You note correctly that the Governors' study request was focused on specific renewable development scenarios; it was not intended to evaluate an array of resources or to examine ways to achieve other important state policy objectives, such as meeting demand through cost-effective energy efficiency. Early in the process, in reply to other stakeholders' requests for additional scenarios in the Economic Study, NESCOE indicated that it had no objection to ISO-NE running additional cases based on stakeholder requests once the specific analysis the Governors requested was complete.¹ At this juncture, NESCOE does not intend to request additional scenarios on behalf of the Governors but continues to have no objection to stakeholders setting forth additional requests to ISO-NE for stakeholders' consideration. As we noted earlier, some of the stakeholder requests would appear to provide interesting and useful information.

Thank you for taking the time to carefully consider the *Blueprint* and related processes and for sharing your views. We look forward to your valuable contributions going forward.

Sincerely,

Heather Hunt
Executive Director

¹ http://www.iso-ne.com/committees/comm_wkgrps/prtcpts_comm/pac/mtrls/2009/jun172009/a_nescoe_comments.pdf