CalWEA

California Wind Energy Association

March 15, 2013

Chair Robert Foster Governor Ashutosh Bhagwat Governor Angelina Galiteva Governor Richard Maullin Governor David Olsen

RE: Authorization to Proceed on Merced Irrigation District Joining CAISO

Dear Chair Foster and Governors Bhagwat, Galiteva, Maullin, and Olsen:

The California Wind Energy Association writes to strongly encourage you to authorize the CAISO management to move forward with negotiating a transition agreement with Merced Irrigation District (Merced) regarding their joining CAISO when it comes before you during your March 20-21 CAISO Governing Board meeting.

The expansion of the CAISO footprint to include additional utilities and balancing areas will not only offer substantial benefits to utility customers within the CAISO's existing and expanded footprint, but also to customers in the entire WECC region. One of those substantial benefits will be facilitation of renewable resources integration.

We look forward to seeing other utility companies in and around California follow the visionary lead of Valley Electric and Merced in joining CAISO and bring to their customers the associated benefits.

Sincerely,

Nancy Rader

Executive Director

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cc: Stephen Berberich, President and Chief Executive Officer

Keith Casey, Vice President, Market and Infrastructure Development

Karen Edson, Vice President, Policy and Client Services