

# **News Release**

## **Wisconsin Public Power Inc.**

July 28, 2006

Contact: Anne Rodriguez  
(608) 834-4569

### **WPPI and Escanaba, Michigan, Work Together to Study Power Plant Feasibility**

SUN PRAIRIE – Wisconsin Public Power Inc. and the City of Escanaba, Michigan, today jointly issued a request for proposals to study the feasibility of developing a baseload power plant in Escanaba. Under a recently signed agreement, WPPI and Escanaba will hire an experienced engineering firm to conduct the feasibility study and will share the cost of that study.

The purpose of the study is to first determine the most appropriate technology and size of plant to match the Escanaba site. Second, the study will determine what it would cost to build, own, and operate the power plant. Third, the study will determine information necessary to apply for the licenses and permits required to build and operate the power plant in the event that WPPI and the City of Escanaba decide to proceed with the project.

“We’re pleased to join with Escanaba in conducting a feasibility study,” says WPPI Director of Asset Optimization Tim Noeldner. “By working together, we hope to meet regional electricity needs at a lower cost than either utility could achieve on its own. WPPI and Escanaba are seeking the most responsible way to provide electricity to the customers of Escanaba and the member communities of WPPI for the years to come.”

Noeldner adds that more information is needed before a decision is made about the plant. “The feasibility study is the next step in determining whether it would make sense to add generation from Escanaba to WPPI’s diverse portfolio of resources, which includes power from wind, water, coal and natural gas,” says Noeldner.

The feasibility study is expected to begin by November 1, 2006, and to be completed by May 1, 2007.

Earlier this year, WPPI and Escanaba shared the cost of an Environmental Fatal Flaw analysis which identified no environmental issues that would preclude permitting a new generation facility at the site of Escanaba’s existing power plant.

Escanaba is considering a new power plant because its existing 25-megawatt coal-fired plant has been operating since 1958 and its production costs have been steadily increasing. Also, Escanaba’s electricity needs are increasing and the existing plant is not large enough to meet the City’s growth into the future. The feasibility study will identify the options for a new power plant and provide the tools for the City and WPPI to make a decision about whether to move ahead with a power plant.

WPPI is a non-profit municipal electric utility that serves 43 municipal utilities, supplying electricity to more than 160,000 customers in Wisconsin, Iowa and Michigan’s Upper Peninsula. WPPI needs more baseload generating resources to meet the growing needs of its members and to replace expiring electricity purchase contracts.

###