



Q. Does wind work?

Absolutely. Wind provides clean, renewable energy. There is some confusion about a wind farm's "capacity factor" and the percent of the time the wind farm is generating electricity. Wind plants actually generate power about 80 percent of the time. They generate at their full capacity during relatively strong winds, but they still generate electricity during lighter winds, much as the generation of a river-run hydro plant varies with variations in water levels. "Capacity factor" compares the energy production in megawatthours over the course of a year with the amount that would have been produced had the wind farm run at 100% rated output every minute of the year. The expected capacity factor at KCW is approximately 33%, which is very similar to GMP's own hydro generation facilities (dams). The bottom line is that a 50 megawatt wind farm will generate approximately 144,500 megawatthours every year, or enough electricity for 20,000 homes.

Q. How does wind keep pollutants out of the air?

Every hour that a wind plant is generating electricity, a plant – for the most part fossil fuel fired -- somewhere else in New England does not need to operate. Demand for electricity is constantly changing, not only between the seasons, but hour to hour, even minute to minute, throughout each and every day. The New England "grid," which is comprised of the transmission system and the generators supplying the power, is designed to accommodate and adapt to this constantly changing demand. Some baseload plants (such as Vermont Yankee) operate 24 hours a day, but other "peaking" plants are designed to be turned on and off relatively quickly depending on the need for the power. This means that if a wind plant is generating, other plants are not needed and can be turned off. Because most of New England's peaking generation plants are powered by natural gas, wind can play a vital role in reducing the use of fossil fuels by ramping down those plants.

Q. Will the value of my property be affected?

We know this is a very important question to people who live in Lowell and neighboring communities. While studies so far have had mixed results, the largest and most comprehensive peer reviewed scientific study ever conducted (analyzing over 7,000 home sales surrounding more than 1,000 modern turbines) is expected to be released later this fall. The preliminary results of this study, conducted by the Lawrence Berkeley National Laboratory, indicate "no statistical evidence that homes with a view of wind turbines have different values or appreciation rates than homes without such views." However, it's reasonable to be concerned that there could be isolated cases where some properties values are affected, and, in fact, the study indicates that "though one cannot rule out isolated cases where property values are negatively impacted, any such impacts within our sample are neither widespread nor statistically identifiable." In this regard, the tax payment to Lowell (which will likely cover the entire municipal budget) should help mitigate such concerns - lower property taxes are an attractive selling point for residents looking to buy property.

Q. Will the power stay in Vermont?

YES! It's power produced by Vermonters for Vermonters. All the power will be used by Green Mountain Power and Vermont Electric Cooperative customers. Not a single kilowatthour will be sold out of state. The project is being proposed to provide customers of both utilities with stably-priced, renewable energy.



Q. Will the Renewable Energy Credits (RECs) be sold?

The purpose of the REC market is to provide incentives to develop renewable generation, like wind power. In all New England states, except Vermont, utilities need RECs to meet state-mandated renewable energy requirements, and thus increase the amount of renewable energy they can claim. These out-of-state utilities are looking for RECs to purchase. Because of this, and because the Vermont legislature and governor encourage our utilities to sell their RECs in order to lower the cost of electricity for their ratepayers, it is likely that GMP and VEC will sell the RECs associated with KCW. When considering the REC issue it is also important to consider that GMP and VEC will control the RECs, meaning they can choose to sell them to benefit their respective ratepayers, or if the regulatory environment evolves so Vermont utilities are required to have RECs associated with a percentage of the electricity they sell, they can retain any RECs required (as opposed to having to buy them at market prices).

Q. Why would you install wind measurement towers this winter? Does that give you any data before you apply for the permit?

While we are very confident there is a good wind resource on Lowell Mountain from the data collected earlier by two wind measurement stations (only one of which was along the section of ridge being considered for KCW), those stations were only 50 meters tall - meaning currently we can only approximate what the winds are at 80 meters (the approximate hub height for modern turbines). By installing the three proposed wind measurement stations along the ridge, two at 80 meters and one at 50 meters, we can use the older data along with new measurements to learn much more about the quality of the wind, including understanding how wind varies along the ridge.

It is not necessary to have this data before we apply for the permit to build the wind farm, as the existing data indicates the wind resource is adequate to support the project. However, data from the additional three measurement towers will help us choose the best wind turbine design for the wind resource (i.e. type, number and locations of turbines), and will be important to have before we purchase the turbines. Interestingly, two other wind plants that have already received permits to build in Vermont are installing wind measurement stations now to give them better data before they invest in the turbines.

Q. How can we be sure you will decommission the turbines and above-ground infrastructure?

Green Mountain Power will be responsible for decommissioning. We have agreed to pay the town between \$400,000 and \$535,000 in taxes every year, depending on the size of the project, until the plant is decommissioned – meaning we will have to pay until the turbines are taken down and removed from the site. This means we will be highly motivated to remove the equipment when it is no longer operating. In addition, decommissioning will be required as part of our permit.

Q. Will I hear the turbines?

Turbines do create sounds that can be heard some distance away. However, unlike some other wind developments you may have heard of, the closest year-round residence is more than 3,000 feet from the nearest turbine. In the developments where people have complained about the sound, most of the complaints came from people living 500 to 1500 feet from a turbine. We are currently taking background sound measurements from the camps that are closer than 3,000 feet and some of the



homes just beyond so that we can calculate what the effects may be. Our project will be designed to minimize sound and to meet regulatory requirements.

Q. What about the lights at night? How bright will they be?

The Federal Aviation Administration (FAA) requires lights on anything over 200 feet tall. Since the nacelles (the housing atop the towers that contain the generators) will be approximately 260 to 280 feet above ground, the FAA will require that some have lights. While the specifics will not be known until the FAA has had a chance to make a determination based upon the final layout, it is likely that there will be lights on the turbines at both ends of the facility, on the highest turbine, and every half mile in between. We expect there to be between 8 and 10 lights (depending on the final number and locations of turbines). FAA lights are red lights that blink slowly and do not create glare, just like the ones you see atop tall buildings and communications towers.

Q. Will you be building wind turbines north of Bayley-Hazen Road?

No. We are only considering using the section of ridge between the Eden-Lowell town line to the south, and the northern edge of the Moose Mountain Forestry (i.e. Wileman) property to the north.

Q. Will you be using property owned by members of the town selectboard?

No. While both Alden Warner and Richard Pion do own property along the ridge, these parcels are north of the area being considered for the wind farm. Members of the selectboard will only enjoy the same benefits as all Lowell taxpayers and VEC members.

Q. Will you be using Farm Road for the project?

No. Access to the project will be from Route 100, more specifically via a yet to be built project access road across the field owned by Moose Mountain Forestry (about 1/2 mile north of Stewart Road). The transmission line will also run along this route.

Q. How will this benefit Vermonters if Green Mountain Power is owned by a Canadian company?

Vermonters will benefit from all the stably priced, renewable energy generated by Kingdom Community Wind. As a utility-owned project, we can provide electricity to GMP and VEC customers more cost effectively than if the project were owned by an outside developer. It is like the difference between renting and owning – GMP’s and VEC’s customers will reap the long-term value (with VEC’s customers receiving all the benefits of utility ownership without the risks.)

GMP is incorporated in Vermont and has been doing business exclusively in Vermont for more than 100 years – we supply power to Vermonters, are operated and managed by Vermonters, and we are regulated by the Vermont Public Service Board for the benefit of our Vermont ratepayers. Quite simply, GMP is proud to be a Vermont company!

Q. So what is the significance of GMP currently being owned by Gaz Metro, a Canadian gas company? Prior to being purchased by Gaz Metro, GMP was traded on the New York Stock Exchange, and therefore had thousands of owners located all over the world, mostly outside of Vermont. Now GMP has one investor that is willing and able to spend millions of dollars



developing renewable energy for the benefit of GMP's and VEC's customers. GMP will earn a regulated return on its investment, similar to the way interest would be paid if the money to build the project were borrowed from a bank. Gaz Metro will receive dividends based on GMP's earnings, the same way that shareholders receive dividends on stocks that they own.

Q. Will Gaz Metro benefit from tax credits?

No. Any tax credits will be applied to reduce the cost of power from the project to GMP and VEC customers – the Vermont Public Service Board will require this under Vermont law. As described above, Gaz Metro, through GMP, will earn a regulated return on its investment of capital, but the tax credits will not go to Gaz Metro. Unlike a private developer who can increase earnings through the tax credits, a regulated utility is required to pass the benefits to customers.

Q. What are we being asked to vote on in March and how much will we know about the project then?

The Lowell Selectboard has decided to hold a vote at Town Meeting by Australian ballot to give people in town an opportunity to determine whether the town supports the project. The vote simply indicates to Green Mountain Power and Vermont Electric Cooperative whether the town believes the utilities should move forward with filing for the permit to build a wind plant on Lowell Mountain. If the people of Lowell do not want the project, we will not build it. By the time of the vote, we will have completed most of the environmental and engineering studies, but will not have determined exactly which turbines to purchase.

Q. What happens if the town votes in support of the project?

We will proceed with our application to the Vermont Public Service Board for a Certificate of Public Good. We expect this process to take 8 – 12 months. During this time we will submit extensive testimony, any intervenors in the case will have the opportunity to question us (under oath), and the Board will hold a public hearing.

If the Board approves the project, we will order the turbines and begin construction, with the expectation that the plant would begin generating electricity towards the end of 2012.

Kingdom Community Wind Contacts:

Dorothy Schnure, GMP, 802-655-6418, Schnure@greenmountainpower.com

Dave Hallquist, VEC, 802-832-2667, dhallquist@vermontelectric.com

Gert and Andy Tetreault (local representatives) 802-744-6664, gert@kingdomcommunitywind.com,