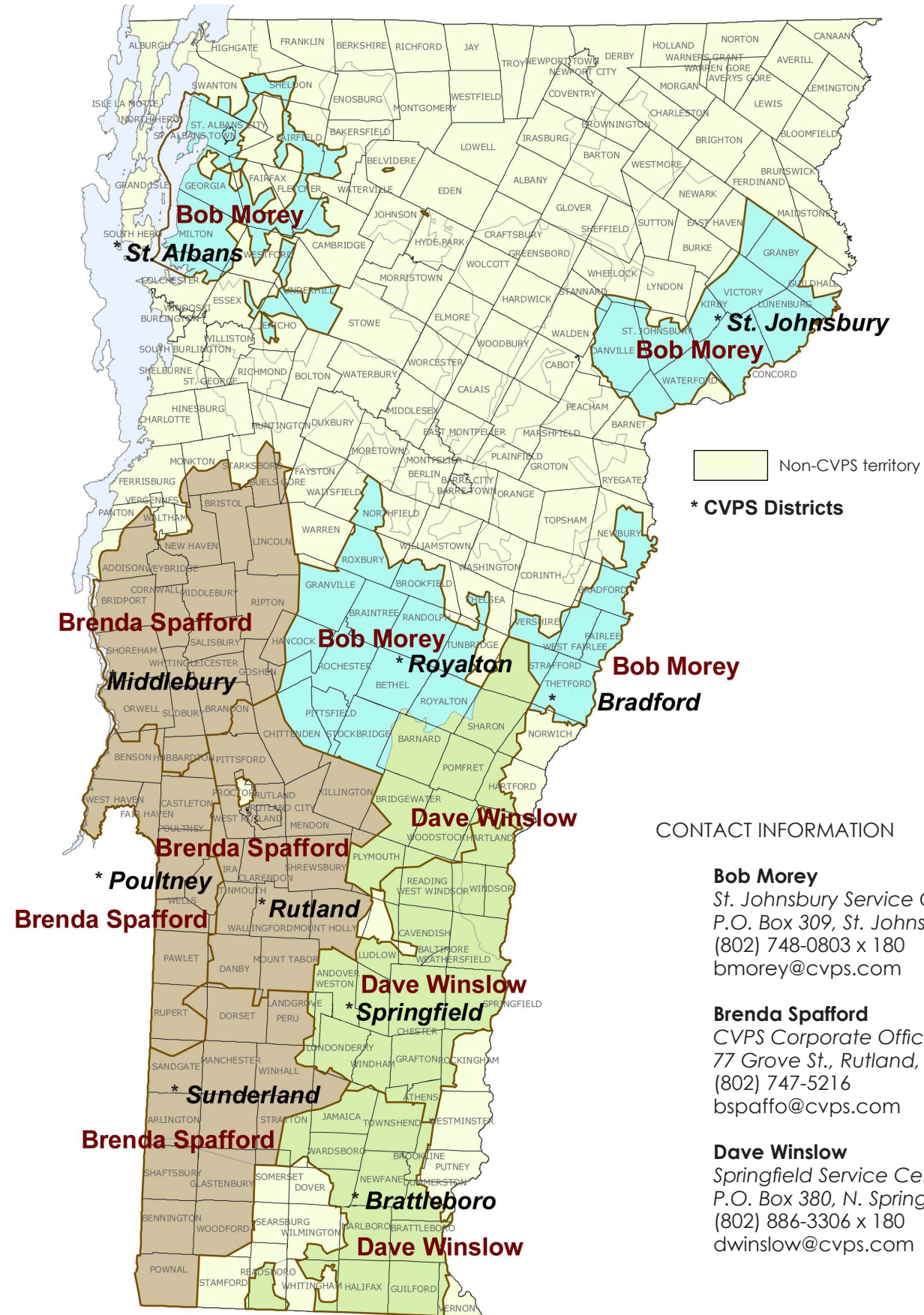


Every large customer has a field representative ...

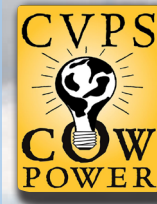


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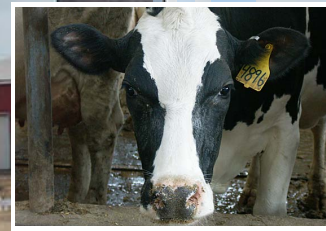
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CVPS Cow Power™ provides green solutions and competitive advantage

See how inside



customer CURRENTS

Alternative regulation changes take effect, with minor impacts

Under Vermont's alternative regulation program for CVPS, customers saw a new line on their bills in June – Power Cost Adj. Mechanism – a quarterly adjustment designed to true-up actual power costs from estimated power costs already contained in the company's base rates. The adjustment factor is applied to the kilowatt-hours used during that billing period.

The change reflected in June, which will be in effect for bills rendered in July, August and September, reflects an average rate reduction of less than 1 percent (0.83 percent). The reduction factor on the bill will be .00105 per kilowatt-hour. Power costs will be reviewed by the Public Service Board each quarter going forward, and the Power Cost Adjustment Mechanism rate will be adjusted so that the company does not over-collect or under-collect power costs under the terms of the Alternative Regulation Plan.

Due to an increase in operating costs, which are reviewed annually, bills will also include an increase of 1.15 percent due to the record-setting damage of the December ice storm, which will be collected over a 12-month period. Combined, the two changes result in a rate increase that averages three-tenths of 1 percent, or 0.31 percent.

For a commercial customer using 500 kilowatts and 180,000 kilowatt-hours of energy, the bill will go up \$25, from \$18,572 to \$18,597.

For an industrial customer using 1,000 kilowatts and 650,000 kilowatt-hours of energy, the bill will go down \$77, from \$52,578 to \$52,501.

Note: The industrial bill goes down because the PCAM credit is applied to kWh and this more than offsets the ESAM surcharge for this typical bill. In other words, high load factor customers will see a net bill decrease and lower load factor customers will see a net bill increase.

Alternative regulation is intended to send customers more accurate and timely price signals, whether costs rise or fall, and create incentives for CVPS to operate efficiently and control costs. It provides for adjusting rates on a quarterly basis to reflect fluctuating power purchase prices, and includes mechanisms to cap cost increases and to share earnings and losses between shareholders and customers.

Cow Power: Environmental and social benefits second to none

In today's economy, it's becoming increasingly common for customers to expect businesses to demonstrate their environmental commitment in a way that delivers sustainable results. If you are looking for a cost-effective green solution, take a closer look at how CVPS Cow Power™ can work for you.

- Cow Power is a renewable methane generation program that produces electricity on six Vermont farms. Four Cow Power farms produced 7,679,000 kWh in 2008.
- Cow Power helps improve the environment by reducing methane emissions, which are 20 times more effective than CO2. The Cow Power process also improves manure management, which can improve fertilizer value and reduce the potential for runoff in Vermont's rivers and lakes.
- Cow Power produces real, quantifiable environmental benefits through the destruction of methane, which can translate into reduced carbon impact for your business.
- There are few aesthetic impacts of Cow Power generation and they are contained to the farms that generate power.
- Cow Power provides supplementary income to farmers, which benefits Vermont's farm economy and our state's agricultural heritage.

Building Your Brand through CVPS Cow Power™

CVPS Cow Power™ customers pay a 4-cent rider on their monthly electric usage, which is used to pay the farms for the environmental attributes of the renewable energy they generate. Enrollment is available at 25 percent, 50 percent or 100 percent usage increments to make the program affordable. For some business customers, even the 25 percent level can be a considerable investment, making Cow Power's overall value central in your decision to enroll. If your business can utilize the environmental benefits to reduce its carbon

footprint, but wonder what else Cow Power can deliver, consider using Cow Power to market your products and services.

Since Cow Power took Vermont's renewable energy market by storm nearly five years ago, about 4,000 CVPS customers have enrolled and hundreds of articles and media stories have appeared in newspapers and on broadcast news programs in Vermont and nationally. Cow Power has become a recognizable brand that's synonymous with preserving Vermont's pristine environment while developing cutting-edge, practical, local renewable energy solutions.

Cow Power business customers are already making Cow Power do double duty as a green energy solution and a marketing tool to position their businesses and attract new customers. For example, Vermont Clothing Company of St. Albans increased sales of their resort business segment by 35 percent after enrolling in Cow Power in 2008. They attribute this success directly to their Cow Power partnership and a new environmentally focused tag line.

"We have completely changed our marketing strategy to incorporate CVPS Cow Power™ into everything we do," said Jay Cummings, owner of Vermont Clothing Company. "It's part of our mindset. And it hasn't cost us more — we just added the Cow Power logo and story to what we are doing anyway, and have seen terrific results."

That's right — once you are a Cow Power customer, there is no additional cost to using the Cow Power logo or name to market your business. The opportunities to market your enrollment are limited only by your own creativity, and can make a real impact on your bottom line.

To learn more about CVPS Cow Power™, visit our Web site at www.cvps.com/cowpower, or contact Dave Dunn, CVPS renewable program manager, at (802) 747-5681.

ISO New England: Adequate resources for summer demand

Holyoke, MA - According to the region's power grid operator, New England should have adequate electricity resources to meet consumer demand this summer, with current economic conditions expected to keep peak demand for electricity relatively unchanged from 2008 levels.

"The region is in good shape to meet peak demand for electricity this summer," said Vamsi Chadalavada, chief operating officer of ISO New England Inc., operator of the region's bulk power system and wholesale electricity markets. "Supplies are ample, and our portfolio of demand-side resources has grown significantly over the last few years. The economic slowdown, together with improving energy efficiency, is expected to keep peak demand in check."

Peak electricity demand could reach 27,875 megawatts (MW) under normal weather conditions this summer, while the region currently has resources totaling 33,700 MW. New England power plants will be able to supply about 31,225 MW of electricity, and more than 1,900 MW of demand-response resources, load management and on-site generators can be called on to reduce consumption if supplies start to get tight. The region's energy efficiency programs are also helping to reduce demand, with about 500 MW participating by this summer.

This year's peak demand forecast is 110 MW higher than the 2008

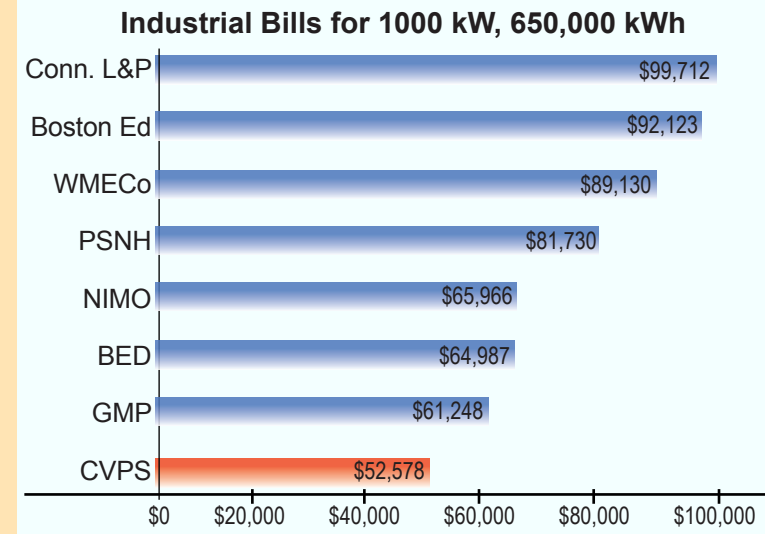
weather-adjusted peak of 27,765 MW, which occurred on June 10. Adjusting demand levels by factoring out year-to-year weather fluctuations gives a clearer picture of changes in demand that are not caused by weather. One megawatt serves about 1,000 homes.

During a heat wave on August 2, 2006, the region's all-time peak demand record was set at 28,130 MW. That record would have soared even higher without the approximately 500 MW of demand-response resources that reduced energy consumption when called on to do so by ISO New England.

If demand spikes and supplies become tight as a result of a prolonged heat wave with high humidity, or a major transmission line or power plant goes out of service unexpectedly, system operators can bring the system back into balance by calling on companies in demand-resource programs to cut their electricity use, bringing in emergency electricity supplies from neighboring regions, and asking consumers to conserve.

Created in 1997, ISO New England is the independent, not-for-profit corporation responsible for reliably operating New England's 32,000-megawatt bulk electric power generation and transmission system, overseeing and ensuring the fair administration of the region's \$12 billion wholesale energy markets, and managing comprehensive regional electric power planning.

CVPS industrial customer bills are among the lowest in New England.



Source: EEI Typical Bill and Avg. Rate Reports July 2009
BED website, reflects rates as of July 1, 2007

Due to cost controls and stable long-term power contracts, CVPS has moved from among the most expensive utilities in New England to among the lowest priced during the past decade. Fuel prices have driven up electricity prices for many other utilities, driven in part by hurricanes and problems in the Middle East.

Recent rate requests by other utilities have been up to 60 percent in New England, and as much as 72 percent in Maryland. As a result, we believe CVPS has the lowest rates of any major New England utility, providing a solid value to customers. With Vermont's focus on energy efficiency, CVPS bills compare favorably to average bills nationally.

Find your Senior Energy Consultants on our Web site

The screenshot shows the website interface for Central Vermont Public Service. The main content area is titled 'Senior Energy Consultants' and includes a search bar and a list of consultants. A map of Vermont is displayed at the bottom, with markers for St. Albans and St. Johnsbury, both labeled 'Bob Morey'. The navigation menu includes options like 'My Account', 'Storm Center', 'Residential Service', 'Business Service', 'Payment Options', 'Service Guarantees', 'Energy Efficiency', 'Contractor Information', 'Service Territory Map', 'Glossary of Terms', 'Contact Us', and 'Payment Options'.

You can now find Senior Energy Consultants on the CVPS Web site. Go to www.cvps.com, and mouse over the customer service drop down menu. Arrow down to Business service. Click on Senior Energy Consultants.

Need information: We're here to help!

Going Green

Please note that the next quarterly newsletter will be provided to you via e-mail. If for some reason you require a mailed copy please notify: Brenda Spafford at bspaffo@cvps.com or call 747-5216.