

Green Mountain Energy Company

2004 ENVIRONMENTAL REPORT



**Green
Mountain
Energysm**

P r e p a r e d i n 2 0 0 5 f o r C e r e s

About this Report

Green Mountain Energy Company has chosen to use the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines pertaining to environmental performance for this environmental report. Green Mountain Energy Company is not a publicly held company. In some instances, specific economic information requested by the GRI Guidelines is confidential corporate information. Where possible, this report substitutes for such confidential data with related publicly available information. Information about our environmental performance is presented in the Global Reporting Initiative's Sustainability Reporting Guidelines framework for environmental reporting during the 2004 operating year. Where possible, we have provided information on prior years for the reader's comparison. Unless otherwise indicated, this information covers the activities of Green Mountain Energy Company's Corporate Headquarters, located in Austin, Texas. Where noted, the information also incorporates activities of our smaller regional offices in Ohio, Oregon, Pennsylvania, Florida and Dallas and Houston, Texas.

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About Units of Measure

For the convenience of our stakeholders, we have quantified our environmental information in English units. Factors for converting English units to metric units are provided below:

1 pound (lb)	=	0.454 kilograms (kg)
1 gallon	=	3.78 liters (L)
1 kilowatt-hour (kWh)	=	3,600 kilojoules (kJ)
1 short ton (US)	=	0.9072 metric tons

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GREEN MOUNTAIN ENERGY COMPANY

2004 Environmental Report

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Ceres is the leading U.S. coalition of environmental, investor, and advocacy groups working together for a sustainable future. The network includes companies that have committed to continuous environmental improvement by endorsing the Ceres Principles, a ten-point code of environmental conduct. By our endorsement of the Ceres Principles, Green Mountain Energy Company made a commitment to conduct an annual self-evaluation of our progress in implementing the Ceres Principles. This report is a product of that self-evaluation.

The Ceres Principles

Endorsing Company Statement By adopting these Principles, we publicly affirm our belief that corporations have a responsibility for the environment, and must conduct all aspects of their business as responsible stewards of the environment by operating in a manner that protects the Earth. We believe that corporations must not compromise the ability of future generations to sustain themselves.

We will update our practices constantly in light of advances in technology and new understandings in health and environmental science. In collaboration with Ceres, we will promote a dynamic process to ensure that the Principles are interpreted in a way that accommodates changing technologies and environmental realities. We intend to make consistent, measurable progress in implementing these Principles and to apply them to all aspects of our operations throughout the world.

Protection of the Biosphere We will reduce and make continual progress toward eliminating the release of any substance that may cause environmental damage to the air, water, or the earth or its inhabitants. We will safeguard all habitats affected by our operations and will protect open spaces and wilderness, while preserving biodiversity.

Sustainable Use of Natural Resources We will make sustainable use of renewable natural resources, such as water, soils and forests. We will conserve non-renewable natural resources through efficient use and careful planning.

Risk Reduction We will strive to minimize the environmental, health and safety risks to our employees and the communities in which we operate through safe technologies, facilities and operating procedures, and by being prepared for emergencies.

Safe Products and Services We will reduce and where possible eliminate the use, manufacture or sale of products and services that cause environmental damage or health or safety hazards. We will inform our customers of the environmental impacts of our products or services and try to correct unsafe use.

Environmental Restoration We will promptly and responsibly correct conditions we have caused that endanger health, safety or the environment. To the extent feasible, we will redress injuries we have caused to persons or damage we have caused to the environment and will restore the environment.

Informing the Public We will inform in a timely manner everyone who may be affected by conditions caused by our company that might endanger health, safety or the environment. We will regularly seek advice and counsel through dialogue with persons in communities near our facilities. We will not take any action against employees for reporting dangerous incidents or conditions to management or to appropriate authorities.

Management Commitment We will implement these Principles and sustain a process that ensures that the Board of Directors and Chief Executive Officer are fully informed about pertinent environmental issues and are fully responsible for environmental policy. In selecting our Board of Directors, we will consider demonstrated environmental commitment as a factor.

Audits and Reports We will conduct an annual self-evaluation of our progress in implementing these Principles. We will support the timely creation of generally accepted environmental audit procedures. We will annually complete the Ceres Report, which will be made available to the public.

Disclaimer These Principles establish an environmental ethic with criteria by which investors and others can assess the environmental performance of companies. Companies that endorse these Principles pledge to go voluntarily beyond the requirements of the law. The terms "may" and "might" in Principles one and eight are not meant to encompass every imaginable consequence, no matter how remote. Rather, these Principles obligate endorsers to behave as prudent persons who are not governed by conflicting interests and who possess a strong commitment to environmental excellence and to human health and safety. These Principles are not intended to create new legal liabilities, expand existing rights or obligations, waive legal defenses, or otherwise affect the legal position of any endorsing company, and are not intended to be used against an endorser in any legal proceeding for any purpose.



Welcome

2004 was an exciting year for Green Mountain Energy Company as we proudly maintained our position as the nation's leading retail provider of cleaner electricity. Our commitment to our values - integrity, sustainability and results - has helped us to continue the momentum necessary to achieve our mission - to change the way power is made. I am pleased that this year's Ceres report reflects some notable accomplishments both in the areas of new growth opportunities that will lead to increases in the demand for new renewables over time, as well as the addition of new corporate environmental policies that further demonstrate and strengthen our commitment to conducting our business operations in a sustainable manner. Some 2004 highlights include:



- **New business developments**
 - We launched a new commercial services division that will help large energy customers lower their impact on the environment.
 - We established a new long term utility partnership with Florida Power and Light which will give over 3.7 million customers the opportunity to support cleaner electricity by participating in FPL's Sunshine Energy® program.
 - We sold our six billionth kilowatt-hour of renewable energy since the company's inception in 1997.
- **New corporate environmental policies**
 - We significantly modified our corporate CO₂ policy, which formally recognizes that excess greenhouse gas emissions due to human activities are altering the atmosphere and having a discernable influence on global climate. Given our environmental mission, we ensure that all of our products contain a portion of new renewable energy and our net annual direct and indirect carbon dioxide emissions from corporate operations were 50% of their 2000 gross baseline level and will be effectively net zero in 2005.
 - We adopted a Green Ambassadors program, which empowers employees from all regions and headquarters to promote environmental stewardship and implement environmental policies throughout the company.
- **New renewable facilities**
 - We added two new wind turbines to the Green Mountain Energy® Wind Farm at Bowling Green.
 - We continued our progress towards our corporate goal of supporting 1,000 MW of new renewable generation by 2010 by supporting 326 MW of new generation

As I look into the future, I am confident that Green Mountain Energy Company will continue to persevere and maintain its leadership position in corporate sustainability, sustainable business practices and as a provider of environmentally preferable products and services that allow consumers and businesses to reduce and manage their environmental footprint.

Gillan Taddune
Chief Environmental Officer

Five years on “The Mountain” – One Employee’s View:

When I entered the Green Mountain Energy Company building in Burlington, VT for an interview five years ago, the first thing I noticed were enormous colorful banners hanging from the ceiling. Some displayed environmental messages from notable environmentalists others flaunted the company’s products like “EcoSmart”, “Enviro Blend” and “Nature’s Choice” and were filled with images of the sun, wind and water. “How exciting”, I thought. It’s not every day that you can find a for-profit company that has an environmental mission as its primary business goal. And this company was wearing its environmental heart on its sleeve.

During my first few months at Green Mountain I found that most employees shared my enthusiasm for working at a company that was aligned with both their personal environmental imperatives and professional/financial goals. While I learned the concepts of renewable energy and Green Mountain’s products, I was also educated by many in the concept of the “sustainable lifestyle.” Everyone had a different take on it; my then-boss drove a beat-up old GEO because it had the best gas mileage, while others introduced me to green investing, natural home products and sustainable building.

Today the environmental dialog between employees continues. I see a brand-new hybrid parked out back, people walk, bike or carpool to work where possible. Putting things in the recycling bin instead of the trash has become a “no-brainer.” The light in the break room is consistently turned off when it is not being used. These things that seem small are a very important part of our corporate culture and are required as we travel down the path to corporate sustainability.

Since 1997, Green Mountain has been a pioneer in the renewable energy marketplace. Over the past eight years, we have launched numerous innovative cleaner electricity products, been part of the development of 13 new renewable facilities and sold almost eight billion kilowatt-hours of cleaner electricity, featuring renewable resources and cleaner burning natural gas. A comprehensive environmental infrastructure drives our corporate sustainability practices and has ensured that we practice what we preach in the marketplace. More recently, we’ve introduced new employee-based programs, such as the Green Ambassadors program that have resulted in more participation and awareness of sustainability than ever before. These programs enable employees to be active and involved with environmental or conservation issues in the office and in the community. For the future, we have a lot to look forward to. With renewable markets growing rapidly and new demand encouraging the construction of new facilities, we are poised to remain the leading national brand of renewable electricity as well as a great company to work for.

Brenna A. Zimmer
Environmental Affairs Manager

Green Mountain Energy Company's Values

Green Mountain Energy Company, a trailblazer in the renewable energy marketplace, has learned that it is dedication to our mission and values that enables us to skillfully balance financial success with environmental stewardship. We believe that our value in the marketplace is largely defined by consistently delivering *integrity, sustainability* and *results* to our customers, employees and investors.

Integrity: Integrity is the foundation of our business. We will adhere, individually and collectively, to our commitments, our values and the ethical conduct of our business.

Sustainability: We are dedicated to the environment and maintaining lasting, mutually beneficial relationships in all aspects of our business.

- To customers, we are committed to providing quality products and services that consistently represent an exceptional value and result in high customer satisfaction.
- To society, we are committed to improving the environment through the products we sell and how we conduct our business.
- To employees, we are committed to offering a rewarding workplace that encourages mutual respect, communication, openness to challenge and the opportunity for both personal and professional growth.
- To our investors, we are committed to creating value and consistently delivering outstanding financial returns.



Results: Customers, society, employees and investors will measure us by what we deliver. We will relentlessly pursue outstanding results that meet our company goals and objectives.

"At Green Mountain, our values, integrity, sustainability, and results continue to guide us as we proudly maintain our position as the largest retail provider of cleaner electricity nationally. Additionally, we recognize that it is through the deliberate balancing of each of these guiding principles that we will continue to be a socially responsible enterprise and successfully achieve our mission."

Gillan Taddune

Section 1

Vision and Strategy



Climate change is occurring.

The majority of the world's climate scientists have concluded that greenhouse gas (GHG) emissions resulting from human activities are altering the atmosphere and having a discernible influence on global climate.

We share the growing concern that, if left unchecked, these emissions will continue to alter the atmosphere and the climate, disrupting human settlements around the globe and threatening human and natural ecosystems.

Our efforts to change the way electricity is made are motivated in part to reduce the threat of climate change that results from making electricity with fossil-fuels. Supporting new renewable generation facilities provides an easy and effective way for individual customers to reduce their share of carbon dioxide pollution.

We operate as an environmentally responsible business, engaging in daily practices that promote a healthier planet and sustainable economy. Our Ceres endorsement provides that we will "reduce and make continual progress toward eliminating the release of any substance that may cause environmental damage to the air, water, or the earth or its inhabitants."

Under these circumstances, and given our environmental mission, we believe the only rational and reasonable response is to act forcefully and take precautions against the more dire possible outcomes of climate change.

Making electricity is the leading cause of industrial air pollution in the United States. Carbon dioxide, sulfur dioxide and nitrogen oxides from coal-burning power plants are largely responsible for pressing environmental problems such as acid rain, smog and global warming. Making electricity causes:

- **67% of US SO₂ emissions**
- **23% of US NO_x emissions**
- **41% of US CO₂ emissions**
- **33% of US Mercury emissions**

VISION AND STRATEGY

Green Mountain Energy Company will:

- Ensure that every Green Mountain Energy® electricity product is generated in significant part by new renewable facilities.
- Retire on behalf of each respective customer, any environmental benefits that result from the purchase of Green Mountain Energy Company's cleaner electricity products made from less-polluting generation sources. This ensures that the environmental benefits from the customer's purchases are permanent and attributable only to the energy purchaser.
- Offset 50% of our net annual direct and indirect carbon dioxide emissions resulting from key business activities. This is a first step toward our ultimate aspiration to have a net-zero carbon foot print with respect to key business activities by year-end 2005.
 - These activities include at a minimum: corporate air travel, manufacturing of the paper we purchase, employee commuting and office energy use.
 - We will achieve these reductions through GHG reduction initiatives, including increased use of renewable technologies, energy efficiency measures and other reductions at the source.
 - We will use carbon offsets to mitigate our corporate emissions footprint. We will show a preference for high quality offsets that: (1) result in new reductions in CO₂, (2) reduce CO₂ at its source rather than those that sequester it, (3) are likely to be permanent, and (4) offer additional environmental benefits beyond GHG reductions.

The results are clear. Since 1999, Green Mountain Energy Company sales to customers have avoided approximately 2 million tons of CO₂* and have supported the development of 176 MW of new renewable generation. Our corporate goal is to support 1,000 MW of new renewable generation by 2010.

There are cleaner ways to generate electricity. We purchase supply from generators that tap into the natural occurring flows of energy—like wind, water, sunshine, organic material and the heat of the earth itself. Unlike traditional forms of generation, they emit little to no air pollution and produce no nuclear waste. We also look to energy from cleaner burning non-renewable resources like natural gas for our supply needs. Natural gas creates lower quantities of greenhouse gases and criteria pollutants per unit of energy than any other fossil fuel, including coal or oil.

Our business strategy enables us to sell electricity to customers nationally.

* Estimates based on actual customer usage of new renewables times appropriate eGRID sub-region emissions factor.

Section

2

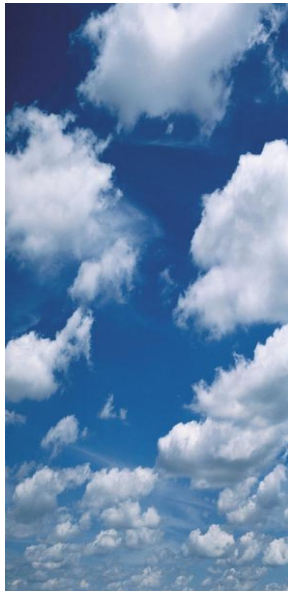
Corporate Profile



Customers who choose Green Mountain Energy® electricity are helping to change the way power is made.

Green Mountain Energy Company started with a simple idea: use the power of consumer choice to change the way power is made. We would offer electricity made from sources that are less polluting than those traditionally used - sources such as wind, water and natural gas. We were confident that, given a choice, informed consumers would choose cleaner electricity. That was 1997. Today, thanks to almost 600,000 customers nationwide, Green Mountain Energy Company is the leading retail provider of cleaner electricity in the nation. And we're just getting started.

Green Mountain Energy Company offers customers dramatically cleaner power derived from renewable resources like wind, water, biomass, solar and geothermal heat, as well as the cleanest-burning fossil fuel, natural gas. We offer residential and commercial customers the ability to choose the type of generation that is put onto power grids on their behalf. Our current business strategies for selling cleaner electricity include:



- Direct-access markets: Green Mountain Energy Company markets its less-polluting *Green Mountain Energy* electricity directly to residential, commercial and industrial customers in states with competitive markets, such as Texas, New Jersey and Pennsylvania.
- Aggregation: Green Mountain Energy Company serves as the primary service provider to customer collectives. We currently serve hundreds of thousands of Ohio customers through the nation's largest municipal aggregation, NOPEC.
- Utility Partnering: In some states, Green Mountain Energy Company works with regulated utilities to offer their customers a renewable electricity option. In these relationships, Green Mountain Energy Company assists in marketing, provides training to utility employees and obtains renewable supply.
- Renewable Energy Credits (RECs), which represent the environmental attributes of renewable generation and are sold as a separate commodity, are available to customers in the national voluntary market.

CORPORATE PROFILE

Green Mountain Energy electricity is available nationwide through the purchase of RECs. The chart below depicts the regions in which Green Mountain Energy Company markets cleaner electricity products under the direct access, utility partnering and aggregation strategies.

Green Mountain Energy Company At a Glance	
	2004 Green Mountain Energy Company Serves Customers in the Following States: • California* • Florida • New Jersey • New York • Ohio • Oregon • Pennsylvania • Texas
Nature of Ownership	Privately-held corporation
Major Products/ Services	<i>Green Mountain Energy</i> electricity and related cleaner and/or renewable electricity products and services
Country of Operation	United States
Nature of Markets Served	• Direct Access: CA*, NJ, PA, TX • Utility Partnerships: OR, NY, FL, OH • Municipal Aggregations: OH
Number of customers served with <i>Green Mountain Energy</i> electricity	Approximately 600,000
2004 Strategic Partners	Niagara Mohawk (NIMO), Northeast Ohio Public Energy Council (NOPEC), Portland Gas and Electric (PGE), Florida Power and Light (FPL), American Municipal Power Organization (AMPO)
Number of Employees	2004 monthly average: 170 of which 3 personnel exclusively assigned to environmental management responsibilities (environmental policy, corporate sustainability initiatives, stakeholder engagement and green supply procurement)
Corporate Offices	• Austin, TX (Corporate Headquarters) • Mt. Laurel, NJ • Dublin, OH • Houston, TX • Plano, TX • Portland, OR • Juno Beach, FL
Revenue	Range of \$200 to \$500 million. More than 99% of our revenues come from the sale of our <i>Green Mountain Energy</i> electricity. Sales and revenue by region are proprietary and confidential
Prior Ceres Reports	Reports for our 2000, 2001, 2002 and 2003 operating years are available online at www.greenmountain.com
* Due to regulatory changes during 2002, we are no longer able to serve new customers in California. In 2004, Green Mountain Energy Company served only a small handful of customers in California.	

CORPORATE PROFILE

Cleaner Electricity Products - *Green Mountain Energy* electricity products vary from region to region—as does the availability of the cleaner and renewable resources that generate them. The majority of our electricity products are dramatically cleaner than system power offered in their respective regions.

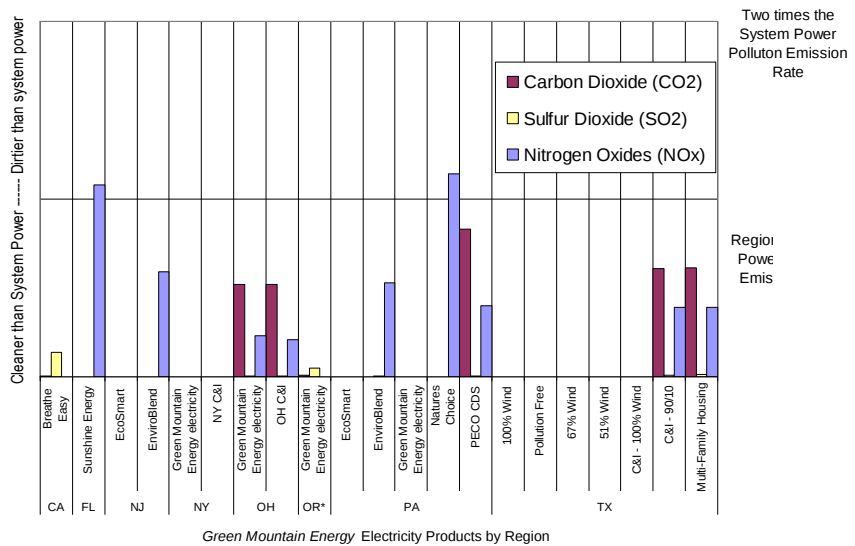
An Easy and Powerful Way to Reduce a Household's Carbon Dioxide Footprint. Every *Green Mountain Energy* electricity product is generated in part by energy from new renewable facilities. When new renewable facilities are brought online, they help reduce our reliance on dirtier forms of generation. As a result, air pollution is avoided. Residential and commercial customers who purchase *Green Mountain Energy* electricity are able to reduce their household's share of carbon dioxide pollution. In 2004, customers buying *Green Mountain Energy* electricity could reduce their carbon footprint anywhere from 400 to 66,000 pounds per year depending on their electricity usage, the product they buy and the generating mix in their region.

Cleaner Electricity

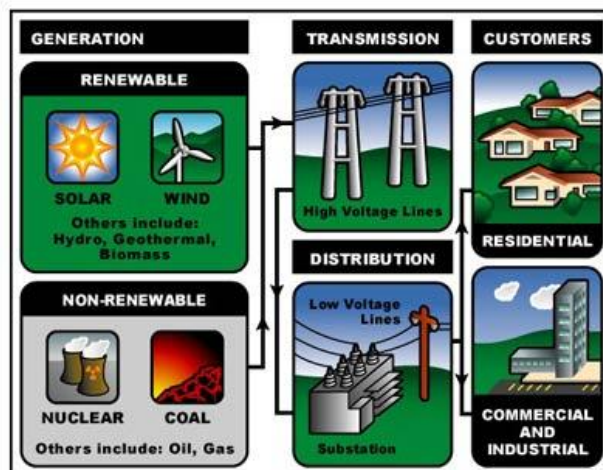
Green Mountain Energy electricity is dramatically cleaner than typical system power in a region.

The chart at right compares *Green Mountain Energy* electricity emission rates for 2004 products to regional system power¹, with respect to carbon dioxide, sulfur dioxide and nitrogen oxides.

¹ Source: EPA eGRID v2.01
* OR marginal emissions rate from Northwest Power Planning Council



The Grid



Section
3

Policies, organization and management systems

Environmental stewardship underpins Green Mountain Energy Company's corporate mission and operations. We have environmental policies to guide our work, an organizational structure and management systems to implement those policies, and a commitment to engage our stakeholders.



Corporate Policies

Green Mountain Energy Company's Environmental Charter sets out our objectives for environmental performance. It states we will:

- Use the marketplace to promote the sale of cleaner electricity to individual consumers and corporations.
- Engage in policy work on energy issues, concentrating on developing competitive markets for energy sales.
- Be an environmentally responsible business, engaging in daily practices that promote a healthier planet and sustainable economy. These practices include working with our partners to encourage them to adopt sustainable business practices.
- Encourage individual consumers and corporations to use energy resources wisely and efficiently.
- Be an educator; helping people to understand the environmental consequences of their energy choices and empowering people to choose cleaner electricity.

**Our charter is the basis
for the policies that
guide our product and
operational performance**

Green Mountain Energy Company measures its success according to its ability to deliver results against these policies. Sections 4 and 5 detail our 2004 performance.

POLICIES AND ORGANIZATION

Our established policies, programs and standards serve as the foundation of our corporate environmental governance.

2004 New Policies and Programs

- In 2004, we developed a Renewable Energy Supply Policy to lead Green Mountain Energy Company in its supply choices. It states: "Green Mountain Energy Company is tasked, as its primary line of business, with supply of renewable energy to its customers. With the large array of renewable energy choices available from a supply perspective, Green Mountain Energy Company must endeavor to include in its product only the most environmentally superior forms of renewable energy."
- The Green Ambassadors program was also launched in 2004. This program established a group of internal stakeholders who promote our corporate sustainability policies throughout the company. More information about the Green Ambassadors is located throughout this report.
- The Duplex Printing Standard that was instituted for all printers in corporate headquarters, helped cut our paper consumption for that office by more than half.
- Other new policies include: Commuting Program, Computer and Cell Phone Recycling Policy.

Environmental Policies, Programs and Standards				
Policy	Issue Date	Latest Revision	Geographic Scope	Publicly Available
Environmental Charter	Fall, 1997	Summer 1999	Company wide	Yes
Ceres Principles Adoption	Spring, 1999	- - -	Company wide	Yes
Green Mountain Values	Fall, 1997	Winter 2003	Company wide	Yes
Commitment Regarding Old Growth Fiber	Winter, 2000	- - -	Company wide	Yes
Relocation Policy	August 2001	- - -	Corporate Headquarters	Yes (1)
Recycling Policy	Fall 1997	Spring 1999	Company wide	Yes
Paper Standard	Winter 1999	Summer 2000	Company wide	Yes
Non-Energy Product Standard	Winter 2001	- - -	Company wide	Yes
Corporate CO ₂ Offset Policy	Fall 2003	Fall 2004	Company wide	Yes
Employee CO ₂ Offset Policy	Spring 2003	- - -	Company wide	Yes
Renewable Energy Supply Policy	Spring 2004	- - -	Company wide	Yes (1)
Commuting Program	Spring 2004	- - -	Company wide	Yes (1)
Duplex Printing Policy	Winter 2004	- - -	Corporate Headquarters	Yes (1)
Green Ambassadors Program	Winter 2004	- - -	Company Wide	Yes (1)
Computer and Cell Phone Recycling Policy	Winter 2004	- - -	Company Wide	Yes (1,2)
1. Available by contacting Green Mountain Energy Company's Environmental Affairs Department. 2. Available in this report.				

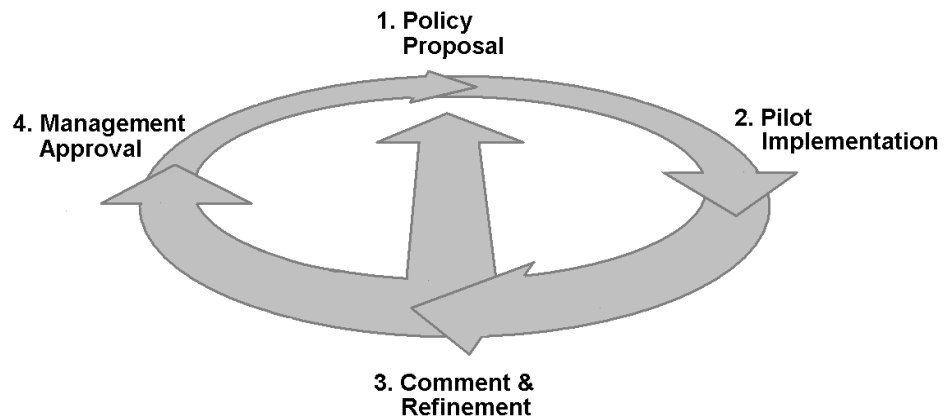
Looking ahead to 2005

- New for 2005, we have increased the goal for our Corporate CO₂ Offset Policy from offsetting 50% of our corporate emissions to 100%.
- We plan to expand the Duplex Printing Policy to regional offices.
- The Commuting Policy will be revised based on feedback received in 2004.

To keep the organization moving forward down the path of sustainability, we annually review our policies and standards. Any improvements or new policy developments are delivered using the following process:

- I. Policy proposal: We are guided by the environmental community, corporate best practices and internal stakeholders in advancing draft policies.
- II. Pilot implementation: We test the draft policy on an interim basis. Often our pilots are limited in scope to specific departments or regions.
- III. Comment and Refinement: Through comments and suggestions from employees, we have the opportunity to improve and refine the proposal, if needed.
- IV. Management Approval: After successful pilot testing, the policy is implemented across the organization by approval of senior management.

Our Policies are guided by stakeholders and formed through a multi-step process



Environmental Management and Organization

Green Mountain Energy Company assembles an **Environmental Advisory Board** as a forum to receive expert advice and validation on critical environmental issues. The chair of the Environmental Advisory Board is also a member of the Board of Directors which ensures that environmental issues are well represented at the highest levels. Members include:

- Dianne Dillon-Ridgley -- Chair, Environmental Advisory Board, Board Member, Green Mountain Energy Company
- Ralph Cavanagh -- Co-director of the Energy Program, Natural Resources Defense Council (NRDC)
- Christopher Flavin President, Worldwatch Institute
- Hunter Lovins, Esq. -- President and founder of Natural Capitalism Inc. and co- creator of the Natural Capitalism concept.
- Elizabeth Cook -- Vice President for Institutional Strategy and Development, World Resources Institute (WRI)
- Rachel Shimshack -- Director, Renewable Northwest Project
- Alison Silverstein -- Former Senior Energy Policy Advisor to the Chairman of the Federal Energy Regulatory Commission (FERC)
- Robin Rather -- Sustainability Consultant



Green Mountain's senior management team includes the position **Chief Environmental Officer** who is responsible for REC quality and procurement, corporate environmental policies, spearheading the company's mission and maintaining relationships with local and national environmental organizations. In 2004, the green supply procurement process was included as a central duty to this position. This organizational shift has ensured consistent excellence in the cleaner energy products that Green Mountain Energy Company sells today.

The "**Green Ambassadors**" includes employee representation from headquarters and all regions. This group promotes environmental stewardship and enforces the environmental policies throughout the company. It sponsors monthly events and workshops on environmental topics such as organic gardening, green home building as well as an annual event on Earth Day.

"I think the Green Ambassadors program has been a great program for Green Mountain Energy Company – it has shown our employees how easy it can be to be environmentally active."

Terrence Holt
Senior Network Administrator
Green Ambassador

Stakeholder Engagement and Community Involvement



A committed steward of the communities in which we operate, we regularly invest time and resources in a variety of local and national organizations.

Green Mountain Energy Company and its employees strive to maintain a balanced portfolio of corporate responsibility initiatives. We believe that it is critical to “walk the talk” and give back to our communities, and to continually educate ourselves on sustainability issues. Examples of our programs include:

Corporate Giving

National Giving:

Earth Share's giving campaign - Corporate and regional employees actively participate in Earth Share's giving campaign and in 2004, we donated roughly \$14,000 from both employee giving and corporate matching. Green Mountain employees have exhibited a strong commitment to this program with 45% of employees participating. In 2004, our Oregon office achieved 100% participation.

Habitat for Humanity - As part of our ongoing commitment to Houston Habitat for Humanity, in 2004 Green Mountain Energy Company donated compact fluorescent lighting for all 38 homes during SuperBUILD XXXVIII.

American Forests - We completed another year of support toward our almost four-year commitment to American Forests, a world leader in tree planting for environmental restoration. In 2004, our donation was used to plant approximately 5000 trees as part of the Texas Red River Country Project. Since 2001, our donations to American Forests have been responsible for planting approximately 99,000 trees.

Local and community giving:

Old Settlers Music Festival - Green Mountain donated Renewable Energy Credits (RECs) to offset the electricity usage for the Old Settlers music festival in Driftwood, TX. Additionally, we sponsored and helped organize the festival's first year of recycling.

Local Organic Farmer's Market – Local organic farmers from around the Austin TX headquarters, were invited to sell produce and herbs in the lobby throughout the spring of 2004. Green Mountain Energy Company subsidized these events to support the farmers and encourage employee participation.

Cool House Tour 2004 – Sponsored local Austin, TX green building tour featuring energy efficient and environmentally sound design and construction.

POLICIES AND ORGANIZATION

Dallas, TX City Hall – To kick off Clean Air month and Ozone Season in May 2004, Green Mountain Energy Company donated enough wind power to make the electricity usage of Dallas City Hall effectively pollution-free for one day. The wind energy came from the Green Mountain Energy® Wind Farm at Brazos.

Donations were also made to industry and environmental groups - Sierra Club, American Rivers, Natural Resources Defense Council, Union of Concerned Scientists, Texas Solar Energy Society, Save our Springs Alliance (S.O.S), Texas Renewable Energy Industries Association and Hill Country Conservancy

“With the beginning of ozone season, and Clean Air month, this is an important time to remember what Dallas can do to help improve air quality and lower the number of air pollution watch and warning days this summer”

Laura Miller
Mayor of Dallas
May 2004

Volunteerism

Environmental Resource Adoption - In Portland, Oregon Green Mountain employees “adopted” a salmon spring and along with two other non-profit groups organized a cleanup event.

Annual Trail Clean Ups – Many of Green Mountain’s regional offices organize trail and park clean up events at least once a year, giving employees an easy way to help preserve our communities’ natural public land. In 2004, volunteers from the Austin office organized a trash pick up at the Barton Creek Greenbelt, a trail system managed by Austin Parks and Recreation and located just behind our corporate headquarters.

Internal Programs and Stakeholder Involvement

Earth Day 2004 - Earth Day is unlike any other ordinary day at Green Mountain Energy Company. In 2004 Earth Day was celebrated as the company’s primary holiday with variety of activities designed to inspire employees to reconnect with the environmental roots of the organization and to educate themselves about broader sustainability concepts. Workshops and speakers were offered throughout the day from a variety of local and national environmental leaders speaking on topics such as organic gardening, green home building and holistic cooking. Employees were allowed to test drive alternative transportation such as electric scooters and learn about hybrid vehicles.

Employee CO₂ Offset Program – Since 1997, Green Mountain has been asking our customers to “do their part” to help reduce air pollution through the purchase of clean(er) electricity and now that same opportunity is open to all employees in the form of the *Employee Offset Program*. We offer our employees the option to purchase 1 MWh per month of clean electricity made from wind to offset the emissions associated with their household’s annual electricity usage. In 2004, 78 employees signed up for the Employee CO₂ Offset program. Together they avoided over 950,000 pounds of CO₂ or to put it into perspective, that is like not driving your car over 1 million miles. It has the equivalent green house gas benefit of removing 84 cars from the road annually.

Environmental Advisory Board – A group of renowned environmental leaders, who together, review our existing environmental standards, help identify new standards and exchange ideas on the company’s environmental position. Green Mountain Energy Company held its annual meeting of the Environmental Advisory Board at the Four Seasons in Austin, TX. In addition to our advisory board members and Chief Environmental Officer, the meeting was attended by Green Mountain’s Chief Executive Officer, Chief

POLICIES AND ORGANIZATION

Financial Officer and Chief Legal Officer. Issues ranging from the company's financial success to new marketing concepts were discussed.

Green Ambassadors Program - The Green Ambassadors represent the company's internal stakeholder team. The group of cross-functional employees meets bi-monthly to discuss corporate environmental governance issues and develops ideas to promote sustainability throughout the organization. Green Ambassadors act as points of contact throughout the company to answer any questions relating to the environmental policies of the company.

Employee Commuting Program – Green Mountain Energy Company recognizes that traffic congestion contributes to air pollution and energy waste. In an effort to reduce congestion and improve air quality, Green Mountain has developed a program to encourage employees to utilize alternative commuting solutions. In 2004, this program helped avoid over 15,000 pounds of CO₂ emissions, which is like taking 1 vehicle off the roads in a year.

Recognition and Awards



Green Mountain Energy Company has over eight years experience trading Renewable Energy Credits and has been recognized for its marketing and execution leadership and performance. Green Mountain Energy Company has specifically accomplished the following:

- Green Mountain Energy Company has been named as one of Austin Business Journal's 2004 Top 50 Fastest Growing Private Companies.
- Two utility partnering programs where Green Mountain Energy Company's serves as the renewable energy supplier and marketer, received top 10 rankings in 2004 from the National Renewable Energy Laboratory (NREL).
 - Portland General Electric (PGE) is second in green power sales volume and third for total number of customers purchasing renewable power. And, for the first time, PGE made NREL's Top 10 list for customer participation rate, which measures the percentage of the utility's customers purchasing renewable energy, ranking eighth.
 - Florida Power and Light (FPL) made NREL's top 10 list for its Sunshine Energy® program, less than one year after launching the program. FPL landed the number 10 spot for total number of customers purchasing renewable power.
- Received the University of Texas Center for Performance Excellence (UTCPE) Malcolm-Baldrige Award for 2003 and 2004.
- Received the Leadership Award at the eighth Annual Green Power Marketing Conference.
- Received the Green Power Beacon Award for promoting National Ski Area Association's Sustainable Slopes Campaign.
- Won the 2003 Project of the Year Texas Renewable Energy Industries Award for the Green Mountain Energy® Wind farm at Brazos.

Business and Environmental Relations

Green Mountain Energy Company maintains participation in a variety of local and national environmental organizations. This keeps us on the cutting edge of emerging issues and helps us “raise the bar” in our own corporate practices.

National Organizations:

- Ceres
- Center for Resource Solutions
- National Wind Coordinating Committee
- American Wind Energy Association (AWEA)
- Mid Atlantic Renewable Energy Coalition
- World Resources Institute
- Sierra Club
- EPA Climate Leaders Program
- EPA Green Power Partnership Program

Local and Regional Organizations:

- Green Energy Ohio (GEO)
- Clean Texas Program
- Texas Renewable Energy Industries Association (TREIA)

"Green Mountain Energy Company's voluntary participation in the EPA's Climate Leaders program demonstrates a serious commitment to Corporate Social Responsibility initiatives," Division. "Green Mountain's aggressive greenhouse gas reduction target will help lead the way in improving our global environment."

**Kathleen Hogan
Director of EPA's Climate
Protection Partnership**

Section

4

Environmental
Performance

Green Mountain Energy Company uses the marketplace to promote the choice of cleaner sources of energy.

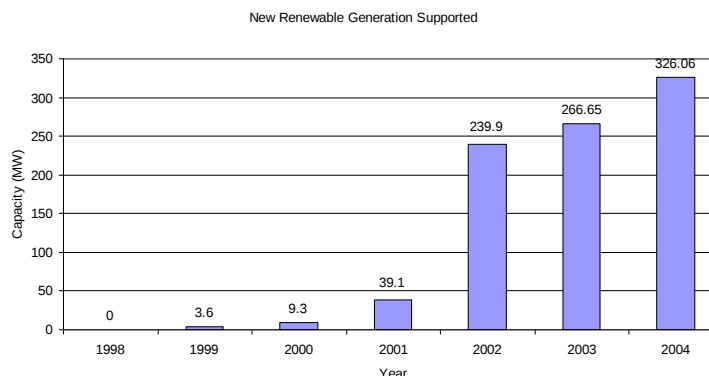
As the demand for “new” clean sources of electricity grows, renewable generation facilities will be built to support the rising market. Green Mountain Energy Company customers are helping to increase that demand every year, and as a company, we’ve pledged to support, through wholesale purchases, 1000 MW by 2010. In 2004 we supported 90 MW of new renewables more than in 2003, that’s 63 MW more than our 2002 to 2003 increase. The cutoff date for whether a facility qualifies as “new” varies from region to region. New facilities are incremental renewable generation that has come online to serve customer choice (typically 1999 or later). In selecting generation sources for our products we examine several criteria, including the generation source (or fuel), vintage and air emissions (if any) from the generation facility.

New Renewable Generation Supported Annually

In 2004, we purchased 326 MW of new generation. In doing so, we continued our progress towards our corporate goal of supporting 1,000 MW of new renewable generation by 2010.

As the company has introduced new cleaner electricity products and expanded into new regions, the demand for new renewables has increased. In 2002, Green Mountain Energy Company began serving hundreds of thousands of Ohio customers participating in the largest municipal aggregation in the country, NOPEC.

Capacity based on total “new” MWh purchased, and converted using average capacity factors for each resource.



For additional information on all of Green Mountain Energy Company's 2004 supply mix and products and their environmental performance, please see Appendix A.

SUMMARY



Green Mountain® Wind Farm, Garrett, PA



Green Mountain® Solar, Upper Kirby District, Houston, TX

Helping to Clean the Air

Carbon Dioxide Avoided Annually
Making electricity annually causes billions of tons of pollution in the United States.

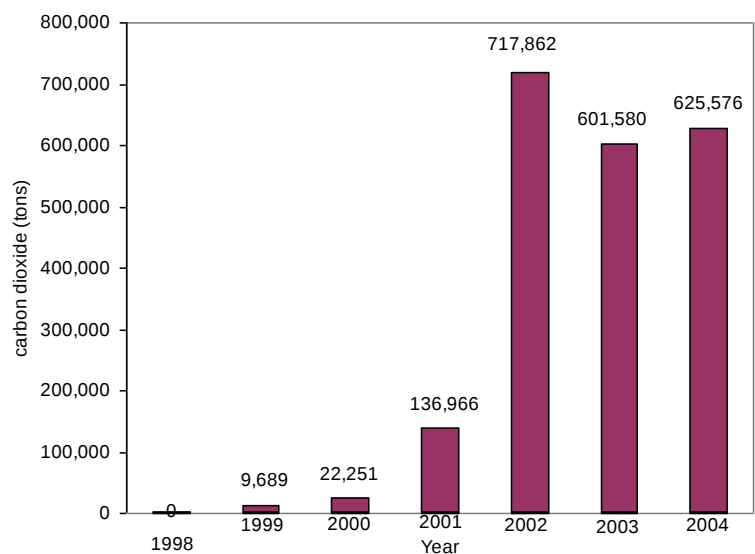
In 2004 Green Mountain Energy Company, together with our customers, avoided over 625,000 tons of CO₂ with 99% of that coming from our customer's demand for new renewable sources of energy.

Since 1999 as a group, customers choosing Green Mountain Energy Company's electricity products prevented as much carbon dioxide as:

- not driving 4.6 billion miles
- taking 374,000 cars off the road for an entire year
- the annual carbon sequestration from 134 million trees

Note: Data for 2003 and prior represents CO₂ avoided by customers; 2004 includes Green Mountain Energy Company's corporate programs.

Carbon Dioxide Pollution Prevented by Green Mountain Energy Company and its customers



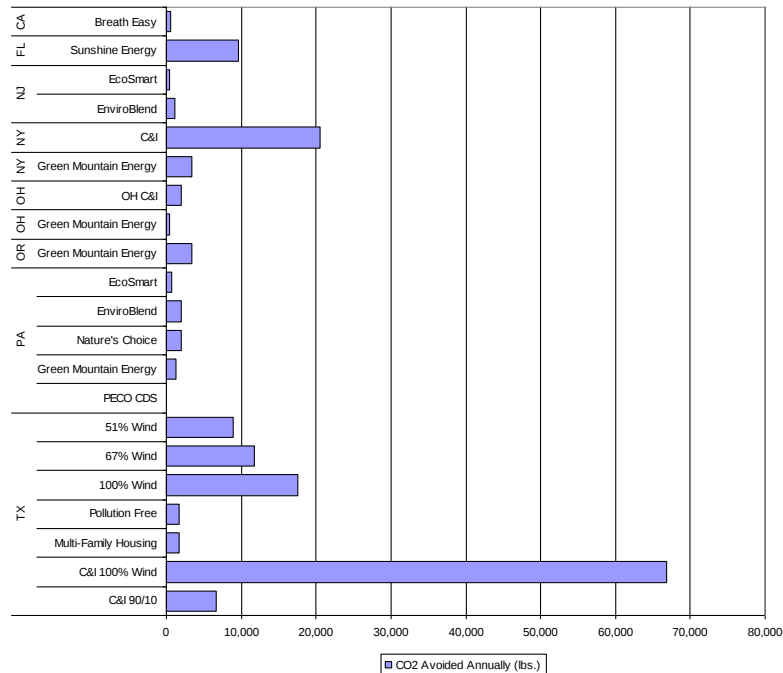
S U M M A R Y

We have an internal standard to offer electricity products that: (1) are dramatically cleaner than the energy mix serving a region for combined emissions of carbon dioxide, sulfur dioxide and nitrogen oxides; and (2) feature energy from new renewable facilities. When electricity goes onto the grid to meet our customers' demand, it decreases reliance on electricity generated from conventional sources. As a result, customers are able to reduce their household's share of pollution.

Carbon Dioxide Pollution Avoided by Household by Product

**Households purchasing
Green Mountain Energy
electricity reduce their share
of air pollution by supporting
new renewable resources.**

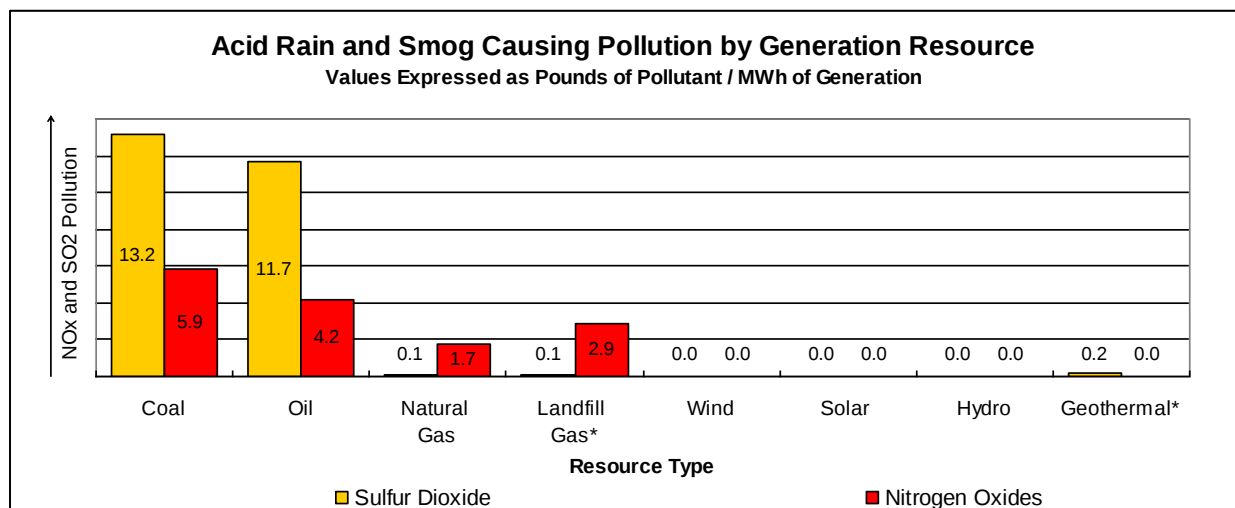
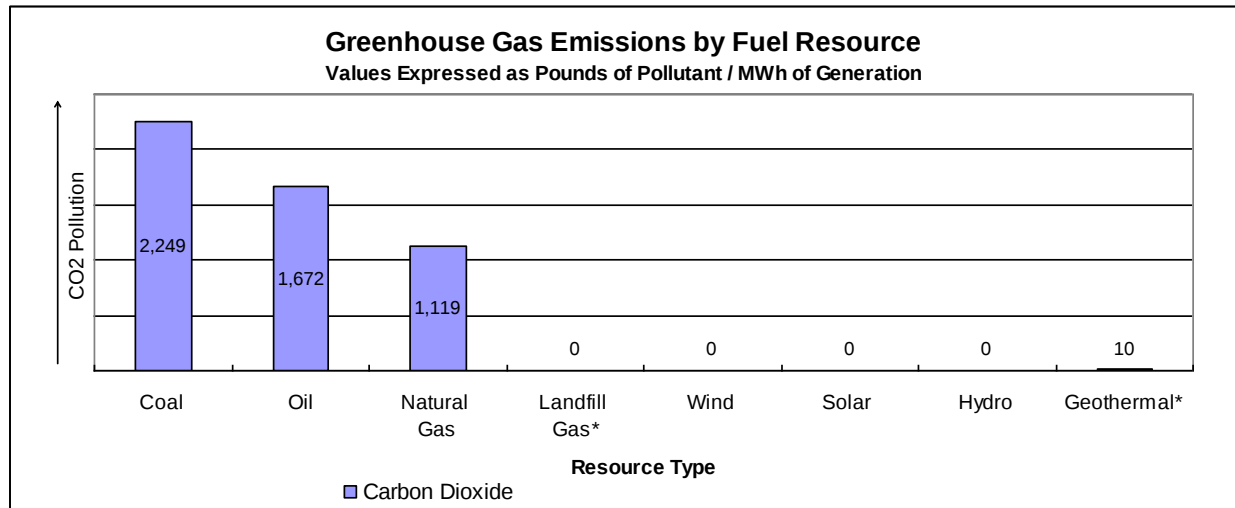
**In 2004, Green Mountain
Energy Company's electricity
products enabled our
residential and commercial
customers, on average, to
reduce their share of carbon
dioxide from 100 to 66,800
pounds depending on their
electricity usage, product
and region. Electricity usage
assumed to be the average
statewide electricity usage
as estimated by the
Department of Energy**



Because we are committed to offering cleaner electricity blends that give customers a way to support incremental environmental improvement, our choice of power suppliers is important. We examine the generation source, vintage and air emissions of generation facilities supplying our energy. We stipulate specific environmental criteria for generating facility performance in our contracts with wholesale energy providers. The Renewable Energy Supply Policy that was developed in 2004 categorizes the preferred classes of renewable energy sources based on their environmental impacts, which include:

- Air Impacts
 - Climate Change (CO₂)
 - Acid Rain (SO₂)
 - Ozone (NO_x)
 - Particulate Matter
 - Mercury
- Land Impacts
 - On-site Land Impacts
 - Off-site Land Impacts
- Water Impacts
 - Consumption of Water Resources
 - Pollution of Water Resources

S U M M A R Y



* Emissions from landfill gas are considered to be CO₂ neutral. Emissions from geothermal and landfill gas generation are gross emissions. In accounting for emissions of undeveloped resources, (i.e. natural venting of geothermal gases and emissions from required flaring landfill gases) net emissions may be less.

S U M M A R Y

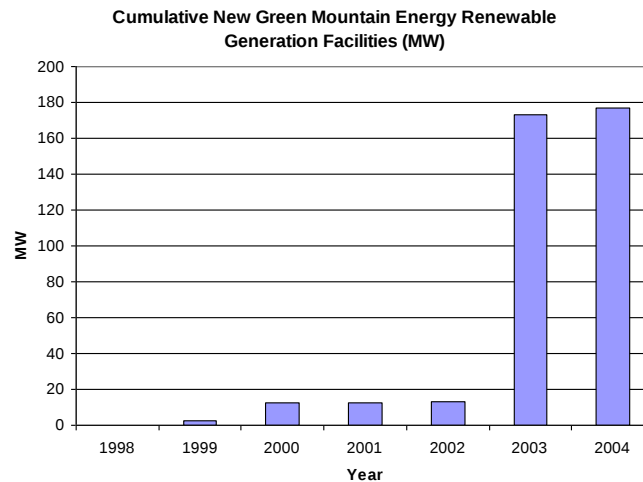
Green Mountain Energy New Renewable Facilities



Green Mountain® Solar, Berkeley, CA

The first Green Mountain Energy new renewable facility began operation on Earth Day 1999

Since then, we have developed 12 other facilities across the nation, nine of which are solar and three are wind.



2004 New Facilities Development:

- We added an incremental 3.6 MW to the wind farm in Bowling Green, OH. This was added to the original 3.6 MW that came online in 2003, and effectively doubled the capacity of the site to 7.2 MW.
- In 2004, we planned the development of three new solar facilities in Texas that are expected to be online in 2005.

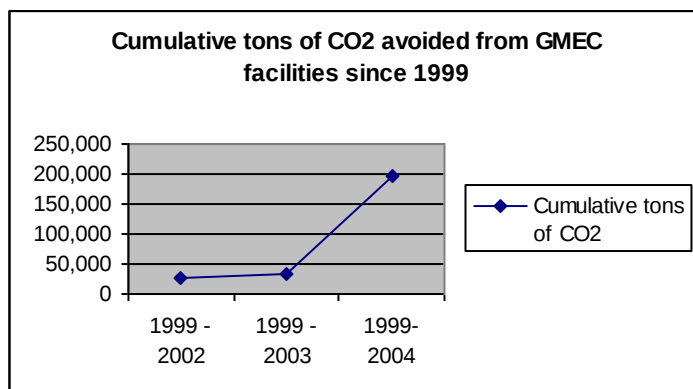
Green Mountain Energy Company New Renewable Facilities*

Facility Name	Date	Location	Size
Green Mountain Solar at BJ's	Spring 1999	Conshohocken, PA	50 kW
Green Mountain Wind at San Geronio	Summer 1999	Palm Springs, CA	2,100 kW
Green Mountain Solar 2000 Mendocino	Fall 1999	Hopland, CA	106 kW
Green Mountain® Wind Farm	Spring 2000	Garrett, PA	10,400 kW
Green Mountain Solar – Berkeley	Winter 2000	Berkeley, CA	100 kW
Green Mountain Solar – Pittsburgh	Fall 2001	Pittsburgh, PA	30 kW
Green Mountain Solar – Winston School**	Spring 2002	Dallas, TX	58 kW
Green Mountain Solar – Upper Kirby District, Houston**	Spring 2002	Houston, TX	43 kW
Green Mountain Solar – Lake Metropark, OH	Spring 2002	Kirtland, OH	26 kW
Green Mountain Solar – Southern New Jersey	Spring 2002	Deptford, NJ	52 kW
Green Mountain Solar – Discovery Museum, CT	Spring 2002	Bridgeport, CT	19 kW
Green Mountain Energy® Wind Farm at Bowling Green - Added 3600 KW of capacity in 2004	Fall 2003	Bowling Green, OH	7,200 kW
Green Mountain Energy® Wind Farm at Brazos	Groundbreaking, 2003 Operational, 2003	Brazos, TX	160,000 kW

*Green Mountain Energy wind and solar facilities are owned and operated by various third parties and branded Green Mountain Energy facilities through licensing agreements with such owner operators.

** Facilities in Texas built thanks to our Big Texas Sun Club members.

S U M M A R Y



Wind and solar, are among the cleanest of all electricity sources because they produce absolutely zero emissions. **Starting in 1999 and continuing through 2004, these 13 facilities together are responsible for avoiding the emission of over 196,000 tons of CO₂, a greenhouse gas that contributes to global warming.** That is as much CO₂ as 8.5 million trees would remove from the air in three years.

Third Party Product Verification

We have been guided by the Green-e Renewable Electricity Program (Green-e) in developing our electricity products. In 2004, we offered Green-e certified products in several of our service regions, including NJ, NY and PA. We also certified various national Tradable Renewable Certificates (TRC) products.

About Green-e

Green-e was formed by the Center for Resource Solutions (CRS) as part of its mission to preserve and protect the environment by promoting sustainable energy technologies.

Working with environmentalists, consumer advocates and renewable energy experts, CRS formed Green-e to provide a simple way for the public to understand the benefits of renewable electricity and to establish confidence by certifying renewable power from credible companies. More information is available at www.green-e.org

Energy Efficiency Efforts

➤ In 2004, we continued our Power Perks™ Products program offering customers choices for energy efficiency products. Power Perks™ products help our customers save energy, and many of the offerings are certified by the EPA's ENERGY STAR program. We offer these products exclusively to our customers, often at a savings compared to national retailers' prices for the same or comparable items. We offer these products in partnership with Energy Federation Incorporated, one of the nation's largest distributors of energy efficient products.

➤ Our quarterly customer newsletter, *The Cleaner Times*, frequently includes energy efficiency tips and encourages customers to reduce their household's energy use and recycle.

- For example, in 2004 we promoted cell phone recycling to our customers through EcoPhones™, an organization that is a pioneer of cellular waste collection in the U.S. In 2004, Green Mountain Energy Company's customers were responsible for recycling an estimated 1500 phones, which is equal to more than a ¼ ton of potentially hazardous waste.

"We are pleased to be in this important partnership with Green Mountain," said Walter Engelbrecht, Chief Operating Officer of Ecophones. "Both of our companies have a critical mission to promote sustainable business and consumer practices to do good for the world around us. Through this partnership, we've discovered how strongly Green Mountain's customers subscribe to responsible lifestyle choices by far exceeding our expectations in terms of involvement in the Ecophones program. We look forward to an ongoing and successful relationship for years to come."

S U M M A R Y

In addition to educating our customers, it is important to Green Mountain that energy efficiency and conservation is practiced in our corporate offices. Here are some of the elements of our corporate energy efficiency strategy:

- Employees are expected to shut off lights when leaving a conference room or break room.
- Recycling bins are located at each desk in corporate headquarters
- The majority of our copiers and printers are certified under the EPA's ENERGY STAR program.
- Compact fluorescents light bulbs are used throughout our corporate offices.
- In our internal corporate newsletter, *The Green Scene*, we commonly feature energy saving tips that can be applied both in the workplace and at home.

SUMMARY

Electricity Supply by Product and Region

The following table summarizes the CO₂ environmental benefit of the products that Green Mountain Energy Company sold to its customers in California, Florida, New Jersey, New York, Ohio, Oregon, Pennsylvania and Texas in 2004.

Customers who choose Green Mountain Energy Company's electricity products do not have electricity from a specific generation facility delivered directly to their house, but they are able to support generators of cleaner energy that provide electricity to regional power systems in an amount equal to their annual usage.

By purchasing and retiring renewable energy certificates or attributes from specific facilities we ensure that electricity from the promised resources equal to a customer's annual electricity usage is delivered to their region.

2004 Carbon Dioxide Avoided by Green Mountain Energy Company Customer with Average Statewide Electricity Usage

State	Product	Carbon Dioxide (pounds per customer per year)	Preventing atmospheric CO ₂ as much as...	
			 ...not driving this many miles ¹	 ...this many trees, annually ²
CA	<i>Breathe Easy</i>	626	695	43
FL	<i>Sunshine Energy</i>	9678	10,753	658
NJ	<i>EcoSmart</i>	396	440	27
	<i>EnviroBlend</i>	1,189	1,321	81
NY	<i>Green Mountain Energy Electricity</i>	3,417	3,796	232
NY	<i>NY C&I</i>	20,501	22,779	1,395
OH	<i>Green Mountain Energy Electricity</i>	401	446	27
OH	<i>OH C&I</i>	1,976	2,196	134
OR	<i>Green Mountain Energy Electricity</i>	3,360	3,733	229
PA	<i>Green Mountain Energy Electricity</i>	1,307	1,452	89
	<i>EcoSmart</i>	653	726	44
	<i>EnviroBlend</i>	1,959	2,177	133
	<i>Nature's Choice</i>	1,959	2,177	133
	<i>PECO CDS</i>	131	145	9
TX	<i>100% Wind</i>	17,622	19,580	1,199
	<i>Pollution Free</i>	1,762	1,958	120
	<i>67% Wind</i>	11,807	13,119	803
	<i>51% Wind</i>	8,987	9,986	611
	<i>C&I 100% Wind</i>	66,803	73,425	4,495
	<i>C&I 10% Wind</i>	6,608	7,343	450

In the United States, making electricity causes billions of tons of carbon dioxide pollution every year

1. United States Environmental Protection Agency. Average Annual Emissions and Fuel Consumption for Passenger Cars and Light Trucks

<http://www.epa.gov/otaq/consumer/f00013.htm>

2. Shilberg, Gayatri, M., Measurement and Valuing of Air Emissions in Preliminary ER-90 Resource Cases, prepared for the California Energy Commission, Feb. 1990. Quoting, Chernick, Paul and Emily Caverhill, The Valuation of Externalities From Energy Production, Delivery, and Use, Appendix C. A Report to the Boston Gas Company, December 22, 1989

Land Use and Biodiversity

Demonstrations of our commitment to reducing the impact of our operations on land use and biodiversity are:

- A strict internal policy against using any materials or goods made with old growth fiber content.
- Formerly the site of a coal strip-mining operation, the first Green Mountain® Wind Farm was constructed in Garrett, PA in 2000. Our development partners conducted reviews that far exceeded the mandatory requirements in assessing environmental impacts relating to bird risks, endangered species, wetlands and sensitive habitats.
- Through a partnership with American Forests, Green Mountain has supported the planting of 99,277 trees in several unique planting projects through the U.S.



➤ 63,951 trees have been planted as part of the NWTF Multi-state project. For this project, a total of 1,430 one-acre sites will be planted in four regions nationwide to provide winter food sources for wild turkeys and other wildlife. Operation SOS, in Wisconsin and Minnesota will plant Red Oak, Hackberry, Cranberry, Green Ash and Red Pine. Operation Heartland, in Iowa, Missouri, Illinois, Indiana, Ohio and Kentucky, will plant Red Oak, White Oak, Pin Oak, Sycamore, Persimmon and Cottonwood. Operation Oak, in the southeastern states, will plant Sawtooth Oak. Operation Apple Seed, in the northeastern states, will plant Sargent Crabapple.

➤ Approximately 35,326 trees have been planted as part of the Texas, Red River County project. For this project, more than 730 acres of degraded wetlands and adjacent wildlife habitat will be restored with 147,400 hardwoods. The floodplain, located along two miles of the Red River, had been drained and farmed. Federally threatened and endangered animals such as the bald eagle and interior least tern will benefit as well as numerous migratory and wetland birds and other animal species. Water, Willow, Southern Red, Cherrybark, Shumard and Bur oaks as well as Bald Cypress are among the species to be planted during this multiyear project.

Section

5

Operational Performance: Environmental, Health and Safety



We do not own generation or energy distribution operations. Rather, we engage in retail marketing of cleaner energy and its environmental benefits. Consequently, the environmental, health and safety considerations of our business operations are comparable to those of an office environment, rather than those of a traditional electric utility.

Compliance

Ceres asks endorsing companies to complete the accompanying chart, indicating if their operations in any way require compliance with environmental, health, or safety regulations at either the national, sub-national or supra-national level in key environmental categories.

At our offices, we are subject to regulation in workplace health and safety. We are also subject to local regulations prohibiting introduction of the nickel cadmium batteries we use in some portable electronic devices into the waste stream. No enforcement action in any environmental, health and safety regulation has been raised against Green Mountain Energy Company.

Category	Compliance Required?
Air Quality	No
Water Quality	No
Drinking Water	No
Chemical Certification	No
Hazardous Waste*	Yes
Emergency Response	No
Workplace Health & Safety	Yes
Radioactive Materials	No
Habitat Protection	No
* Nickel cadmium batteries used in pagers	

SUMMARY

Carbon Dioxide Emissions

Because of the threat of global warming from increased CO₂ concentrations in the air, we are guided by the precautionary principle. Therefore, we estimate the CO₂ emissions from our key business activities and act to reduce or offset them. In 2004 we pledged to offset 50% of our corporate emissions with green power purchases for all emissions reported for the EPA Climate Leaders program. For 2005, as part of the EPA Climate Leaders program, we have increased that goal to 100%.

Carbon Dioxide from Operations: Emissions Data							
	1998 ^a	1999 ^b	2000 ^c	2001 ^c	2002 ^c	2003 ^c	2004 ^d
CO ₂ (tons)	68	1,721.0	2,324	2,275	1,610	1,941	1,925
Net CO ₂ ^e (tons)	68	860.5	1,162	1,137.5	1,067	1,162	785

Notes

a. CO₂ emissions in 1998 are based on energy use in our corporate headquarters only.

b. CO₂ emissions in 1999 are based on corporate air travel, embodied emissions from purchased paper, employee commuting and energy use in corporate headquarters.

c. CO₂ emissions in 2000 and beyond are based on corporate air travel, embodied emissions from purchased paper, employee commuting and energy use in corporate and regional offices.

d. In 2004, refrigerant emissions of office AC use, mobile sources and corporate business travel emissions from air and gas powered vehicles were included. Paper was removed as per EPA Climate Leaders requirements.

e. Net CO₂ - The resulting corporate business emissions after offsets have been accounted for.

Carbon Dioxide from Business Practices

Year	CO2 (tons)	Net CO2 (tons)
1998	68	68
1999	1,721.0	860.5
2000	2,324	1,162
2001	2,275	1,137.5
2002	1,610	1,067
2003	1,941	1,162
2004	1,925	785

We calculate our emissions from activities like: corporate travel, employee commuting, refrigerant emissions from office AC use, mobile sources, our office energy use.

In 1998, we set out to identify the major components of our company's CO₂ footprint. Since then, we have developed a method to estimate the amount of carbon dioxide emitted to the atmosphere as a result of our business operations and increased the boundaries of our reporting to include regional offices. In 2004, we took the work we had been doing for the past five years relating to corporate emissions reporting and brought it up to the next level. This year we developed, as part of our commitment to the EPA Climate Leaders program, an Inventory Management Plan (IMP) that brings greater transparency and standardization to our corporate emissions calculations. We also had our calculation methodology thoroughly reviewed, validated and in some cases updated by an independent third party who was working closely with the EPA. Perhaps the most rewarding effect of this process was the development of new procedural improvements that enable us to collect data more accurately and regularly for the future.

SUMMARY

In the past, we have included emissions from purchase of recycled paper in our annual CO₂ emissions reporting. However in 2004, with our adoption of the EPA's Climate Leaders voluntary reporting guidelines, we have temporarily discontinued the calculation of emissions associated with paper use. Below is a description from the EPA around their decision to not include paper emissions in their current reporting guidelines.

"Currently, Climate Leaders does not record GHG emissions reductions from the purchase of recycled content paper or the recycling of waste paper in a Partners' inventory. Climate Leaders focuses on corporate-level GHG inventory emissions calculations and reporting.

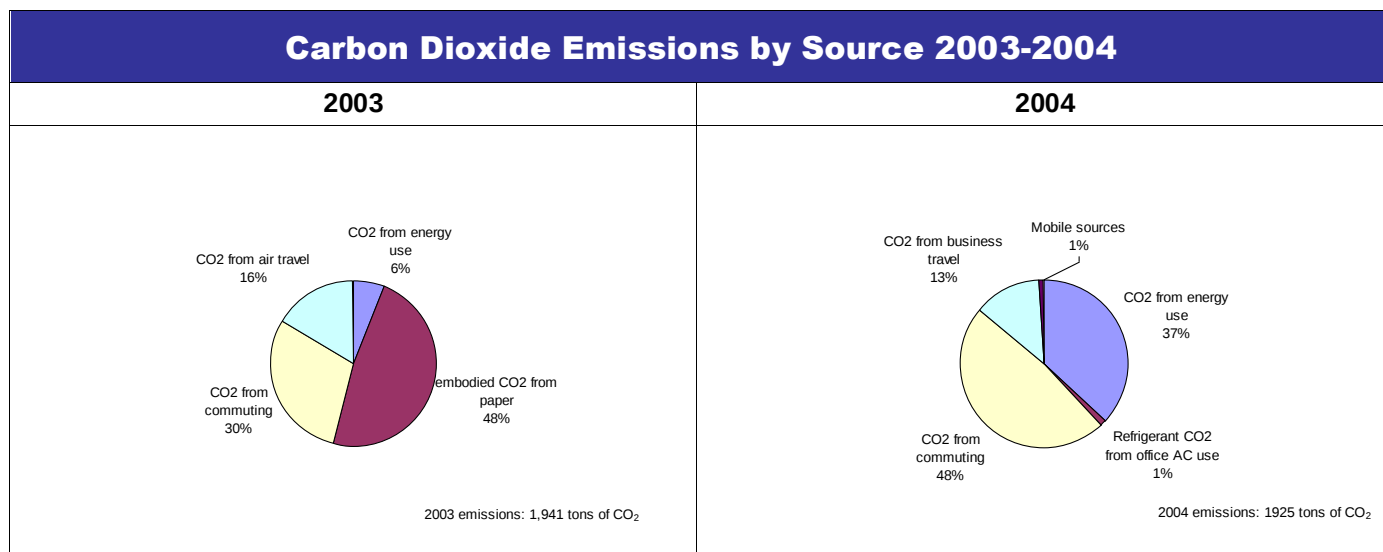
Calculating GHG emission reductions from recycling uses a project-level approach which can involve a high level of uncertainty from the calculation of avoided emissions. The approach used to calculate a corporate GHG emissions inventory uses activity data, such as fuel consumption, which allows for a higher level of accuracy than the avoided emissions approach. Therefore, Climate Leaders does not currently count these GHG emissions reductions from avoided emissions.

However, as the methodology for calculating project level reductions from the use of recycled paper and the recycling of waste paper evolves, EPA will reconsider recognizing Partners for these activities. Since the reductions from improved materials management activities do lead to global reductions in GHG emissions -- EPA encourages Partners to continue efforts in promoting these programs and measuring their impact."

- Vincent Camobreco
U.S. Environmental Protection Agency
Climate Leaders
<http://www.epa.gov/climateleaders>

The tables below detail our carbon dioxide emissions by source for 2003 and 2004.

Overall, we maintained our carbon dioxide footprint at our 2000 baseline level again in 2004. In 2004, we continued a program to support enough new renewable generation to match 50% of the electricity use of our corporate offices. In 2005, we plan to match 100% of the electricity use of our corporate offices.



SUMMARY

Our Carbon Dioxide Mitigation Program

In past years, we had acted on our interim commitment simply to mitigate 50% of carbon dioxide emissions resulting from our business operations each year. In 2002, we began a mitigation strategy based on reductions to a baseline (50% of 2000 gross CO₂ emissions = 1,162 short tons of CO₂). This new approach was motivated by our desire to transition to an absolute emission reduction target—one that ensures over time, that our footprint will get no larger. We chose to use 50% for a number of reasons. First, we shared the growing concern that if left unchecked, CO₂ emissions will continue to alter the atmosphere disrupting human settlements around the globe and threatening human and natural ecosystems. Second, our Ceres endorsement provides that we will “reduce and make continual progress toward eliminating the release of any substance that may cause environmental damage to the air, water, or the earth or its inhabitants” - is an incredibly high standard to achieve. Lastly, through our research, we found 50% to exceed the standard among businesses at the time. On the basis of continual improvement mentioned above, we have now set our goal for 2005 to become 100% carbon neutral by year-end.

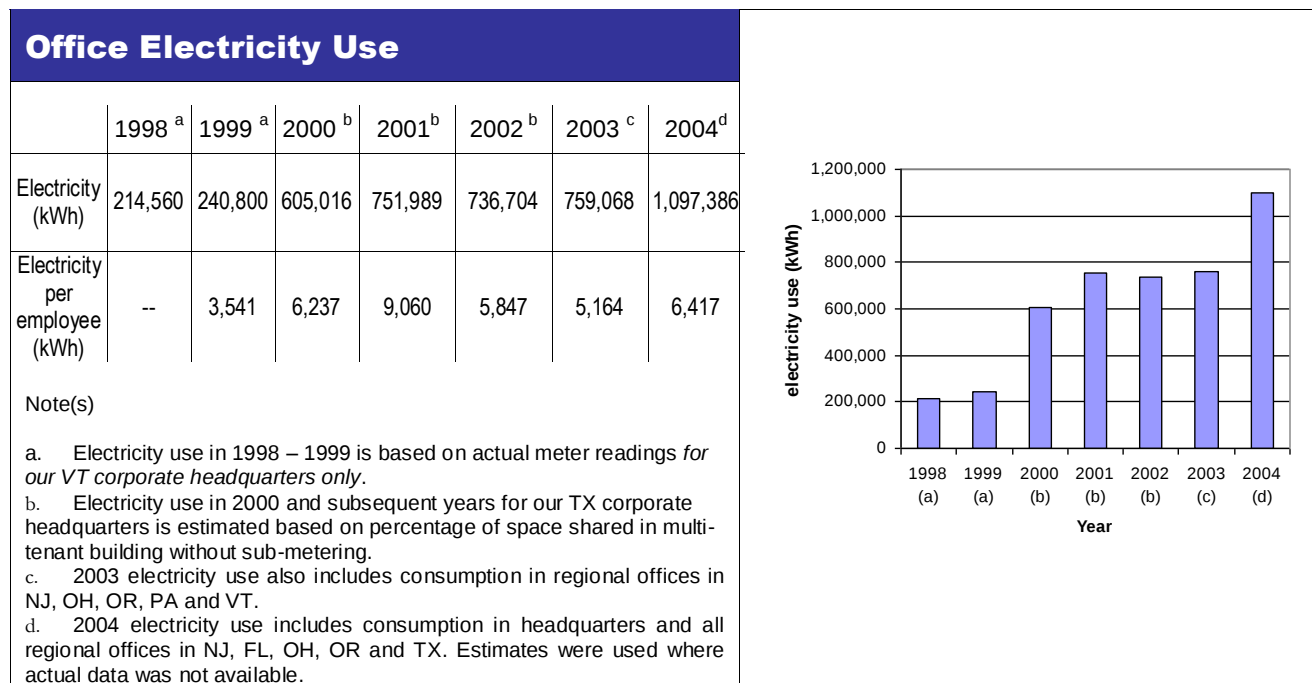
Actual reductions to our 2004 footprint are largely attributable to purchasing renewable energy credits to match the corporate emissions footprint in our Austin headquarters and regional offices.

Starting in 2004, we transitioned to the WRI/WBCSD GHG Accounting Protocol. Our past current GHG accounting methods were consistent with and transferable to the GHG Accounting Protocol, however we have formally adopted the Protocol as our GHG Accounting method going forward.

SUMMARY

Corporate Energy Use

Green Mountain Energy Company's primary energy use is the electricity necessary to operate the company's offices. We have taken steps to decrease the environmental consequences of our energy use by purchasing renewable electricity and implementing energy efficiency measures in our offices.



We also operate a modest photovoltaic generation system atop our corporate headquarters in Austin, TX.

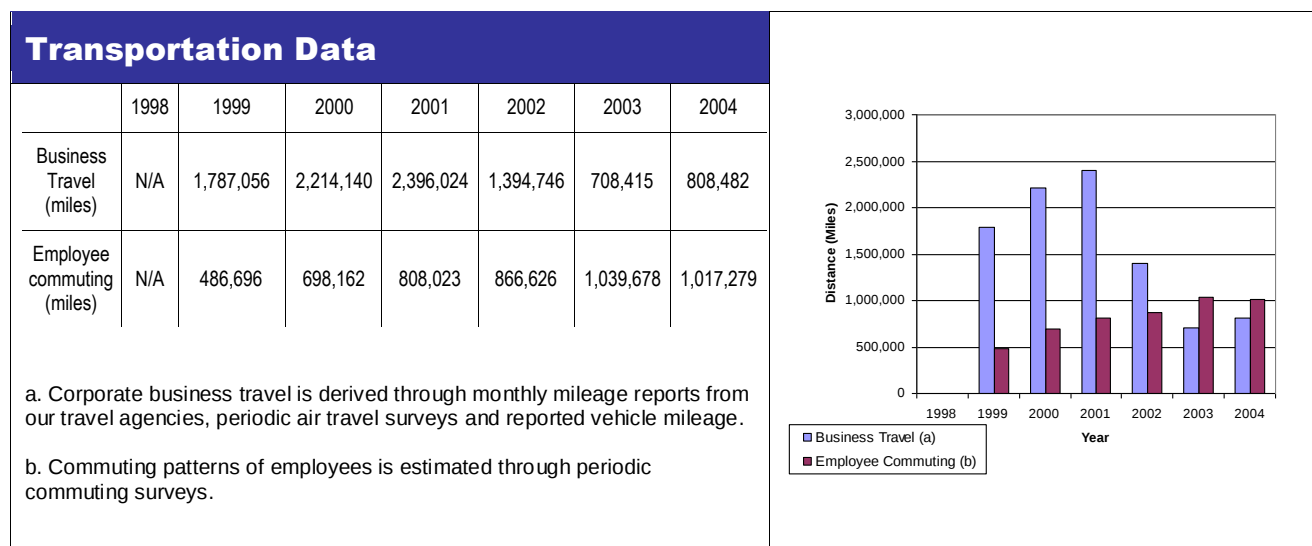


- The project consists of 60 individual BP Millennia series solar panels. Each panel uses "thin film" technology, a promising low-cost source of solar energy.
- The system's estimated annual energy output is about 3,500 kWh per year. The system displaces approximately 1% of our overall energy use in the office.
- In the lobby at headquarters, we display a monitor that tracks the pounds of CO₂ emissions that our solar array has prevented since it was installed in March 2001. Today it is almost up to 16,000 pounds.

S U M M A R Y

Corporate Transportation

As a growing company that is expanding into several regions, we rely on commercial air transportation to meet with each other, with suppliers and counterparties and to attend key sessions with stakeholders. We recognize the consequences that our corporate transportation has on our environment.



Air Travel

From 2002 to 2003 our corporate air travel decreased by approximately 50% through concerted efforts to avoid non-essential travel. In 2004, we continued our efforts to maintain the 2003 levels and were able to achieve this goal by continued diligence. We estimate that CO₂ emissions from air travel and employee commuting constituted roughly 50% of our corporate CO₂ footprint in 2004. Our annual CO₂ mitigation program is designed to offset a portion of carbon dioxide emissions from our employee commuting and air travel.

Employee Commuting

We are challenged to find effective ways to reduce our employee commuting. In late 2002, we began developing an employee incentive carpool program, which began in 2003. This program rewards employees who use environmentally preferable transportation for a meaningful part of their daily commute. In 2004, our employees commuted over 25,000 miles together with over 2000 miles being saved in an average month. To put that into perspective, 25% of our full time employees used an "alternative commuting solution" at least one or more times. We refined our environmentally preferable transportation program in 2003, creating additional incentives for our employees. Participating employees in 2004 were included in a drawing for cash award monthly. In 2005 we plan to further improve our employee incentive program by also rewarding those employees who have shorter commutes, fuel efficient vehicles, and/or consistently commute over the course of an entire year. In addition, we plan to offer more parking spaces for bikes and alternative commuting vehicles at headquarters in Austin, TX.

"Walking, bicycling, utilizing public transportation, carpooling, and hybrid vehicles are all included in the definition of alternative commuting solutions."

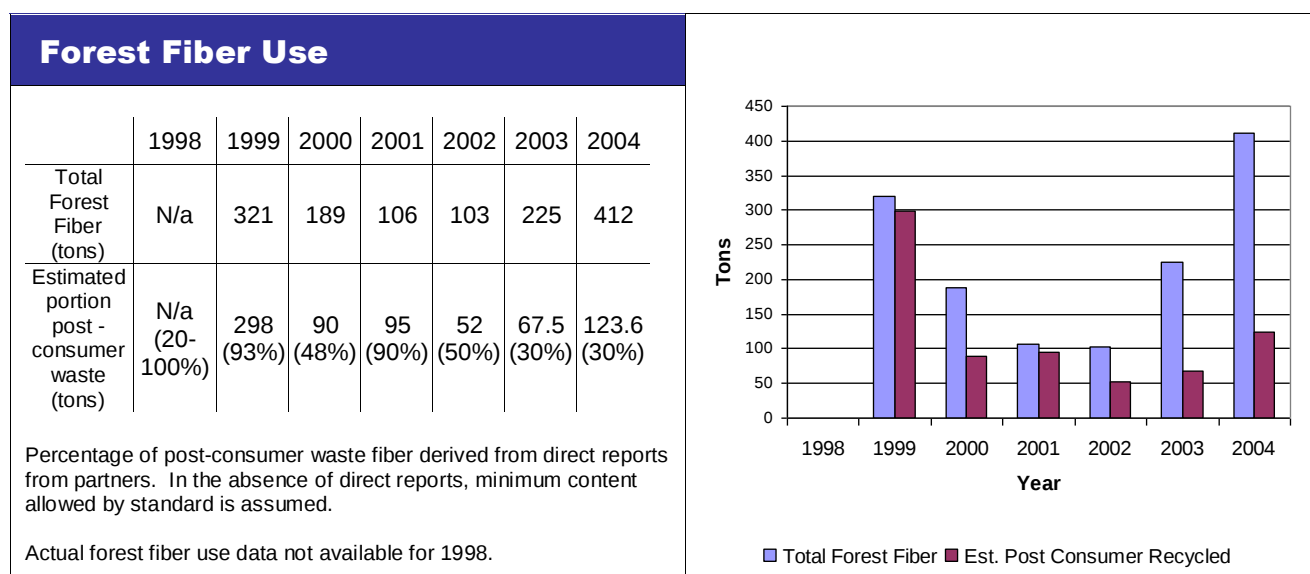
Green Mountain Energy Company Commuting Program

SUMMARY

Natural Resource Use

As a retailer, our use of materials and water is similar to that of any company operating in any office environment. Paper constitutes a substantial portion of our materials footprint. We've taken steps to reduce the environmental harm from our paper use by setting clear environmental guidelines for the paper we buy.

Paper Use



In our first few years of operation we relied heavily on direct-mail educational and marketing efforts to inform potential customers about electricity generation and the benefits of supporting renewable technologies. These undertakings required a considerable amount of forest fiber. Today, our primary use of forest fiber is related to billing our customers, with over 80% of our consumption coming from billing and required regulatory mailings. In the future, we would like to be able to reduce our reliance on paper billing by allowing customers to receive bills and other required materials on our website.

We've created several initiatives to reduce the environmental consequences of the paper use:

- In 2004, we instituted a mandatory double-sided printing requirement throughout our corporate headquarters. With this new policy, we saw a 55% reduction of paper use within headquarters, which is almost \$3,000 in cost savings. In 2005, we will work to institute this policy across the regional offices where possible.
- Since 2000, we've had a policy to (1) inform our suppliers that it is our policy not to purchase forest products that contain old-growth fiber; (2) actively work with our suppliers to verify that the forest products we purchase do not contain old-growth fiber; (3) ask our suppliers to verify the companies and regions from which virgin fiber content is derived; and (4) measure and benchmark the amount of forest products we use, as well as their content of post-consumer waste. We achieve compliance with this policy by selecting paper made with recycled fiber content (preferably post-consumer recycled content).
- A formal standard addressing fiber content and chlorine processing has guided our paper purchases since 1999. Under our current standard, paper must contain at least 30% post-consumer waste recycled content. The paper must be processed using process chlorine-free or elemental chlorine-free technologies. Lastly, any virgin fiber within the paper should not be derived from old-growth forests. We also use soy-based inks for printing.

SUMMARY

Office Waste

Our waste stream is typical of most office environments. Working with our recycling partners and maintenance staff, we are able to estimate the amount of material recycled in our corporate headquarters.

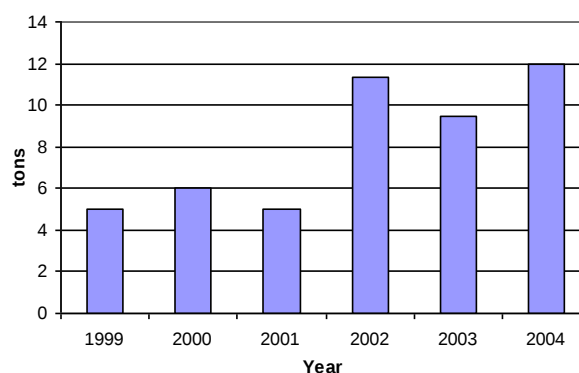
In keeping with our companywide recycling policy, we have taken actions to reduce the amount of waste attributable to our operation and mitigate its consequence on our environment:

- In 2004 we began a computer recycling program whereby we recycle or donate 100% of our desktop PCs, CRT monitors and laptops from our corporate headquarters. Donations are made to local schools or organizations that will re-use the computers whenever possible. Last year we recycled approximately 60 obsolete computers. The hazardous chemicals in computers and cell phones are known pollutants that traditional landfills are not designed to receive. Through these new recycling programs we avoid hazardous chemicals such as lead, brominated fire retardants (BFRs), polyvinyl chloride (PVC), and the heavy metals cadmium, chromium and mercury from entering landfills.
- Also in 2004, we began a cell phone recycling policy through EcoPhones™, where employees recycled approximately 60 cell phones.
- We have organized waste and recycling collection areas for paper, glass and plastics. We educate our employees on the importance of proper recycling and provide recycling bins at each employee's desk.
- We have instituted a program for the secured recycling of confidential business documents.
- The only hazardous waste generated in our facilities is expended batteries for electronic devices and spent fluorescent light bulbs. As a matter of policy, these wastes are segregated for disposal at local hazardous waste depots.
- We request that recipients of our customer communications recycle them after use.
- In 2004 we experienced serious problems with our office waste recycling partner and as a result were unable to calculate the actual amount of recycled waste produced by our office space. In 2005 we have put additional monitoring measures in place to ensure that our office waste is being properly recycled.

Recycled Waste Data – Austin Headquarters

	1999	2000	2001	2002	2003	2004*
Annual Recycled Waste (tons)	5	6	5	11	9	12
Annual Recycled Waste per HQ employee (pounds)	147	124	120	180	129	140

Note: Recycled waste is estimated by sampling and direct measurement.
 *2004 recycled waste was estimated based on averaging prior years. Actual data was not available.



Suppliers and Partners

Green Mountain Energy Company is tasked, as its primary line of business, with supply of renewable energy to its customers. In 2004, we developed and adopted an internal Renewable Energy Supply Policy. With the large array of renewable energy choices available from a supply perspective, Green Mountain Energy Company must endeavor to include in its product only the most environmentally superior forms of renewable energy. To this end we have developed, based on Green-e standards and input from environmental groups, classes of preferable renewables as a way to lead Green Mountain Energy Company in its supply choices.

In our business operations, we have begun to address supplier issues in marketing activities, focusing particularly on the paper that we use and the products that we offer customers.

Standards for Non-Energy Product Offerings

Our standard promotes products that are environmentally superior to others in the same category.

To accomplish that, we work with the product's manufacturer or supplier to ensure that each product excels in at least one significant category: durability, reusability, recycled content, natural content, energy efficiency or water efficiency.

For example: Our most popular promotional giveaway is a small stuffed earth ball that contains mostly recycled material on the interior.

We also require that we only purchase those products that meet the following criteria: (1) do not contain old growth forest fiber, (2) do not contain substances that damage the ozone layer, (3) have emission-free operation and (4) are made free of child labor.

Water Use

Our corporate water use is limited to that drawn by our 170 or so employees in our corporate offices. Green Mountain Energy Company operates in office environments and does not engage in water intensive or manufacturing processes.

Early in our business operations, we tracked our water use in our corporate headquarters. After gathering a year's worth of data, we concluded that our water use was of relatively little significance compared to other aspects of our environmental footprint. That said, we make an effort to be efficient with our water use. Where possible, we have ensured that our offices are equipped with low-flow water fixtures to promote water conservation.

Green Mountain Energy Company will be an environmentally responsible business engaging in daily practices that promote a healthier planet and sustainable economy. These practices include working with partners to encourage them to adopt sustainable business practices

Green Mountain Energy Company, Environmental Charter

Summary

Green Mountain Energy Company has endorsed the Ceres Principles and we publicly affirm our belief that corporations have a responsibility for the environment, and must conduct all aspects of their business as responsible stewards of the environment by operating in a manner that protects the Earth. We believe that corporations must not compromise the ability of future generations to sustain themselves.

We live up to these principles through our company policies, organization, environmental and operational performance:

Our corporate organization puts a premium on environmental management. Our Chief Environmental Officer reports directly to the Chief Executive Officer and our environmental mission is apparent in the products we sell. We also maintain an Environmental Advisory Board as a way to foster dialogue with the national environmental community.

Our cleaner electricity products work to offset emissions associated with the use of traditional fossil fuel based generation. We maintain an aggressive internal goal of supporting the development of 1,000 MW of new renewable generation by 2010.

Our internal operations seek to reduce, reuse and recycle as much as possible. Our corporate policies look to manage paper use, office waste, employee transportation and office energy use. Our standards for non-energy product offerings strive to promote environmentally superior products, and our goal to neutralize our operational carbon footprint by year end 2005 will be a key driver of our operational performance.

We believe that the public must be informed about the relationship between electricity production and air pollution so that they can make informed decisions about the sources of their electricity.

We are committed to maintaining our aggressive targets as drivers of our continued growth and the company's success.

Appendix

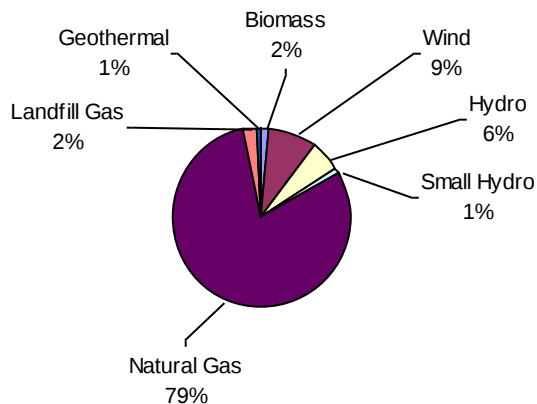
A. National supply for our electricity customers

2004 Total Electricity Supply

The chart at right illustrates overall supply from serving our customers who have chosen Green Mountain Energy Company's electricity products.

Green Mountain Energy Company's electricity product offerings vary from state to state. All products feature generation from renewable resources (like wind, hydro, geothermal and solar resources) and some also include the cleanest fossil fuel—natural gas.

2004 Green Mountain Energy Company Mix



B. Environmental Performance of Products

All *Green Mountain Energy Company's electricity* products are dramatically cleaner than regional system power because they feature energy from renewable resources and the cleanest burning fossil fuel- natural gas.



Hydro – Uses the energy of moving water to generate electricity. Even the best hydro plants may affect fish and wildlife habitats, but they are a non-polluting resource.



Wind – Turbines are mounted on tall towers to harness the wind. This pollution-free form of generation is now the fastest-growing energy source in the world. The wind farms of today are constructed after studies conclude that the turbines will have little or no effect on the surrounding ecosystem, including birds.



Biomass - Biomass generation harnesses energy stored in organic materials. Biomass includes materials like wood and mill wastes and energy crops, as well as the gases naturally produced when waste decomposes.



Solar – The sun's energy can be used to generate electricity in two different ways. Photovoltaic (PV) cells can convert sunlight into electricity directly. Solar-thermal systems use the sun's heat to generate electricity, often by creating steam to power a generator's turbine.



Geothermal – Geothermal generation relies on heat trapped within the earth's crust, the same kind of heat that is evident in volcanic activities and geysers. Geothermal power plants tap steam and hot water trapped underground to convert that energy into electricity.



Natural Gas – Natural gas is not a renewable resource. It is, however, the cleanest burning fossil fuel. Compared to burning fuels like coal and oil for the same amount of energy, natural gas emits less of the pollution that causes global warming, acid rain and smog.

APPENDIX

California Supply				
California has abundant renewable energy resources. These include wind, solar, hydroelectric, biomass and geothermal resources sufficient for electricity generation. Because of the exceptional renewable resource availability in California and surrounding regions, we were able to offer 100% renewable electricity. We were one of the first companies to enter the deregulated electricity market in California, but unfortunately due to regulatory changes during 2002, we are no longer able to serve new customers in California.				
	Breathe Easy® electricity		California Generic System ⁴	
Generation Resource	Promised Supply	Actual Supply	(For Comparison)	
Renewable	100%	100%	22.7%	
Biomass	-	-	2.6%	
Geothermal	-	85%	5.1%	
Low Impact Hydro ²	-	-	13.1%	
Large Hydro ²	-	-		
Solar (PV)	-	2 %	<1%	
Wind	-	13%	1.5%	
Coal	-	-	11%	
Oil	-	-	-	
Natural Gas	-	-	50.3%	
Nuclear	-	-	15.6%	
Other	-	-	0.4%	
TOTAL	100%	100%	100%	
% New Renewable ³	15%	15%		
Columns may not sum to 100% due to rounding.				
(1) Promised Supply refers to power that we contracted to provide. Actual Supply refers to the actual resource mix of the electricity that a customer purchases during the year.				
(2) Low Impact hydroelectric facilities are certified by the Low Impact Hydroelectric Institute (LIHI) and tend to be less than or equal to 30 MW in size. Large hydroelectric facilities tend to be greater than 30MW in size.				
(3) In California, “new renewable resource” means that these facilities began commercial operation on or after January 1, 1997.				
(4) Average CA system power mix is derived from 2002 California Energy Commission generation data. Based on average state-wide use.				

APPENDIX

New Jersey Supply							
According to EIA, wind and biomass resources offer the best potential for renewable electricity generation in the Mid-Atlantic region. Portions of New Jersey are characterized as having “good” wind resources. Biomass also offers a promising form of renewable generation. The state has relatively few hydropower resources. Less than 1% of New Jersey’s electricity needs could come from hydropower located within its borders. EIA characterizes New Jersey’s solar resources as useful or marginally useful depending on the type of solar technology employed. The state has no geothermal resources capable of generating electricity.							
	EcoSmart® electricity		EnviroBlend® electricity		New Jersey System Power ⁴		
	Promised Supply ¹	Actual Supply	Promised Supply ¹	Actual Supply	(for comparison)		
Renewable	5%	5%	50%	50%	2.6%		
Biomass	-	-	-	45%	1.4%		
Geothermal	-	-	-	-	-		
Low Impact Hydro ²	-	-	-	-	<1%		
Solar (PV)	-	-	-	-	-		
Wind	-	5%	-	5%	<1%		
Large Hydro ²	95%	95%	50%	50%	1%		
Natural Gas	-	-	-	-	8.8%		
Coal	-	-	-	-	45.1%		
Nuclear	-	-	-	-	40.0%		
Oil	-	-	-	-	2.8%		
Other	-	-	-	-	0.7%		
TOTAL	100%	100%	100%	100%	100%		
% New Renewable ³	5%	5%	15%	15%			
Columns may not sum to 100% due to rounding.							
(1) Promised Supply refers to power that we contracted to provide and included an unspecified mix of eligible renewable resources dependant upon resource availability. Actual Supply refers to the actual resource mix of the electricity that a customer purchases during the year. (2) Low Impact hydroelectric facilities are certified by the Low Impact Hydroelectric Institute (LIHI) and tend to be less than or equal to 30 MW in size. Large hydroelectric facilities tend to be greater than 30MW in size. (3) In New Jersey, “new renewable resource” means that these facilities began commercial operation on our after January 1, 1998. (4) Average NJ system power mix is derived from EPA eGRID v2.01 Generation Resource Mix data, Pennsylvania-Jersey-Maryland ISO power control area. Based on average state-wide use.							

APPENDIX

New York Supply					
According to EIA, New York has excellent wind resources in portions of the state while useful solar resources are present throughout the state. New York has a good hydropower resource as a percentage of the state's electricity generation and a good biomass resource potential. The state has no geothermal resources capable of generating electricity.					
	Green Mountain Energy® electricity		Green Mountain Energy® electricity C&I		New York System Power ⁴
	Promised Supply ¹	Actual Supply	Promised Supply ¹	Actual Supply	(for comparison)
Renewable	50%	50 %	100%	100%	19.0%
Biomass	-	-	-	-	1.6%
Geothermal	-	-	-	-	-
Low Impact Hydro ²	-	-	-	-	17.3%
Solar (PV)	-	-	-	-	-
Wind	-	-	100%	100%	-
Large Hydro ²	50%	50%	-	-	<0.1%
Natural Gas	-	-	-	-	18.0%
Coal	-	-	-	-	29.0%
Nuclear	-	-	-	-	10.8%
Oil	-	-	-	-	22.7%
Other	-	-	-	-	<1%
TOTAL	100%	100%	100%	100%	100%
% New Renewable ³	50%	50%	15%	15%	
Average NY system power mix is derived from EPA EGRID v2.01 emission rates for the NYPOOL PCA region Columns may not sum to 100% due to rounding.					
(1) Promised Supply refers to power that we contracted to provide. Actual Supply refers to the actual resource mix of the electricity that a customer purchases during the year.					
(2) Low Impact hydroelectric facilities are certified by the Low Impact Hydroelectric Institute (LIHI) and tend to be less than or equal to 30 MW in size. Large hydroelectric facilities tend to be greater than 30MW in size.					
(3) In New York, "new renewable resource" means that these facilities began commercial operation on or after January 1, 1998.					
(4) Based on average state-wide use.					

APPENDIX

Ohio Supply			
Ohio has marginal wind resources according to EIA. Studies indicate that Ohio has good resources for generating electricity from biomass. If fully developed, they could supply 64% of the state's residential electricity demand.			
	Green Mountain Energy electricity		Ohio Generic System ⁴
Generation Resource	Promised Supply ¹	Actual Supply ¹	(For Comparison)
Renewable	2%	2%	1.0%
Biomass	-	2%	0.5%
Geothermal	-	-	-
Low Impact Hydro ²	-	-	0.4%
Small Hydro ²	-	-	
Solar (PV)	-	-	-
Wind	-	-	-
Coal	-	-	87.3%
Natural Gas	98%	98%	2.7%
Oil	-	-	0.5%
Nuclear	-	-	8.1%
Other	-	-	0.4%
TOTAL	100%	100%	100%
% New Renewable³	2%	2%	
Columns may not sum to 100% due to rounding.			
(1) Promised Supply refers to power that we contracted to provide. Actual Supply refers to the actual resource mix of the electricity that a customer purchases during the year. (2) Low Impact hydroelectric facilities are certified by the Low Impact Hydroelectric Institute (LIHI) and tend to be less than or equal to 42 MW in size. Large hydroelectric facilities tend to be greater than 42MW in size. (3) In Ohio, "new renewable resource" means that these facilities began commercial operation on or after January 1, 1997. (4) Average OH system power mix is derived from EPA EGRID v2.01 emission rates for the ECAR NERC region			

Oregon Supply



According to EIA, Oregon has excellent wind resources in portions of the state. EIA estimates that About 1.5% of the state of Oregon has wind resources that could be developed, not including land that is subject to land-use conflicts, has urban development, or is environmentally sensitive. If all this potential was developed with utility-scale wind turbines, the power produced each year would equal 43,252,500 megawatt-hours - or 92% of the entire state's electricity consumption.

Oregon also has good biomass resources, useful solar resources in the eastern part of the state, very good hydropower resource (as a percentage of the state's electricity generation) and geothermal resources sufficient to generate electricity.

	PGE Renewable Options				Oregon Generic System ³
	Green Mountain Energy		Clean Wind		
Generation Resource	Promised Supply ¹	Actual Supply ¹	Promised Supply ¹	Actual Supply ¹	(For Comparison)
Renewable	100%	100%	100%	100%	42.3%
Biomass	-	-	-	-	1.1%
Geothermal	25%	25%			1.2%
Large Hydro ²	-	-	-	-	40%
Low Impact Hydro ²	25%	25%			
Solar (PV)	-	-	-	-	-
Wind	50%	50%	100%	100%	-
Coal	-	-	-	-	46.3%
Natural Gas	-	-	-	-	6.1%
Oil	-	-	-	-	1.3%
Nuclear	-	-	-	-	4.0%
Other	-	-	-	-	-
TOTAL	100%	100%	100%	100%	100%
% New Renewable ³	50%	50%	100%	100%	

Columns may not sum to 100% due to rounding.

(1) Promised Supply refers to power that we contracted to provide. Actual Supply refers to the actual resource mix of the electricity that a customer purchases during the year.

(2) Low Impact hydroelectric facilities are certified by the Low Impact Hydroelectric Institute (LIHI) and tend to be less than or equal to 30 MW in size. Large hydroelectric facilities tend to be greater than 30MW in size.

(3) In Oregon, under Renew 2000 guidelines a facility, or portion thereof, is generally considered "new" if it is built, re-powered, or enhanced on or after May 1, 1999.

Average Oregon system power mix is derived Northwest Power Pool, Oregon Office of Energy 2001

APPENDIX

Pennsylvania Supply (1)							
According to EIA, biomass and wind resources offer the best potential for electricity generation within Pennsylvania. The state also has some useful solar generation resources. Our renewable supply was generated with landfill gas, hydroelectric resources, wind and modest amounts of solar. The state has no geothermal resources capable of generating electricity.							
	EcoSmart® electricity		EnviroBlend® electricity		Nature's Choice® electricity		Pennsylvania System Power ⁴
	Promised Supply ¹	Actual Supply	Promised Supply ¹	Actual Supply	Promised Supply ¹	Actual Supply	(for comparison)
Renewable	5%	5%	50%	50%	100%	100%	2.6%
Biomass	-	-	-	45%	10	98%	1.4%
Geothermal	-	-	-	-	-	-	-
Low Impact Hydro ²	-	-	-	-	-	-	-
Solar (PV)	-	-	-	-	-	<1%	-
Wind	5%	5%	-	5%	-	2%	<1%
Large Hydro ²	95%	95%	50%	50%	-	-	1.2%
Natural Gas	-	-	-	-	-	-	8.8%
Coal	-	-	-	-	-	-	45.1%
Nuclear	-	-	-	-	-	-	40.0%
Oil	-	-	-	-	-	-	2.8%
Other	-	-	-	-	-	-	<1%
TOTAL	100%	100%	100%	100%	100%	100%	100%
% New Renewable ³	5%	5%	15%	15%	15%	15%	
Columns may not sum to 100% due to rounding.							
(1) Promised Supply refers to power that we contracted to provide and included an unspecified mix of eligible renewable resources dependant upon resource availability. Actual Supply refers to the actual resource mix of the electricity that a customer purchases during the year. (2) Low Impact hydroelectric facilities are certified by the Low Impact Hydroelectric Institute (LIHI) and tend to be less than or equal to 30 MW in size. Large hydroelectric facilities tend to be greater than 30MW in size. (3) In Pennsylvania, "new renewable resource" means that these facilities began commercial operation on our after January 1, 1998. (4) Average PA system power mix is based on EPA E-GRID v2.01 Generation Resource Mix data, Pennsylvania-Jersey-Maryland ISO power control area.							

APPENDIX

Pennsylvania Supply (2)				
According to EIA, biomass and wind resources offer the best potential for electricity generation within Pennsylvania. The state also has some useful solar generation resources. Our renewable supply was generated with land fill gas, hydroelectric resources, wind and modest amounts of solar. The state has no geothermal resources capable of generating electricity.				
	Green Mountain Energy® electricity		Pennsylvania System Power ⁴	
	Promised Supply ¹	Actual Supply	(for comparison)	
Renewable	10%	10%	2.6%	
Biomass	-	-	1.4%	
Geothermal	-	-	-	
Low Impact Hydro ²	-	-	-	
Solar (PV)	-	-	-	
Wind	10%	10%	<1%	
Large Hydro ²	90%	90%	1.2%	
Natural Gas	-	-	8.8%	
Coal	-	-	45.1%	
Nuclear	-	-	40.0%	
Oil	-	-	2.8%	
Other	-	-	<1%	
TOTAL	100%	100%	100%	
% New Renewable ³	10%	10%		

Columns may not sum to 100% due to rounding.

(5) Promised Supply refers to power that we contracted to provide and included an unspecified mix of eligible renewable resources dependant upon resource availability. Actual Supply refers to the actual resource mix of the electricity that a customer purchases during the year.

(6) Low Impact hydroelectric facilities are certified by the Low Impact Hydroelectric Institute (LIHI) and tend to be less than or equal to 30 MW in size. Large hydroelectric facilities tend to be greater than 30MW in size.

(7) In Pennsylvania, "new renewable resource" means that these facilities began commercial operation on our after January 1, 1998.

(8) Average PA system power mix is based on EPA E-GRID v2.01 Generation Resource Mix data, Pennsylvania-Jersey-Maryland ISO power control area.

APPENDIX

Texas Supply (1)							
Texas has tremendous wind resources and solar resources, as well as high temperature geothermal resources capable of electricity generation. If all of Texas’ potential for wind was developed, excluding lands in urban development, accounting for land-use conflicts and environmentally sensitive areas, the power produced could supply 421% of the state’s annual electricity consumption.							
	100% Wind (Residential, C&I)		Reliable Rate, Month-to-Month		C&I, Multi-Family Housing sm		Texas System Power ⁴ (for comparison)
	Promised Supply ¹	Actual Supply	Promised Supply ¹	Actual Supply	Promised Supply ¹	Actual Supply	
Renewable	100%	100%	67%	67%	10%	10%	0.7%
Biomass	-	-	-	-	-	-	0.4%
Geothermal	-	-	-	-	-	-	-
Low Impact Hydro ²	-	-	-	-	-	-	0.2%
Large Hydro ²	-	-	33%	33%	-	-	
Solar (PV)	-	-	-	-	-	-	-
Wind	10	100%	67%	67%	10	10%	0.1%
Natural Gas	-	-	-	-	90%	90%	50.1%
Coal	-	-	-	-	-	-	37.1%
Nuclear	-	-	-	-	-	-	9.9%
Oil	-	-	-	-	-	-	0.7%
Other	-	-	-	-	-	-	1.4%
TOTAL	100%	100%	100%	100%	100%	100%	100%
% New Renewable ³	100%	100%	67%	67%	10%	10%	

Columns may not add, due to rounding.

(1) Promised Supply refers to power that we contracted to provide. Actual Supply refers to the actual resource mix of the electricity that a customer purchases during the year.

(2) Low Impact hydroelectric facilities are certified by the Low Impact Hydroelectric Institute (LIHI) and tend to be less than or equal to 30 MW in size. Large hydroelectric facilities tend to be greater than 30MW in size.

(3) In Texas, “new renewable resource” means that these facilities began commercial operation on or after September 1, 1999.

(4) Average TX system power mix is based on EPA EGRID v2.01 emission rates for the State of Texas.

APPENDIX

Texas Supply (2)					
Texas has tremendous wind resources and solar resources, as well as high temperature geothermal resources capable of electricity generation. If all of Texas' potential for wind was developed, excluding lands in urban development, accounting for land-use conflicts and environmentally sensitive areas, the power produced could supply 421% of the state's annual electricity consumption.					
	Pollution Free sm		Test product (51/49)		Texas System Power ⁴ (for comparison)
	Promised Supply ¹	Actual Supply	Promised Supply ¹	Actual Supply	
Renewable	100%	100%	51%	51%	0.7%
Biomass	-	-	-	-	0.4%
Geothermal	-	-	-	-	-
Low Impact Hydro ²	-	-	-	-	0.2%
Large Hydro ²	90	90%	49%	49%	-
Solar (PV)	-	-	-	-	-
Wind	10	10%	51%	51%	0.1%
Natural Gas	-	-	-	-	50.1%
Coal	-	-	-	-	37.1%
Nuclear	-	-	-	-	9.9%
Oil	-	-	-	-	0.7%
Other	-	-	-	-	1.4%
TOTAL	100%	100%	100%	100%	100%
% New Renewable³	10%	10%	51%	51%	
Columns may not add, due to rounding. (5) Promised Supply refers to power that we contracted to provide. Actual Supply refers to the actual resource mix of the electricity that a customer purchases during the year. (6) Low Impact hydroelectric facilities are certified by the Low Impact Hydroelectric Institute (LIHI) and tend to be less than or equal to 30 MW in size. Large hydroelectric facilities tend to be greater than 30MW in size. (7) In Texas, "new renewable resource" means that these facilities began commercial operation on or after September 1, 1999. (8) Average TX system power mix is based on EPA EGRID v2.01 emission rates for the State of Texas.					

APPENDIX

Florida Supply				
	Sunshine Energy electricity		Florida Generic System ⁴	
Generation Resource	Promised Supply	Actual Supply	(For Comparison)	
Renewable	100%	100%	1.9%	
Biomass	90%	90%		
Geothermal	-			
Low Impact Hydro ²	-			
Large Hydro ²	-			
Solar (PV)	-			
Wind	10%	10%		
Coal	-	-	51.7%	
Oil	-	-	2.8%	
Natural Gas	-	-	15.8%	
Nuclear	-	-	19.8%	
Other	-	-	8%	
TOTAL	100%	100%		
% New Renewable ³	65%	60%		
Columns may not sum to 100% due to rounding. (5) Promised Supply refers to power that we contracted to provide. Actual Supply refers to the actual resource mix of the electricity that a customer purchases during the year. (6) Low Impact hydroelectric facilities are certified by the Low Impact Hydroelectric Institute (LIHI) and tend to be less than or equal to 30 MW in size. Large hydroelectric facilities tend to be greater than 30MW in size. (7) In Florida, "new renewable resource" means that these facilities began commercial operation on or after January 1, 1997. (8) Average U.S. system power mix is derived from EPA eGRID v2.01 Generation Resource Mix data. Based on average U.S. use.				