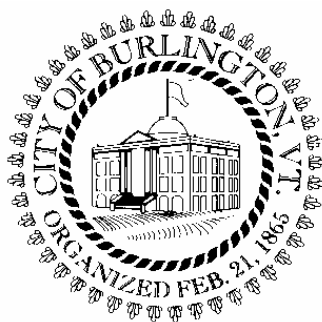


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**PRESS RELEASE  
FOR IMMEDIATE RELEASE**

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**MOODY'S DOWNGRADES BURLINGTON'S CREDIT RATING**

Burlington, VT – March 8, 2010. Moody's Investors Services announced today that it has downgraded the City of Burlington's general obligation credit rating two notches from Aa3 to A2, and placed the City on negative credit watch, an indication that Moody's will again review the City's credit within the next 90 days.

A report and analysis relative to the downgrade will be issued by Moody's tomorrow. However, the understanding of City officials is that the downgrade resulted from uncertainty around Burlington Telecom's outstanding \$16.9M debit to the City's pooled cash account. The ability of BT to repay the debit is at risk due to BT's current financial status. If BT cannot repay the \$16.9M, then the City may face longer term cash flow challenges. This potential cash flow issue prompted Moody's to downgrade the City's credit rating and institute the 90-day negative watch period.

"The City has been working to resolve BT's difficult financial circumstances. Although this was always a potential consequence of these circumstances, we are concerned about Moody's decision today," said Burlington Mayor Bob Kiss. "It is critical that we move forward as quickly and thoroughly as possible to find potential solutions to the financial problems facing Burlington Telecom. Moody's has given us a 90-day window to do so."

Burlington Telecom is a municipal telecommunications enterprise of the City of Burlington. It is currently before the Vermont Public Service Board regarding compliance issues related to its Certificate of Public Good, specifically as to its buildout in Burlington and use of the City's pooled cash account. In December 2009 the City delayed a proposed refinancing of BT and empanelled a "Blue Ribbon Committee on Burlington Telecom" to make recommendations regarding the future of the enterprise. On February 16, the Vermont Public Service Board denied the City's request to use pooled cash for a February interest payment on its lease-purchase arrangement with CitiLeasing. The City has been working to implement the initial recommendation of the Blue Ribbon Committee to hire a financial adviser to assist in addressing BT's financial issues.

More information about Burlington Telecom is available at [www.burlingtontelecom.com/](http://www.burlingtontelecom.com/) and [www.ci.burlington.vt.us/mayor/BT/](http://www.ci.burlington.vt.us/mayor/BT/).