



News Release

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VEC Board of Directors Signals Support for Wind Project

Johnson, VT – Vermont Electric Cooperative, Inc. (VEC) announced intentions to partner with Green Mountain Power (GMP) to explore the feasibility of generating wind-power electricity on Lowell Mountain in Orleans County, Vermont. The project, known as Kingdom Community Wind (KCW), would be a source of low cost, low carbon, reliable electricity.

VEC's Board of Directors signaled support for the proposed project at their September meeting. VEC and GMP have reached an agreement in which GMP will assume upfront permitting and development costs associated with KCW. If, and when, permits are approved, VEC would share a percentage of capital investment to construct and develop the project. VEC would receive the rights to as much as 8MW of power at a favorable cost.

"Kingdom Community Wind represents an opportunity for VEC to secure about 4% of our total energy needs with a long-term, stably priced power supply," said Thomas Bailey, VEC Board President. "This is consistent with our strategy to promote the development of renewable sources of locally generated electricity."

The proposed project, which is located in VEC's service territory, would consist of 16 to 21 wind turbines located on private land located north of the Lowell/Eden town line. Each turbine would generate between 1.5 to 3.0 megawatts of electricity. The ultimate number of turbines installed will depend on the combination of wind quality and environmental considerations. The site could potentially provide enough locally-generated, carbon-free renewable electricity to meet the annual needs of up to 20,000 average Vermont households.

"Partnering with GMP is particularly attractive to VEC," said David Hallquist, Chief Executive Officer. "By working together, we are able to share the benefits and minimize the risks associated with making a generation investment. Creating energy independence is good for VEC members and it is good for the State of Vermont."

Power purchase costs account for nearly 70% of VEC's annual operating expenses. VEC's current portfolio includes power purchased from Hydro Quebec, Vermont Yankee and other suppliers. "KCW will help VEC to control future rate increases by diversifying our portfolio with a long-term source of affordable electricity," continued Hallquist. "The project also makes good

business sense for VEC because of the excellent operational benefits that would result from the major investments GMP is prepared to make in the transmission grid,” added Hallquist.

“We’re pleased that VEC also sees the potential benefits for its customers in developing wind power in Lowell,” said Mary Powell, president and chief executive officer of Green Mountain Power. “We believe that utility ownership of a wind plant in Lowell is a cost-effective way to offer GMP and VEC customers low carbon electricity.”

During the past several months, VEC’s board of directors has deliberated the pros and cons of wind power. In addition to a site visit to the Altona Wind Project in upstate New York, the board has also heard presentations from both opponents and proponents of the KCW wind project.

“VEC directors are elected to represent more than 34,000 coop members in Northern Vermont,” explained Bailey. “It is important for us to understand how our members feel about KCW, including concerns about the aesthetic value of wind turbines. At this point, we feel that the potential benefits warrant further exploration of the project, but we will continue to seek feedback from our members.”

GMP is currently performing environmental assessments in consultation with Vermont agencies including the Vermont Agency of Natural Resources (VANR) and the Department of Public Service (DPS). Preliminary engineering and design work is also underway.

VEC and GMP officials have been and will continue to meet with local residents and town officials to provide information and hear concerns about the KCW project. Information gained from public participation at such events will be shared during the permitting process. An informational meeting is scheduled for Thursday, November 5, 2009 from 7–9p.m. at the Lowell Graded School in Lowell, Vermont.

More information is available at the project’s website, www.kingdomcommunitywind.com.

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