



NEWS
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**GREEN MOUNTAIN POWER PROVIDES MATCHING FUNDS
TO THE CITY OF BARRE TO STUDY
LOW-IMPACT "MICRO HYDRO" GENERATION**

COLCHESTER, VT . . . Green Mountain Power (NYSE: GMP) today announced that it is providing \$15,000 in matching funds to the City of Barre to study the feasibility of generating electricity from so-called micro-hydro sources, including at the municipal water system. Micro-hydro is defined as small-scale, low-impact sites such as water supply facilities, run-of-the-river and farm ponds. This type of electrical generation has minimal impact on rivers, fish and wildlife.

"We are pleased that we can help the City of Barre, one of our largest customers, with this exciting project. In light of the challenges we face in finding new generation to satisfy Vermont's future energy needs, it is important to find new and cost-effective ways to generate electricity," said Chris Dutton, president and chief executive officer of Green Mountain Power. "We are interested in learning from the Barre study whether there are other opportunities across Vermont to harness electricity from potential micro-hydro sites."

The City of Barre recently received a \$16,700 grant from the Vermont Community Development Program to conduct a feasibility study of potential low-impact hydroelectric generation sites in Barre that are typical of potential opportunities elsewhere in Vermont and New England. In addition to examining the feasibility of these sites, the study will also focus on the best method to finance their development.

David O'Brien, Commissioner of the Vermont Department of Public Service, said, "This is a classic example of Vermont ingenuity, harnessing the flow of water through water mains to generate electricity. Like farm methane and landfill methane generation, we are looking for new, creative ways to generate electricity. While these sources will not become a dominant part of our power mix, they certainly can play a contributing

role. We commend Green Mountain Power for supporting this feasibility effort.”

Green Mountain Power’s contribution to the study is supported by funds available as a result of the sale of the Vermont Yankee nuclear plant to Entergy in 2001. As a condition of the sale of the plant to Entergy, the Vermont Public Service Board required that these funds be targeted to renewable projects that benefit Green Mountain Power customers.

“We’re pleased to see Green Mountain Power and the City of Barre explore innovative ways to generate new, renewable electricity with very little environmental impact,” said Andrew Perchlik, executive director of Renewable Energy Vermont. “Local, renewable energy will play an important role in Vermont’s energy future.”

Green Mountain Power Corporation (www.greenmountainpower.biz) is a Vermont-based energy services company serving 90,000 electric customers.

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