

May 7, 2012

By Hand Delivery

Mrs. Susan Hudson, Clerk
Vermont Public Service Board
112 State Street, Drawer 20
Montpelier, VT 05620-2701

Re: Docket No. 7508 – Georgia Mountain Community Wind, LLC
Response to McLane letter dated May 4, 2012

Dear Mrs. Hudson:

On behalf of Georgia Mountain Community Wind, LLC (“GMCW”), I am responding to the letter from Scott and Melodie McLane dated May 4, 2012. The allegations made by the McLanes regarding noncompliance by GMCW with the CPG are completely unfounded and unsupported, and their various requests for relief – reopening of the hearings, revocation of the CPG, and financial penalties – should be summarily denied.

First, the McLanes allege that GMCW has commenced construction without complying with all CPG conditions. Their letter states, “We are very concerned that GMCW has commenced construction without receiving the approval to begin construction from the PSB.”¹ The McLanes cite no specific pre-construction conditions in the CPG that have not been met, because there are none. As the Board is aware, it approved the PPA by Order dated April 20, 2012. Thereafter, the only other outstanding CPG requirements related to obtaining transportation-related permits. GMCW has received the necessary permits, thus meeting CPG conditions 8 and 11. We note that those CPG conditions did not require GMCW to file the transportation permits with the Board, or for any further Board action to occur. Nonetheless, for the Board’s convenience, GMCW is now providing the transportation permits with this letter.

GMCW has thus satisfied all pre-construction CPG conditions and, as it previously informed the Board, intended to and did in fact commence construction after May 1st.

¹ Contrary to the McLanes’ suggestion, the CPG does not require an additional post-CPG blanket approval or go-ahead from the Board in order to commence construction. Rather, the CPG includes specific conditions that each must be met. It is otherwise self-operating.

The McLanes raise two other claims – regarding the membership structure of GMCW and the 1603 grant. These matters are not relevant to compliance with the CPG. There are no CPG requirements related to either issue, nor are there any section 248 findings made by the Board in its original approval of the Project that are affected. GMCW is the Petitioner and holder of the CPG, and remains so irrespective of who its individual members are. GMCW has not sold the Project, and thus no transfer of the CPG or other Board review is required.

As to the 1603 grant, again there is no CPG condition or section 248 finding in the Board's approval that is tied to whether or not GMCW will obtain a 1603 grant or any other type of federal tax incentive. Instead, the issue arose collaterally in the context of GMCW's request in January 2012 to amend or clarify Conditions 8 and 11 so that construction could commence prior to obtaining the transportation permits.² As the Board requested, GMCW provided information by letter dated March 2, 2012 regarding the status of obtaining the 1603 grant.³ At the same time, GMCW chose not to pursue a request to modify Conditions 8 and 11 and instead was successful at obtaining the transportation permits within the time frame needed. The 1603 issue thus has no bearing on GMCW's right to commence construction under the CPG.

Given the seriousness of the allegations, we feel compelled to state that the McLanes' letter fails to meet the most basic requirements under the Board's rules and the Rules of Civil Procedure. The letter is completely devoid of reference to any specific CPG condition that was violated, and makes requests for relief that can only be made by way of motion. Even understanding that the McLanes are not represented by legal counsel, GMCW submits that their letter falls far short of the Board's practice and expectations for filings of this type.

GMCW thanks the Board in advance for its consideration of this response, and stands ready to provide further information should the Board require it.

Sincerely,



Andrew Raubvogel

DUNKIEL SAUNDERS ELLIOTT RAUBVOGEL & HAND PLLC

Encls.

cc: Service List

² This timing of construction was and is critical because the Project must be placed in service by January 1, 2013 in order to qualify for the grant.

³ GMCW maintains that it has met the terms of the Board's 2/24/12 Order with respect to supplemental information on the 1603 grant, notwithstanding the McLanes' claims to the contrary. GMCW has and continues to take all necessary steps to be eligible for the grant. The actual determination of a grant award can only be made by Treasury, after construction is complete, when the actual costs of the Project are determined and after GMCW submits to Treasury the certification of qualifying costs by an independent accounting firm. GMCW is thus "at risk" until then that it may not be awarded the grant. Nonetheless, GMCW is going forward with the Project whether or not the grant is awarded.



**STATE OF VERMONT
PUBLIC SERVICE BOARD**

Docket No. 7508

Petition of Georgia Mountain Community Wind, LLC,)
for a Certificate of Public Good, pursuant to 30 V.S.A.)
Section 248, authorizing the construction and operation)
of a 5-wind turbine electric generation facility, with)
associated electric and interconnection facilities, on)
Georgia Mountain in the Towns of Milton and Georgia,)
Vermont, to be known as the "Georgia Mountain)
Community Wind Project")

CERTIFICATE OF SERVICE

I, Jenna Conklin, certify that on May 7, 2012, on behalf of Georgia Mountain Community Wind, LLC, I forwarded copies of *Letter to PSB re: Response to McLane Letter* by the method noted to the attached service list:

By Hand Delivery:

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Town of Milton
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Milton, VT 05468-3205

Dated at Burlington, Vermont, this 7th day of May 2012.

by:


Jenna Conklin