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International Electricity Leaders Form Partnership To Deliver Advanced Electric Technologies

Electric industry leaders, representing utilities providing the majority of the world's electricity, met in Atlanta, Georgia, on October 6-7. The 2008 International Electricity Chief Executives Summit included executives from all major electric industry associations. The industry associations included the Edison Electric Institute, Eurelectric, Federation of Electric Power Companies of Japan, the Canadian Electricity Association and the Energy Supply Association of Australia.

Electric utility leaders from the world's largest economies noted that governments must work together to restore investor confidence in order to maintain efficient global capital markets. As one of the most capital intensive industries, electric utilities must have ready access to liquid capital markets. Global competitive financial markets are essential to the industry's objective to invest and provide secure and reliable electricity to customers and to install the new technologies required to curb climate change.



Department Of Natural Resources Mercury Rule Completed

Four years ago the Wisconsin Department of Natural Resources (DNR) adopted mercury emission rules as a placeholder to a pending federal rule, with specific provisions to revise the Wisconsin rule, consistent with any future EPA program. The DNR has now rewritten and adopted the new rule providing for a state program for mercury that has severe ozone and particulate requirements bootstrapped as a "compliance option."

The new Wisconsin rule requires electric utilities to reduce their mercury emissions by 90 percent by the year 2015, or alternatively, reduce their mercury emissions by 2021 and also reduce NOx and SO2 emissions by 90-95 percent. With legislative review ending on October 4th, the new rule is supposed to become effective December 1, 2008. However, there remains a substantial prospect that interested groups may mount a legal challenge to the rule as not complying with provisions of the earlier agreement.



Wisconsin Power And Light Submits Closing Arguments In Cassville Power Plant Docket

A decision on the future of the Nelson Dewey Generating Station is pending. The final phase of the regulatory process kicked off on October 17th, when Wisconsin Power and Light Company (WPL), a subsidiary of Alliant Energy Corporation, filed its initial brief in the case.

The brief highlighted that no generating facility in Wisconsin history has ever provided the varied benefits that Nelson Dewey 3 will bring. These benefits include helping to jump start the biofuels economy in Wisconsin and establishing an estimated \$50 million dollars annually in economic development from that market, creating much-needed jobs for southwest Wisconsin during the construction and operation of the plant, and increasing the transmission import capability into the state by as much as 600 megawatts.

Also addressed in the brief was the importance of strong ratemaking principles to the project. Ratemaking principles define how

“We are thankful that, in Wisconsin, our regulators have the ability to fix the financial parameters for the lifetime of the project.

WILLIAM D. HARVEY,
CHAIRMAN, PRESIDENT, AND CEO
OF ALLIANT ENERGY.



construction costs will be recovered in utility rates throughout the life of the generating facility. “These are clearly challenging economic times for all of us,” said William D. Harvey, Chairman, President, and CEO of Alliant Energy. “We are

thankful that, in Wisconsin, our regulators have the ability to fix the financial parameters for the lifetime of the project. That certainty can help provide our customers and our company with stability, which, now more than ever, is critical.”

The proposed 300 megawatt plant would have the ability to burn not only coal, but also switch grass (native prairie grass), corn stalks and waste wood from area fields and forests.

The Public Service Commission of Wisconsin (PSCW) is considering WPL’s proposal, with final briefs in the docket due at the end of October. The PSCW is expected to issue an oral decision about the future of the project in mid-November, with a written order due in mid-December.

We Energies Files For Columbia County Wind Project

We Energies has filed an application with the Public Service Commission of Wisconsin (PSCW) for authorization to build the Glacier Hills Wind Park. The proposed wind park would be located in the towns of Randolph and Scott in northeast Columbia County, Wisconsin – approximately 45 miles northeast of Madison.

Current plans call for the project to consist of up to 90 wind turbines that would generate as much as 207 megawatts of electricity, enough capacity to power approximately 45,000 homes. The cost of the project is expected to be in the range of \$340 million to \$530 million depending, in part, on the size of the turbines selected.

“The Glacier Hills Wind Park is an important step toward meeting our renewable energy goals and will clearly help Wisconsin reduce its carbon footprint,” according to Andy Hesselbach, Wind Project Manager.

The PSCW review is expected to take from six months to a year. Because the actual construction and commercial operation dates are dependent upon approval from the PSCW and the availability of turbine equipment, the first full year of commercial operation is expected to be 2012.

We Energies completed a similar project on time and on budget earlier this year with the commissioning of the 88-turbine Blue Sky Green Field Wind Energy Center in Fond du Lac County.



Low Income Home Energy Assistance Program Approved



On October 1, President Bush signed into law additional funding for the Low Income Home Energy Assistance Program (LIHEAP)

to help low-income families and fixed income seniors pay their energy bills. Rising energy costs are straining household budgets across the nation, particularly for America's most at-risk citizens, disabled veterans, fixed-income seniors and families of modest means with young children. The advent of severe weather is also fueling demand. All Wisconsin utilities offer community outreach programs to connect customers to all available resources and provide relief to the citizens who are struggling financially. The total this year is the highest ever provided for LIHEAP, nearly double the amount appropriated for fiscal year 2008. The LIHEAP money flows through to utility companies, helping improve their bottom lines.

Interstate Power And Light Wins Efficiency Education Award

The Midwest Energy Efficiency Alliance (MEEA) has announced that Interstate Power and Light Co. (IPL), a subsidiary of Alliant Energy Company, won its 2009 Inspiring Efficiency Education Award. The award is presented for the development and implementation of a local campaign, program, strategy or idea to increase knowledge and action on energy efficiency.



This is MEEA's 5th annual competition recognizing leaders who deliver groundbreaking

advancements in energy efficiency across five categories: Education, Impact, Marketing, Innovation and Leadership. IPL developed an innovative customer education and awareness program that promoted personal responsibility in relation to energy efficiency. IPL mailed Personal Electric and Natural Gas Use History letters to all residential customers and offered an array of actions steps, from sending away for a cash rebates booklet to conducting an online do-it-yourself energy audit or arranging an on-site walk-through Home Energy Audit performed by an energy expert. In total, over 800,000 letters were sent.

"In 2007, energy efficiency programs resulted in new, additional savings of over 200,000 megawatt-hours (MWh) of electricity and almost seven million therms of natural gas,"

LINDA MATTES, DIRECTOR OF ENERGY EFFICIENCY PROGRAMS AND NEW PRODUCT DEVELOPMENT, AT ALLIANT ENERGY

Wisconsin Electric Sells \$300 Million In Principal Debentures

Wisconsin Electric Power Company, a subsidiary of Wisconsin Energy Corporation, has sold \$300 million principal amount of unsecured



6.00% debentures due April 1, 2014. The securities were issued from an existing shelf registration statement filed with the Securities and Exchange Commission. The public offering was underwritten by Citigroup Global Markets Inc. and Wachovia Capital Markets, LLC as joint book-running managers, and SunTrust Robinson Humphrey, Inc. and Wells Fargo Securities, LLC as co-managers. The offering closed on October 1, 2008. Proceeds from the sale will be used to repay short-term debt and for working capital and other general corporate purposes.

Wisconsin Energy Replaces MGIC In The S&P 500

In what should turn out to be good news for investors, Standard and Poors MidCap 400 constituent Wisconsin Energy Corporation has replaced MGIC Investment Corporation in the S&P 500 as of early November. The Standard & Poors change should have a positive effect on the stock price since many mutual funds and index funds mirror the S&P categories and will have to purchase Wisconsin Energy shares.

Power Plant To Become Largest Biomass Plant In Midwest

Xcel Energy has announced that it will submit an application to the Public Service Commission of Wisconsin (PSCW) to install



pioneering technology at its Bay Front Power Plant in Ashland, Wisconsin to allow it to generate electricity from biomass in all three operating units. When complete, the Bay Front Power Plant will be the largest biomass-fueled power plant in the Midwest and one of the largest in the nation.

The biomass used at Bay Front comes primarily from waste wood from area forest harvest operations. Local independent contractors secure the waste wood and transport it to the plant where it is used to generate electricity. The plant currently uses just over 200,000 tons of waste wood each year. When the project is complete, the plant will use an additional 185,000-250,000 tons per year, and be able to generate enough renewable electricity to serve 40,000 homes.

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Weston 4 Named "Power Plant Of The Year" By Power Magazine

The new Weston 4 electric generating unit has been named "Power Plant of the Year" by a national industry magazine. POWER Magazine, Houston, Texas, named Wisconsin Public Service's 500-megawatt Weston 4 its top power plant for 2008. According to POWER Magazine: "Wisconsin Public Service Corp. placed its world-class Weston 4 into commercial service on June 30 and is now enjoying the benefits of coal-fired supercritical technology's inherently higher efficiency, operating flexibility, and lower CO2 emissions. For its unequaled environmental protection credentials, well-integrated project team, and employing without a doubt the most advanced coal-fired steam generation technology in the U.S. today, Weston 4 is awarded POWER magazine's 2008 Plant of the Year award."



Wisconsin Public Service owns 70 percent of the new plant and operates it while Dairyland Power Cooperative, based in La Crosse, Wisconsin, owns the other 30 percent. The total project cost was split between the two entities by ownership percentage.

Alliant Energy Recognized As Leader In Business Ethics

Alliant Energy Corporation has received a runner-up 2008 Business Ethics Torch Award from the Better Business Bureau of Wisconsin at a luncheon awards ceremony held in Milwaukee. "This is a tremendous honor for us," said Donna Braatz Chief Audit Executive and Chief Ethics Officer, Alliant Energy. "Upholding the highest standards of ethical conduct is one of our core values here at Alliant Energy and is at the heart of how we do business. Our employees and their commitment to upholding these standards are what set us apart. It is very gratifying to be recognized for our efforts."



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