



Wisconsin Utility Investors, Inc. Legislative/Regulatory Update

Volume 4 • Issue 4 • August 2006

CANDIDATES SET FOR LEGISLATIVE AND CONGRESSIONAL PRIMARY ELECTIONS

The filing deadline has passed, and all candidates for the September 12 primary election are now known. The most striking feature of the primary is the number of Senate and Assembly candidates running unopposed in either the primary or the general election. This is because many districts are considered "safe" for one party or the other. Republicans now hold majorities in both houses (19-14 in the Senate and 59-39 in the Assembly). There is one open seat (no incumbent running) in the Senate and 10 open seats in the Assembly. Three incumbent state senators are unopposed in both elections. They are Tim Carpenter (D-3rd), Jon Erpenbach (D-27th) and Mike Ellis (R-19th). Only one incumbent senator, Jeff Plale (D-7th), is being challenged in the primary by Donovan Riley. A total of 32 incumbent representatives will be running unopposed. Five assemblymen will be opposed in the primary only. They are Leon Young (D-16th) opposed by Andrew Parker, Suzanne Jeskewitz (R-24th) opposed by John Weber, Carol Owens (R-53rd) opposed by Richard Spanbauer, Frank Boyle (D-73rd) opposed by Bruce Meyers, and David Travis (D-81st) opposed by Henry Sanders. Two incumbent Assembly members will be opposed in both the primary and general election. They are Gabe Loeffelholz (R-49th) who will be opposed in the primary by Dennis Lundell, and Sheryl Albers (R-50th) who will be challenged by primary opponent Craig Buswell.

In races for the U.S. House of Representatives, no incumbent Republican is being challenged. In the open 8th District, Republican John Gard will square off against Terri McCormick. In the 3rd District, incumbent Democrat Ron Kind is being challenged in the primary by Chip DeNure. In the 1st, 5th, 7th, and 8th Districts, there are primary races among non-incumbents. Only one Representative, Tom Petri (R-6th), will run unopposed in both the primary and the general election. The general election will be November 11th.

WPS RESOURCES, GREEN BAY, TO BUY PEOPLES ENERGY OF CHICAGO

WPS Resources Corporation and Peoples Energy Corporation of Chicago have announced they have signed a merger agreement to create a leading, diversified energy company serving four states and having non-regulated businesses serving customers in the northeast US and Canada. The combined company will have assets of approximately \$9.2 billion. The dividends paid by the combined company will provide a 16.8 percent increase to current WPS Resources shareholders. Under the agreement, WPS Resources shareholders will own approximately 58 percent of the combined company and Peoples shareholders about 42 percent. The combined company will be led by Larry Weyers, Chairman, President and CEO of WPS Resources, and be headquartered in Chicago.

WE ENERGIES INDICATES AN INTEREST IN SELLING POINT BEACH NUCLEAR PLANT

We Energies of Milwaukee has contracted with consultants to solicit interest from other utilities and nuclear plant operators across the country as to whether they might wish to either purchase the Point Beach Nuclear Facility or operate it on behalf of We Energies. The company had previously indicated it would conduct a study about whether or not to sell the plant, which is located in Two Creeks, Manitowoc County, Wisconsin. We Energies is considering four options: selling the plant outright, retaining another company to operate it, taking back control from Nuclear Management (the company currently operating it) or continuing to run it as it now is. Were a sale considered, it would be likely to be opposed by the same people and groups that opposed the WPS Resources sale of the Kewaunee Nuclear Plant. To counter the concern that a sale would lead to higher energy costs, We Energies is asking bidders to provide a 15-year power-supply agreement which would let current customers continue to receive power from the plant.

continued

*Legislative/
Regulatory Update*

is published bimonthly
for the members of the
Wisconsin Utility Investors.

August 2006
Volume 4, Number 4

2004-05 BOARD OF DIRECTORS

*Chairman, Roger Cole
Vice-Chair, Arlene Logan
Secretary, Carlyle Fay
Treasurer, Thomas Cassidy
Assistant Treasurer, Don Gardner*

**Ralph Baeten
John Hanson
William Huegel
Arthur Kriewaldt
Richard Krueger
Robert Logan
Kenneth Merkel**

EXECUTIVE DIRECTOR

Robert Seitz

WISCONSIN UTILITY INVESTORS

10 East Doty Street
Suite 500
Madison, WI 53703-3397
P: 608 663.5813
F: 608 283.2589
www.wuiinc.org

PROPOSED WISCONSIN POWER AND LIGHT PLANT TO USE CLEAN COAL TECHNOLOGY

The proposed 300-megawatt expansion of the Nelson Dewey Generating Station located in Cassville, Wisconsin, will use state of the art clean coal technology known as Circulated Fluidized Bed (CFB), according to Wisconsin Power and Light Company (Alliant Energy). CFB has been shown to produce far fewer emissions, reducing sulfur by as much as 90% and nitrogen oxide by approximately 60% over traditional coal combustion. Another advantage to CFB use is that, unlike other coal combustion methods, its boilers can also burn a wide variety of other fuels such as wood, biomass, old tires and even some hard to ignite fuels. This could prove economically viable in the future. The company expects to file an official application with the Public Service Commission of Wisconsin in August. A final decision should come sometime in 2007.

WUI 2006 ANNUAL MEETING AND LUNCHEON SCHEDULED

September 28, 2006 • Radisson Hotel Madison • 517 Grand Canyon Dr. • Madison

Please join us for the Wisconsin Utility Investors, Inc 2006 Annual Meeting of Members. It's a chance to meet other utility investors, listen to national speakers on the future of the electric industry in Wisconsin and the United States and to hear predictions on natural gas prices and their effect on other fuels, electric rates and your investments.

Registration and Continental Breakfast	9:00 am
Program and meeting	10:00 am
Lunch	Noon

You will be receiving registration and program material soon. The luncheon, presentations and continental breakfast are free for all paid WUI members. Be sure to send in your 2006 dues today if you have not already done so.

www.wuiinc.org

PRSR STD
US Postage
PAID
Madison, WI
Permit No. 2783

Wisconsin Utility Investors
10 East Doty Street
Suite 500
Madison, WI 53703-3397

