

NOTICE

There will be a regular meeting of the City of Stoughton Utilities Committee on Monday, August 17, 2009 to be held at 5:00 p.m., in the Edmund T. Malinowski Room of the Stoughton Utilities Administration Office in the Stoughton Utilities Building, 600 South Fourth St., Stoughton, WI 53589.

AGENDA:

Call To Order.

Stoughton Utilities Payments Due List. (Page Nos. 5-11)

Stoughton Utilities Committee Consent Agenda. (All items are considered routine and will be enacted upon by one motion. There will be no separate discussion of these items unless a Stoughton Utilities Committee member so requests, in which event the item will be removed from the consent agenda and be considered on the regular agenda.)

- a) Draft Minutes of the July 20, 2009 Regular Meeting of the Stoughton Utilities Committee. (Page Nos. 12-17)
- b) Stoughton Utilities June 2009 Financial Summary. (Page Nos. 18-22)
- c) Stoughton Utilities June 2009 Statistical Information. (Page No. 23)
- d) Stoughton Utilities Communications. (Page Nos. 24-55)
- e) Stoughton Utilities 12-Month Calendar. (Page Nos. 56-58)
- f) Stoughton Utilities July 2009 Activities Report. (Page Nos. 59-64)
- g) Status of the Stoughton Utilities Committee July 20, 2009 Recommendation to the Stoughton Common Council. (Page No. 65)

BUSINESS:

1. Stoughton Utilities Wastewater System Study Update. (Page Nos. 66 and delivered packet)
2. Proposed Building Purchase From The City Of Stoughton By Stoughton Utilities Status Report No. 4. (Page Nos. 67-69)
3. Stoughton Utilities Governance. (Page Nos. 70)
4. WPPI Energy Annual Meeting. (Page Nos. 71-75)
5. WPPI Energy/Stoughton Utilities Net Zero Energy Green Max Home Status Report No. 1. (Page Nos. 76-79)
6. Stoughton Utilities Committee Future Meeting Agenda Item(s). (Page No. 81)
7. Stoughton Utilities Proposed Property Acquisition Status Report. (Page No. 82-91) *

* This meeting may close pursuant to Section 19.85(1)(e), State Statutes for deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, and then reopen for the regular course of business.

ADJOURNMENT

Mayor Jim Griffin
Stoughton Utilities Committee Chairperson
August 13, 2009

Notices Sent To:

Mayor Jim Griffin, Chairperson
Aldersperson Carl T. Chenoweth, P.E.
Aldersperson Paul Lawrence, Vice Chairperson
Aldersperson Steve Tone
Stoughton Utilities Committee Citizen Member David Erdman
Stoughton Utilities Committee Citizen Member Jonathan Hajny
Stoughton Utilities Committee Citizen Member Norval Morgan
Stoughton Utilities Operations Superintendent Sean Grady
Stoughton Utilities Director Robert P. Kardasz, P.E.

cc: Aldersperson Ross Scovotti
Common Council Members
Jodi Dobson, Manager - Baker Thilly Virchow Krause LLP
Mark A. Fisher, P.E. - Strand Associates, Inc.
City Clerk/Personnel Director Luann J. Alme
Stoughton Utilities/MEUW Southeastern Regional Safety Coordinator Christopher A. Belz
Stoughton Utilities Billing and Consumer Services Technician Erin N. Bothum
City Media Services Director William H. Brehm
City Attorney Matt Dregne
Stoughton Utilities Wastewater System Supervisor Brian G. Erickson
Stoughton Utilities Office and Information Systems Supervisor Brian R. Hoops
Deputy City Clerk/Confidential Secretary Phili Hougan
Stoughton Utilities Finance and Administrative Manager Kim M. Jennings, CPA
Stoughton Library Administrative Assistant Debbie Myren
Stoughton Utilities/WPPI Energy Services Representative Alicia Rankin
City Finance Director and Treasurer Laurie Sullivan
Stoughton Utilities Water System Supervisor Roger M. Thorson
Stoughton Utilities Electric System Supervisor Craig A. Wood
City Department Heads
Stoughton Newspapers
Wisconsin State Journal

Note: If you are physically challenged and in need of assistance, please call 873-3379 during office hours of 7:30 a.m. to 4:30 p.m., prior to this meeting.

If you encounter a situation that may affect your scheduled participation, please contact Robert Kardasz or Sean Grady at 877-7423 or 877-7416 respectively prior to 5:00 p.m.

An expanded meeting may constitute a quorum of the Common Council.



Stoughton Utilities

600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Needs Since 1886

Date: August 13, 2009

To: Stoughton Utilities Committee

From: Robert P. Kardasz, P.E.
Stoughton Utilities Director

Subject: Requested Actions At The August 17, 2009 Regular Stoughton Utilities Committee Meeting.

AGENDA:

- Stoughton Utilities Payments Due List. **(Review, approve, and recommend the approval of the Stoughton Utilities Payments Due List to the Stoughton Common Council on August 25, 2009. the Stoughton Utilities Payments Due List.)**
- Stoughton Utilities Committee Consent Agenda.
 - a) Draft Minutes of the July 20, 2009 Regular Meeting of the Stoughton Utilities Committee. **(Approve the Draft Minutes of the July 20, 2009 Regular Meeting of the Stoughton Utilities Committee via the consent agenda approval.)**
 - b) Stoughton Utilities June 2009 Financial Summary. **(Discuss and accept the Stoughton Utilities June 2009 Financial Summary via the consent agenda approval.)**
 - c) Stoughton Utilities June 2009 Statistical Information. **(Discuss and accept the June 2009 Stoughton Utilities Statistical Information via the consent agenda approval.)**
 - d) Stoughton Utilities Communications. **(Discuss and accept the Stoughton Utilities Communications via the consent agenda approval.)**
 - e) Stoughton Utilities Committee 12-Month Calendar. **(Discuss and accept the Stoughton Utilities Committee 12-Month Calendar via the consent agenda approval.)**
 - f) Stoughton Utilities July 2009 Activities Report. **(Discuss and accept the Stoughton Utilities July 2009 Stoughton Utilities Activities Report via the consent agenda approval.)**



Office 608-873-3379
Fax 608-873-4878
stoughtonutilities.com



- g) Status of the Stoughton Utilities Committee July 20, 2009 recommendation to the Stoughton Common Council. **(Discuss and accept the status of the July 20, 2009 recommendation to the Stoughton Common Council via the consent agenda approval.)**

Stoughton Utilities Management Team Verbal Reports. **(Discuss the Stoughton Utilities Management Team verbal reports.)**

BUSINESS:

1. Stoughton Utilities 2009 Wastewater System Study Update. **(Review, discuss and approve the Stoughton Utilities 2009 Wastewater System Study Update.)**
2. Proposed Building Purchase From The City Of Stoughton By Stoughton Utilities Status Report No. 4. **(Review, discuss, approve and recommend the purchase of the Stoughton Utilities Building to the Stoughton Finance Committee and the Stoughton Common Council on August 25, 2009.)**
3. Stoughton Utilities Governance. **(Review and discuss.)**
4. WPPI Energy Annual Meeting. **(Review, discuss and participate in the WPPI Energy Annual Meeting.)**
5. WPPI Energy/Stoughton Utilities Net Zero Energy Green Max Home Status Report No. 1. **(Review and discuss.)**
6. Stoughton Utilities Committee Future Meeting Agenda Item(s). **(Discuss future Stoughton Utilities Committee agenda items.)**
7. Stoughton Utilities Proposed Property Acquisition Status Report. **(Review, discuss, approve and recommend the approval to the Stoughton Common Council.)**

cc: Sean O Grady
Stoughton Utilities Operations Superintendent

Date: Monday, August 03, 2009
 Time: 01:19PM
 User: SGUNSOLUS

Stoughton Utilities
Check Register Summary - Standard

Page: 1 of 7
 Report: 03699W.rpt
 Company: 7430

Period: - As of: 8/3/2009

| Check Nbr | Type | Date | Amount Paid | Vendor ID / Name | Description |
|----------------------|------|-----------|-------------|-----------------------------------|--|
| Company: 7430 | | | | | |
| 000226 | HC | 7/31/2009 | 6,392.35 | 020 Wells Fargo Client Ana-ach | Wells Fargo-Client charges juy/Wells Fargo-Client charges juy |
| 000227 | HC | 7/31/2009 | 27,865.68 | 025 Payroll Federal Taxes- Ach | Payroll Fed taxes-for july/Payroll Fed taxes-for july |
| 000228 | HC | 7/31/2009 | 38,859.68 | 010 WI DEPT OF REVENUE TAXPAYMENT | Wi Dep rev-July sales tax |
| 000229 | HC | 7/31/2009 | 23.65 | 004 Us Cellular - Ach | Us Cell-july charges |
| 000230 | HC | 7/31/2009 | 5,380.00 | 014 A T C Company - ACH | A T C Co-july pymt |
| 000231 | HC | 7/31/2009 | 534.12 | 001 Delta Dental - Ach | Delta Dental - july ach/Delta Dental - july ach |
| 000232 | HC | 7/31/2009 | 675.88 | 003 Alliant Energy - Ach | Alliant Energy - July Ach/Alliant Energy - July Ach/Alliant Energy - July Ach/Alliant Energy - July Ach |
| 000233 | HC | 7/31/2009 | 821.92 | 002 Employee Benefits Corp - Ach | Emp Ben Corp - July ach/Emp Ben Corp - July ach/Emp Ben Corp - July ach |
| 018439 | CK | 7/9/2009 | 138.46 | 133 WISCONSIN SCTF | WI SCTF-July A Support |
| 018440 | CK | 7/9/2009 | 1,650.00 | 463 GREAT-WEST | Great-West-July A Def Comp |
| 018441 | CK | 7/9/2009 | 600.00 | 731 NORTH SHORE BANK FSB | N Shore Bank-July A Def Comp |
| 018442 | CK | 7/15/2009 | 4,106.10 | 157 FORSTER ELEC. ENG., INC. | Forster-system study/Forster-tech assistance/Forster-Line Additions |
| 018443 | CK | 7/15/2009 | 137.91 | 183 MIDWEST SAFETY SUPPLY LLC | Midwest Safety-Sweat bands/Midwest-Lineman Tool/Midwest Safety-Shop Vac Motor/Midwest Safety-Sweat bands |
| 018444 | CK | 7/15/2009 | 503.46 | 184 CAPITAL CITY INTL. , INC | Capital City-Trk 15 maint |
| 018445 | CK | 7/15/2009 | 8,000.00 | 207 L.W. ALLEN, INC. | LW Allen-DNR Replacement |
| 018446 | CK | 7/15/2009 | 387.00 | 215 NELSON EXCAVATING LLC | Nelson-Water main repairs |

Date: Monday, August 03, 2009
 Time: 01:19PM
 User: SGUNSOLUS

Stoughton Utilities
Check Register Summary - Standard

Page: 2 of 7
 Report: 03699W.rpt
 Company: 7430

Period: - As of: 8/3/2009

| Check Nbr | Type | Date | Amount Paid | Vendor ID / Name | Description |
|-----------|------|-----------|-------------|------------------------------------|---|
| 018447 | CK | 7/15/2009 | 194.48 | 252 EGGIMANN MOTOR & EQUIPMENT SAL | Eggiman-trk #16 maint. |
| 018448 | CK | 7/15/2009 | 43.27 | 279 STOUGHTON HOSPITAL ASSOC. | Stoton Hospital-drug Testing |
| 018449 | CK | 7/15/2009 | 23,002.75 | 290 MID-WEST TREE & EXCAVATION, IN | Mid-West-Trenching |
| 018450 | CK | 7/15/2009 | 182.39 | 294 STI CONTROLS, L.P. | STI Controls-DNR Replacement |
| 018451 | CK | 7/15/2009 | 1,418.72 | 309 HAWKINS, INC. | Hawkins-Fluoride&Chlorine |
| 018452 | CK | 7/15/2009 | 2,483.17 | 327 BORDER STATES ELECTRIC SUPPLY | Border States-Inventory items/Border States-Oh tool/Border States-Inventory items/Border States-Oh tool |
| 018453 | CK | 7/15/2009 | 338.90 | 379 HI-LINE | Hi-Line-Oh tool |
| 018454 | CK | 7/15/2009 | 546.45 | 400 RESCO | Resco-inventory/Resco-tools/supplies |
| 018455 | CK | 7/15/2009 | 2,234.61 | 451 FRONTIER FS COOPERATIVE | Frontier-Fuel/Frontier-Fuel/Frontier-Fuel |
| 018456 | CK | 7/15/2009 | 50.00 | 502 D HEATH MASSEY | D Massey-Pub Ben #15 |
| 018457 | CK | 7/15/2009 | 50.00 | 509 DANIEL JUDERJAHN | D Juderjahn-Pub Ben # 15 |
| 018458 | CK | 7/15/2009 | 16.60 | 516 HEIDI WADDELL | H Waddell-Customer Refund |
| 018459 | CK | 7/15/2009 | 760.00 | 519 BRADLEY HARNACK | B Harnack-Taylor Mowing/B Harnack-North sub mowing/B Harnack-East Sub Mowing/B Harnack-Admin Mowing/B Harnack-Well #6 Mowing/b Harnack-Well #4 Mowing/B Harnack-Furseth mowing/b Harnack-Well #5 mowing |
| 018460 | CK | 7/15/2009 | 50.00 | 536 DOUGLAS IHLENFELDT | D Ihlenfeldt-Pub Ben #15 |
| 018461 | CK | 7/15/2009 | 13.13 | 538 LARRY AABERG | L Aaberg-Customer Refund |
| 018462 | CK | 7/15/2009 | 7,180.70 | 550 FIRST SUPPLY MADISON | First Supply-Pvc Pipe 4"/First Supply-Inventory/First Supply-Inventory |
| 018463 | CK | 7/15/2009 | 16,615.95 | 591 AUXIANT | Auxiant-Medical Claims/Auxiant-Medical Claims/Auxiant-Medical Claims |
| 018464 | CK | 7/15/2009 | 184.55 | 598 CONANT AUTOMOTIVE INC | Conant-Trk #16 Maint |

Date: Monday, August 03, 2009
 Time: 01:19PM
 User: SGUNSOLUS

Stoughton Utilities
Check Register Summary - Standard

Page: 3 of 7
 Report: 03699W.rpt
 Company: 7430

Period: - As of: 8/3/2009

| Check Nbr | Type | Date | Amount Paid | Vendor ID / Name | Description |
|-----------|------|-----------|-------------|------------------------------------|--|
| 018465 | CK | 7/15/2009 | 91.25 | 607 ROGER ODALEN | R Odalen-Pub Ben #15 |
| 018466 | CK | 7/15/2009 | 761.74 | 622 MADISON CONCRETE PIPE INC. | Mad Concrete-Maple Ct manhole |
| 018467 | CK | 7/15/2009 | 31.53 | 690 BRENT WOOD | B Wood-Customer Refund |
| 018468 | CK | 7/15/2009 | 225.25 | 715 WINGRA REDI-MIX, INC. | Wingra-Cement for manhole |
| 018469 | CK | 7/15/2009 | 7.55 | 824 UPS | UPS-Shipping Charges |
| 018470 | CK | 7/15/2009 | 45.34 | 827 SCOTT AMERA | S Amera-Pub Ben #15 |
| 018471 | CK | 7/15/2009 | 44.84 | 847 MELISSA BLEILER | M Bleiler-Pub Ben #15 |
| 018472 | CK | 7/15/2009 | 50.00 | 866 JEFF LOVELL | J Lovell-Pub Ben #15 |
| 018473 | CK | 7/15/2009 | 154.00 | 870 JACK SOCEKA & JOLENE CAMPBELL | J Soceka-Pub Ben money |
| 018474 | CK | 7/15/2009 | 50.00 | 887 BONNIE OSSMANN | B Ossmann-Pub Ben #15 |
| 018475 | CK | 7/15/2009 | 150.00 | 950 ROBERT WRASE | R Wrase-Pub Ben #15 |
| 018476 | CK | 7/22/2009 | 438.96 | 143 DIGGERS HOTLINE, INC. | diggers hotline-June Locates |
| 018477 | CK | 7/22/2009 | 950.75 | 166 INKWORKS, INC. | Inkworks-Envelopes/inserts/Inkworks-Envelopes/inserts/Inkworks-Envelopes/inserts/Inkworks-pub ben #2 |
| 018478 | CK | 7/22/2009 | 14.37 | 177 DUNHAM EXPRESS CORP. | Dunham-Paradise pond sampling |
| 018479 | CK | 7/22/2009 | 20.97 | 194 ADVANCE AUTO PARTS | Advance auto-trk #23 supplies/Advance auto-trk #8 supplies |
| 018480 | CK | 7/22/2009 | 54.00 | 204 MONROE CLINIC | Monroe Clinic-drug test/preemp |
| 018481 | CK | 7/22/2009 | 311.05 | 236 GRAINGER | Grainger-Timer,solenoid valve |
| 018482 | CK | 7/22/2009 | 2,897.00 | 290 MID-WEST TREE & EXCAVATION, IN | Midwest Tree-Trenching/Midwest Tree-Trenching/Midwest Tree-Trenching |
| 018483 | CK | 7/22/2009 | 4,179.58 | 327 BORDER STATES ELECTRIC SUPPLY | Border States-Oh Lineman tool/Border States-Meter Socket pla/Border States-Inventory |

Date: Monday, August 03, 2009
 Time: 01:19PM
 User: SGUNSOLUS

Stoughton Utilities
Check Register Summary - Standard

Page: 4 of 7
 Report: 03699W.rpt
 Company: 7430

Period: - As of: 8/3/2009

| Check Nbr | Type | Date | Amount Paid | Vendor ID / Name | Description |
|-----------|------|-----------|-------------|-----------------------------------|--|
| 018484 | CK | 7/22/2009 | 1,478.46 | 328 NORTH AMERICAN FUR | N Amer Fur-Const Refund |
| 018485 | CK | 7/22/2009 | 606.70 | 400 RESCO | Resco-Inventory items/Resco-Safety clothing |
| 018486 | CK | 7/22/2009 | 307.51 | 421 CAN KING | Can King-Const Refund |
| 018487 | CK | 7/22/2009 | 179.55 | 474 UNIFIED NEWSPAPER GROUP | Unif Newspaper-Pub Ben #2 |
| 018488 | CK | 7/22/2009 | 527.74 | 482 AT & T | AT & T-Office Pri Line/AT & T-Office Pri Line/AT & T-Office Pri Line |
| 018489 | CK | 7/22/2009 | 706.85 | 530 DALMARAY CONCRETE PRODUCTS, | Dalmaray-Hospital project |
| 018490 | CK | 7/22/2009 | 830.58 | 555 WOLF PAVING & EXCAVATING CO. | Wolf Paving-Black top/Wolf Paving-Black top |
| 018491 | CK | 7/22/2009 | 73.00 | 584 VINING SPARKS IBG | Vining Sparks-Transfer Fees |
| 018492 | CK | 7/22/2009 | 52,810.27 | 591 AUXIANT | Auxiant-Medical claims/Auxiant-Medical claims/Auxiant-Medical claims |
| 018493 | CK | 7/22/2009 | 1,763.25 | 631 TJK DESIGN | TJK Design-const refund |
| 018494 | CK | 7/22/2009 | 30.00 | 644 PAYMENT REMITTANCE CENTER | Pymt Rem Ctr-display stands |
| 018495 | CK | 7/22/2009 | 4,337.50 | 727 GLS UTILITY LLC | GLS Utility-June Locates/GLS Utility-June Locates/GLS Utility-June Locates |
| 018496 | CK | 7/22/2009 | 1,815.95 | 734 TRI NORTH BUILDERS | Tri North-Construction refund |
| 018497 | CK | 7/22/2009 | 75.60 | 771 TESTAMERICA LABORATORIES, INC | Testamerica-Paradise pond samp |
| 018498 | CK | 7/22/2009 | 400.25 | 809 CINTAS CORPORATION #446 | Cintas-09 Clothing |
| 018499 | CK | 7/22/2009 | 200.00 | 114 BARRY OPTICAL | Barry-09 Glasses |
| 018500 | CK | 7/22/2009 | 138.46 | 133 WISCONSIN SCTF | WI SCTF-July B Support |
| 018501 | CK | 7/22/2009 | 12,793.73 | 191 WI. RETIREMENT SYSTEM | WI Ret-July Retirement/Wi Ret-July Retirement/Wi Ret-July Retirement |
| 018502 | CK | 7/22/2009 | 260,168.15 | 289 FOREST LANDSCAPING AND | Forest-Pay Req # 2 Planning/Forest-Pay Req # 2 Streets/Forest-Pay Req # 2/Forest-Pay Req # 2/Forest-Pay Req # 2/Forest-Pay Req # 2 |

Date: Monday, August 03, 2009
 Time: 01:19PM
 User: SGUNSOLUS

Stoughton Utilities
Check Register Summary - Standard

Page: 5 of 7
 Report: 03699W.rpt
 Company: 7430

Period: - As of: 8/3/2009

| Check Nbr | Type | Date | Amount Paid | Vendor ID / Name | Description |
|-----------|------|-----------|-------------|-----------------------------------|---|
| 018503 | CK | 7/22/2009 | 12.00 | 302 PRIZEPROMOS | Prizepromos-09 Clothing |
| 018504 | CK | 7/22/2009 | 1,650.00 | 463 GREAT-WEST | Great-West-July B Def Comp |
| 018505 | CK | 7/22/2009 | 600.00 | 731 NORTH SHORE BANK FSB | N Shore Bank-July B Def Comp |
| 018506 | CK | 7/22/2009 | 657.00 | 752 WISCONSIN PROFESSIONAL | WI Prof-July Union Dues |
| 018507 | CK | 7/22/2009 | 89.03 | 108 ASLESON'S TRUE VALUE | Aslesons-Misc Hardware supply/Aslesons- Misc Hardware supply/Aslesons-Misc Hardware supply/Aslesons-Misc Hardware supply/Aslesons-Misc Hardware supply/Aslesons-Misc Hardware supply |
| 018508 | CK | 7/22/2009 | 79.70 | 108 ASLESON'S TRUE VALUE | Aslesons-Misc Hardware supply/Aslesons-Misc Hardware supply/Aslesons-Misc Hardware supply/Aslesons-Misc Hardware supply/Aslesons-Misc Hardware supply |
| 018509 | CK | 7/24/2009 | 758.30 | 644 PAYMENT REMITTANCE CENTER | Pymt Rem Ctr-Meuw reimb/Pymt Rem Ctr-Meuw class/Pymt Rem Ctr-toner/supplies/Pymt Rem Ctr-toner/supplies/Pymt Rem Ctr-toner/supplies/Pymt Rem Ctr-Paypal account/Pymt Rem Ctr-Paypal account/Pymt Rem Ctr-Paypal account |
| 018510 | CK | 7/27/2009 | 122.00 | 314 MEUW LINEMAN'S RODEO | Meuw-09 rodeo/Meuw-09 rodeo |
| 018511 | CK | 7/29/2009 | 791.34 | 148 FASTENAL CO. | Fastenal-Pump.pvc pipe |
| 018512 | CK | 7/29/2009 | 225.51 | 405 ROSENBAUM CRUSHING & EXCAV. | Rosenbaum-Dump fee/Rosenbaum-Dump fee |
| 018513 | CK | 7/29/2009 | 25,365.70 | 591 AUXIANT | Auxiant-Medical Claims/Auxiant-Medical Claims/Auxiant-Medical Claims |
| 018514 | CK | 7/29/2009 | 963.98 | 718 CGC, INC. | CGC-Main st project/CGC-7th st project/CGC-Main st project/CGC-7h st project |
| 018515 | CK | 7/29/2009 | 225.22 | 889 PITNEY BOWES | Pitney bowes-Supplies/Pitney bowes-Supplies |
| 018516 | CK | 7/29/2009 | 640.00 | 940 WASTEWATER TRAINING SOLUTIONS | WW Training-WW Class/WW Training-ww class |

Date: Monday, August 03, 2009
 Time: 01:19PM
 User: SGUNSOLUS

Stoughton Utilities

Check Register Summary - Standard

Page: 6 of 7
 Report: 03699W.rpt
 Company: 7430

Period: - As of: 8/3/2009

| Check Nbr | Type | Date | Amount Paid | Vendor ID / Name | Description |
|-----------|------|-----------|-------------|------------------------------------|--|
| 018517 | CK | 7/30/2009 | 364.88 | 733 DAVID & DONA LAZENBY | D Lazenby-Power Surge |
| 018518 | CK | 8/3/2009 | 12.72 | 111 AUTO PARTS OF STOUGHTON | Auto parts- Truck Maint |
| 018519 | CK | 8/3/2009 | 66,879.08 | 131 CITY OF STOUGHTON | City Stoton-Rent/City Stoton-Rent/City Stoton-Rent/City Stoton-aug lif ins/City Stoton-Rent/City Stoton-Rent/City Stoton-aug lif ins/City Stoton-Rent/City Stoton-aug lif ins/City Stoton-Rent/City Stoton-aug lif ins/City Stoton-Rent/City Stoton-aug lif ins/City Stoton-Rent/City Stoton-aug lif ins/City Stoton-Rent/City Stoton-aug lif ins/City Stoton-Rent/City Stoton-aug lif ins/City Stoton-Rent/City Stoton-aug lif ins/City Stoton-Rent/City Stoton-aug lif ins/City Stoton-Restat #987942/City Stoton-aug lif ins/City Stoton-Opening permits+ |
| 018520 | CK | 8/3/2009 | 192.39 | 134 CRESCENT ELEC. SUPPLY CO. | Crescent-inventory items/Crescent-Inventory items |
| 018521 | CK | 8/3/2009 | 657.50 | 157 FORSTER ELEC. ENG.,INC. | Forester-Scada system updates |
| 018522 | CK | 8/3/2009 | 281.79 | 258 OZEE CARS LLC | Ozee-Battery |
| 018523 | CK | 8/3/2009 | 144.33 | 290 MID-WEST TREE & EXCAVATION, IN | Mid-West-Trenching |
| 018524 | CK | 8/3/2009 | 23,090.00 | 316 PDC ELECTRICAL CONTRACTORS | PDC Elec-well 5 booster |
| 018525 | CK | 8/3/2009 | 700.00 | 327 BORDER STATES ELECTRIC SUPPLY | Border States-Meter stock |
| 018526 | CK | 8/3/2009 | 426.13 | 379 HI-LINE | Hi-Line-Tools/Hi-Line-Tools |
| 018527 | CK | 8/3/2009 | 1,210.48 | 400 RESCO | Resco-Vinyl tape/Resco-Lineman tools/Resco-Inventory items |
| 018528 | CK | 8/3/2009 | 21,003.30 | 448 STRAND ASSOCIATES INC. | Strand-Lateral Observations/Strand-Engineering fees/Strand-Main st project/Strand-Office remodel/Strand-7th st project/Strand-Engineering fees/Strand-Engineering fees/Strand-storm sewer/Strand-streets/Strand-Engineering fees/Strand-Engineering fees+ |
| 018529 | CK | 8/3/2009 | 427.76 | 482 AT & T | AT & T-analog/AT & T-Dsl service/AT & T-Dsl service/AT & T-analog/AT & T-analog/AT & T-Dsl service |
| 018530 | CK | 8/3/2009 | 515.60 | 521 WESCO RECEIVABLES CORP. | Wesco-inventory items |
| 018531 | CK | 8/3/2009 | 3,188.45 | 543 KAYSER | Kayser-trk #16 repairs |
| 018532 | CK | 8/3/2009 | 1,440.00 | 550 FIRST SUPPLY MADISON | First Supply-Inventory |

Date: Monday, August 03, 2009
 Time: 01:19PM
 User: SGUNSOLUS

Stoughton Utilities
Check Register Summary - Standard

Page: 7 of 7
 Report: 03699W.rpt
 Company: 7430

Period: - As of: 8/3/2009

| Check Nbr | Type | Date | Amount Paid | Vendor ID / Name | Description |
|-----------|------|-----------|-------------|------------------------------------|---|
| 018533 | CK | 8/3/2009 | 1,573.83 | 555 WOLF PAVING & EXCAVATING CO. | Wolf-black top/Wolf-black top/Wolf-Road patch |
| 018534 | CK | 8/3/2009 | 6,915.44 | 590 AUXIANT | Auxiant-Medical Admin/Auxiant-Medical Admin/Auxiant-Medical Admin |
| 018535 | CK | 8/3/2009 | 20.00 | 675 WI STATE LABORATORY OF HYGIENE | Wi State Lab-Fluoride testing |
| 018536 | CK | 8/3/2009 | 536.40 | 723 THORSTAD CHEVROLET | Thorstad-Trk #16 repairs |
| 018537 | CK | 8/3/2009 | 537.15 | 831 BURMEISTER | burmeister-inventory items/burmeister-tools |
| 018538 | CK | 8/3/2009 | 7,684.00 | 862 SIEMENS WATER TECHNOLOGIES | Siemens-Dnr Replacements/Siemens-Dnr Replacement |
| 018539 | CK | 8/3/2009 | 22.56 | 864 AUTO-WARES WISCONSIN INC. | Auto-Wares-Fuel treatment/Auto-Wares-Trk #6 supplies |
| 100208 | CK | 7/17/2009 | 147.30 | 185 ENECIA SABROFF | E Sabroff-Physical reimb |
| 100209 | ZC | 7/17/2009 | 0.00 | 185 ENECIA SABROFF | Sabroff-to void 100208/E Sabroff-Physical reimb |
| 100210 | CK | 7/21/2009 | 957,750.15 | 009 WPPI | WPPI-Lg power June/WPPI-Lg power June |
| 100211 | CK | 7/21/2009 | 126.00 | 185 ENECIA SABROFF | Sabroff-to void 100208/E Sabroff-Physical |
| 100212 | CK | 7/21/2009 | 42.00 | 310 HANSON PEST MANAGEMENT | Hanson -Pest maint |
| 100213 | CK | 7/21/2009 | 1,806.50 | 496 A C ENGINEERING, CO. | A C Eng-Reclosure control |
| 100214 | CK | 7/21/2009 | 1,798.00 | 648 BAKER TILLY VIRCHOW KRAUSE | Baker Tilly-Bid purchase |
| 100215 | CK | 7/21/2009 | 1,760.00 | 974 NORTHERN LAKE SERVICE, INC. | Northern Lake-Wa Sample tests |
| 100216 | CK | 7/29/2009 | 74.00 | 173 BRYCE SIME | B Sime-09 CDL Renewal |
| | | | | Company Total | |
| | | | | | 1,634,671.13 |

**DRAFT STOUGHTON UTILITIES COMMITTEE MEETING
MINUTES**

**Monday July 20, 2009 – 4:00 p.m.
Edmund T. Malinowski Room
Stoughton Utilities Administration Office
600 S. Fourth St.
Stoughton, Wisconsin**

Members Present: Alderperson Carl Chenoweth, Citizen Member David Erdman, Mayor Jim Griffin, Citizen Member Jonathan Hajny, Alderperson Paul Lawrence, Citizen Member Norval Morgan, and Alderperson Steve Tone.

Absent and Excused: None.

Absent: None.

Others Present: Alderperson Ron Christianson, Alderperson Greg Jenson, Alderperson Tim Carter, Jodi Dobson, CPA, Manager - Baker Tilly Virchow Krause, LP, Stoughton EMS Director Cathy Rigdon, Stoughton Finance Director and Treasurer Laurie Sullivan, Stoughton Utilities Billing and Consumer Services Technician Erin N. Bothum, Stoughton Utilities Wastewater System Supervisor Brian Erickson, Stoughton Utilities Office and Information Systems Supervisor Brian Hoops, Stoughton Utilities Finance and Administrative Manager Kim Jennings, CPA, Stoughton Utilities Director Robert Kardasz, P.E., and Stoughton Utilities Electric System Supervisor Craig Wood,.

Call To Order: Mayor Jim Griffin called the regular Stoughton Utilities Committee meeting to order at 4:00 p. m.

DRAFT STOUGHTON UTILITIES COMMITTEE MEETING MINUTES

Monday, July 20, 2009 – 4:00 p.m.

Page No. 2

Stoughton, WI

Stoughton Utilities Payments Due List: Stoughton Utilities Director Robert Kardasz presented and discussed the Stoughton Utilities Payments Due List. Motion by Citizen Member David Erdman, seconded by Citizen Member Norval Morgan, to approve the Stoughton Utilities Payments Due List as presented and recommend its approval to the Stoughton Common Council on July 28, 2009. Carried unanimously.

Stoughton Utilities Committee Consent Agenda: Utilities Director Robert Kardasz presented and discussed the Stoughton Utilities Committee Meeting Consent Agenda Items. Motion by Alderperson Paul Lawrence, seconded by Citizen Member David Erdman to approve the following consent agenda items as presented: Final Minutes of the May 18, 2009 and Draft Minutes of the June 15, 2009 Regular Meetings of the Stoughton Utilities Committee, Stoughton Utilities May 2009 Financial Summary, Stoughton Utilities May 2009 Statistical Information, Stoughton Utilities Communications, Stoughton Utilities Committee 12-Month Calendar, Stoughton Utilities June 2009 Activities Report, and the Status of the June 15, 2009 Recommendations to the Stoughton Common Council. Carried unanimously.

Stoughton Utilities Management Team Verbal Report:

Stoughton Utilities Wastewater System Supervisor Brian Erickson discussed the following:

- The Wastewater System staff has been doing system maintenance.
- Recently participated in a Green Tier mercury reduction meeting.
- The Main Street and Seventh Street Stoughton Utilities Project is proceeding on schedule.

Stoughton Utilities Finance and Administrative Manager Kim Jennings discussed the following:

- The water rate review has been filed with the Wisconsin Public Service Commission (WPSC) and is on schedule for a 14% two-phase adjustment. Residential customers should experience an increase of \$1.66 on their monthly water bill. Customer notices will be provided next month.
- The Stoughton Fair booth was another success.

DRAFT STOUGHTON UTILITIES COMMITTEE MEETING MINUTES

Monday, July 20, 2009 – 4:00 p.m.

Page No. 3

Stoughton, WI

- Funding for the East Elevated Water Storage Tank is under evaluation.

Stoughton Utilities Office and Information Systems Supervisor Brian Hoops explained the following:

- Approximately 70 customers received service disconnection for failure to meet their financial obligations.
- The August power challenge was receiving significant interest from the customers.

Proposed Building Title Transfer From The City Of Stoughton To Stoughton Utilities Status Report No. 3: Stoughton Utilities Director Robert Kardasz, Stoughton Utilities Finance and Administrative Manager Kim Jennings, and Baker Tilly Virchow Krause LLP Manager Jodi Dobson presented and discussed the proposed building title transfer from the City of Stoughton to Stoughton Utilities Status Report No. 3. Discussion followed.

Aldersperson Carl Chenoweth arrived at the meeting at 4:10 p.m.

Stoughton Utilities Director Robert Kardasz explained that in order to present a proposed 2010 budget at the September 14, 2009 Stoughton Utilities Committee Meeting, this item will be on the agenda for action at the August 17, 2009 Stoughton Utilities Committee Meeting.

Stoughton Utilities Procedures For Establishing New Customer Accounts: Stoughton Utilities Director Robert Kardasz and Stoughton Utilities Office and Information Systems Supervisor Brian Hoops discussed the Stoughton Utilities procedures for working with customer properties that become unoccupied. Discussion followed. Motion by Aldersperson Carl Chenoweth, seconded by Citizen Member David Erdman to approve the Stoughton Utilities procedures for establishing new customer accounts. Carried unanimously.

DRAFT STOUGHTON UTILITIES COMMITTEE MEETING MINUTES

Monday, July 20, 2009 – 4:00 p.m.

Page No. 4

Stoughton, WI

Stoughton Utilities Electric System Supervisor Craig Wood reported the following:

- Crews continue working in Riverwood Estates and along Lake View Drive.
- Work continues with Forster Electrical Engineering, Inc. regarding refinements to the electric supervisory control and data acquisition (SCADA) upgrades.
- Working with Concordia Wireless regarding a permanent electric service.

Citizen Member Jonathan Hajny arrived at the meeting at 4:25 p.m.

Stoughton Utilities RoundUp Program: Stoughton Utilities Director Robert Kardasz presented and discussed the Stoughton Utilities RoundUp Program and eligible applicants. Discussion followed. Motion by Alderperson Carl Chenoweth, seconded by Alderperson David Erdman, to donate \$1,100 from the Stoughton Utilities RoundUp Program to the Martin Luther Christian Schools. Carried unanimously.

Motion by Alderperson Steve Tone, seconded by Alderperson Carl Chenoweth to remove Preserve America from the RoundUp Program qualifying applicants. Carried unanimously.

Stoughton Utilities Investments Quarterly Report: Stoughton Utilities Finance and Administrative Manager Kim Jennings presented and discussed the Stoughton Utilities Investments Quarterly Report. Discussion followed. Motion by Alderperson Steve Tone, seconded by Alderperson Paul Lawrence, to accept the Stoughton Utilities Investments Quarterly Report. Carried unanimously.

Motion by Alderperson Chenoweth, seconded by Citizen Member Jonathan Hajny, to request Alderperson Steve Tone work with Stoughton Utilities Finance and Administrative Manager Kim Jennings in developing monitoring investment risk language, diversification, and reporting protocols to the Stoughton Utilities Committee. Carried unanimously.

DRAFT STOUGHTON UTILITIES COMMITTEE MEETING MINUTES

Monday, July 20, 2009 – 4:00 p.m.

Page No. 5

Stoughton, WI

Stoughton Utilities Governance: Alderperson Carl Chenoweth presented and discussed Stoughton Utilities Governance. Discussion followed. Motion by Alderperson Chenoweth, seconded by Citizen Member Jonathan Hajny to develop the pros and cons of Utilities Commission governance by November 2009, and present this information to the Stoughton Common Council in earl 2010. Carried unanimously.

Stoughton Utilities Committee Meeting Starting Times: Stoughton Utilities Director Robert Kardasz presented and discussed the Stoughton Utilities Committee Meeting Starting Time. Discussion followed. Motion by Alderperson Steve Tone, seconded by Alderperson Carl Chenoweth to establish 5:00 p.m. as the starting time for regular Stoughton Utilities Committee Meetings. Carried on a roll call vote five to two with Citizen Member David Erdman and Alderperson Paul Lawrence voting Noe.

Stoughton Utilities Second Annual Summer Savings Challenge: Stoughton Utilities Director Robert Kardasz presented and discussed the Stoughton Utilities Second Annual Summer Savings Program. Discussion followed. Approximately 800 electric customers are enrolled.

Stoughton Utilities Committee Future Meeting Agenda Item(s):

- Stoughton Utilities Investment Policy revisions.

Alderperson Paul Lawrence excused himself from the meeting at 5:15 p.m.

Stoughton Utilities Proposed Property Acquisition: Stoughton Utilities Director Robert Kardasz presented and discussed the Stoughton Utilities proposed property acquisition. Discussion followed. Motion by Alderperson Carl Chenoweth, seconded by Citizen Member Jonathan Hajny to request staff to enter into negotiations regarding the property acquisition. Carried unanimously.

**DRAFT STOUGHTON UTILITIES COMMITTEE MEETING
MINUTES**

Monday, July 20, 2009 – 4:00 p.m.

Page No. 6

Stoughton, Wisconsin

Adjournment: Motion by Alderperson Carl Chenoweth, seconded by Citizen Member Norval Morgan, to adjourn the Stoughton Utilities Committee Meeting at 5:25 p.m. Carried unanimously.

Respectfully submitted,

Erin N. Bothum

Stoughton Utilities Billing and Consumer Services Technician

Stoughton Utilities

Financial Summary

June 2009-YTD

Highlights-Comparison to prior month

I have no concerns with the utility's financial status. The following items are meant to illustrate significant changes in the financial summary from prior periods.

The Public Service Commission is reviewing the Utility's filing for water rate increase. A public hearing will be scheduled within the next few weeks and will be held in the Utility Office - Ed Malinowski meeting room. We expect the first phase of the increase will take effect in October 2009. The second phase will be effective upon completion of the new water tower and connecting main.

WPPI and Stoughton Utilities met to discuss the preparation of an electric rate study. We will file for an electric rate increase before the end of 2009. The rate application will likely include a change in rate structure to encourage energy conservation. Rates will be effective on January 1, 2010.

Submitted by:
Kim M. Jennings, CPA

Stoughton Utilities

Income Statement
June 2009-YTD

| | Electric | Water | Wastewater | Total |
|---------------------------------|---------------------|-------------------|---------------------|---------------------|
| Operating Revenue: | | | | |
| Sales | \$ 5,036,906 | \$ 522,647 | \$ 889,910 | \$ 6,449,463 |
| Unbilled Revenue | 1,224,403 | 100,692 | 159,871 | 1,484,966 |
| Other | 94,000 | 2,221 | 49,193 | 145,415 |
| Total Operating Revenue: | \$ 6,355,309 | \$ 625,560 | \$ 1,098,974 | \$ 8,079,844 |
| Operating Expense: | | | | |
| Purchased Power | \$ 4,731,816 | \$ - | \$ - | \$ 4,731,816 |
| Expenses | 693,704 | 290,876 | 384,742 | 1,369,322 |
| Taxes | 207,877 | 120,882 | 12,080 | 340,840 |
| Depreciation | 400,002 | 165,000 | 300,000 | 865,002 |
| Total Operating Expense: | \$ 6,033,399 | \$ 576,759 | \$ 696,822 | \$ 7,306,979 |
| Operating Income | \$ 321,911 | \$ 48,802 | \$ 402,152 | \$ 772,865 |
| Non-Operating Income | 242,730 | 108,012 | 15,675 | 366,417 |
| Non-Operating Expense | (160,734) | (64,930) | (80,220) | (305,884) |
| Net Income | \$ 403,907 | \$ 91,884 | \$ 337,608 | \$ 833,398 |

Stoughton Utilities

Rate of Return

June 2009-YTD

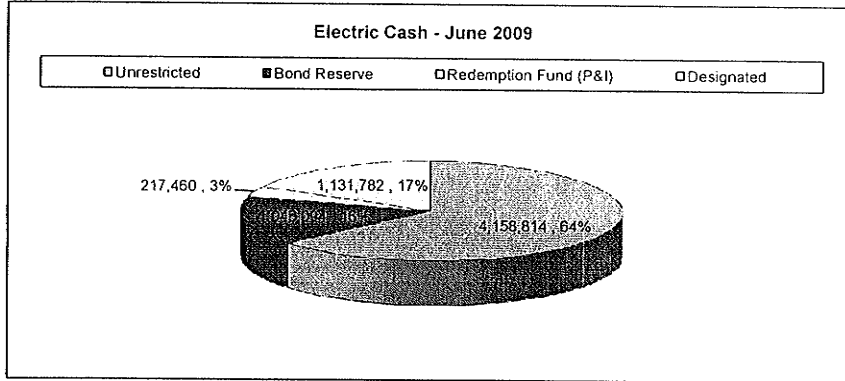
| | Electric | Water |
|--------------------------------------|-----------------|--------------|
| Operating Income (Regulatory) | \$ 321,911 | \$ 48,802 |
| Average Utility Plant in Service | 19,887,241 | 8,961,748 |
| Average Accumulated Depreciation | (7,677,971) | (3,094,476) |
| Average Materials and Supplies | 155,802 | 33,551 |
| Average Regulatory Liability | (332,404) | (513,424) |
| Average Net Rate Base | \$ 12,032,667 | \$ 5,387,399 |
| Actual Rate of Return | 2.68% | 0.91% |
| Authorized Rate of Return | 6.50% | 6.50% |

Stoughton Utilities
Cash & Investments

Electric

Jun-09

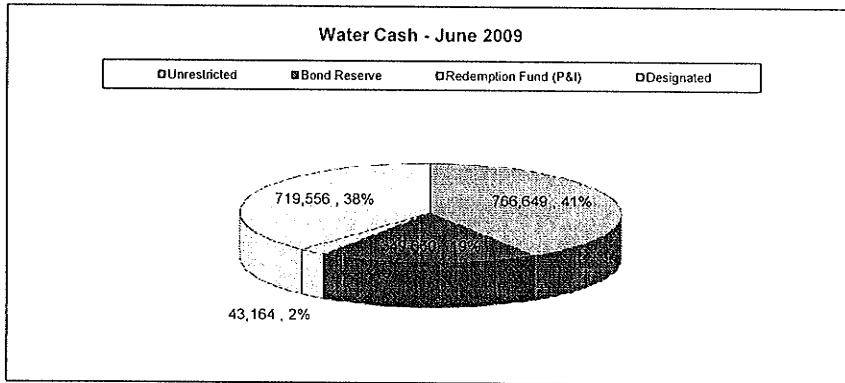
| | |
|-----------------------|------------------|
| Unrestricted | 4,158,814 |
| Bond Reserve | 1,046,094 |
| Redemption Fund (P&I) | 217,460 |
| Designated | 1,131,782 |
| Total | 6,554,150 |



Water

Jun-09

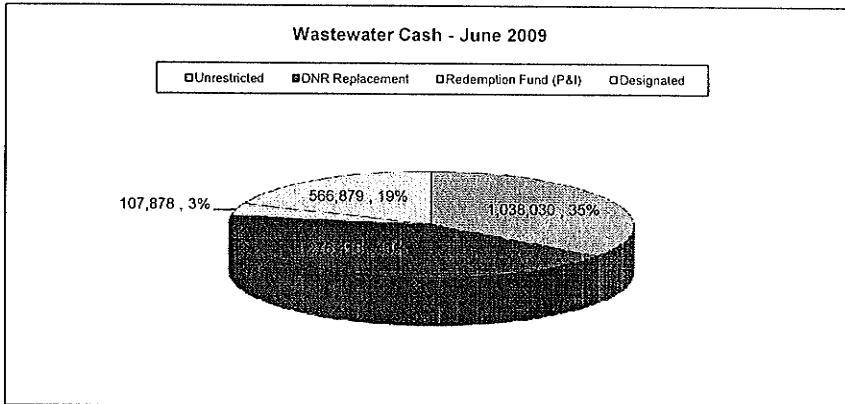
| | |
|-----------------------|------------------|
| Unrestricted | 766,649 |
| Bond Reserve | 349,660 |
| Redemption Fund (P&I) | 43,164 |
| Designated | 719,556 |
| Total | 1,879,029 |



Wastewater

Jun-09

| | |
|-----------------------|------------------|
| Unrestricted | 1,038,030 |
| DNR Replacement | 1,276,413 |
| Redemption Fund (P&I) | 107,878 |
| Designated | 566,879 |
| Total | 2,989,200 |



Stoughton Utilities

Balance Sheet
June 2009-YTD

| Assets | Electric | Water | WW | Total |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|
| Cash & Investments | \$ 6,554,150 | \$ 1,879,029 | \$ 2,989,200 | \$ 11,422,378 |
| Customer A/R | 1,545,168 | 135,421 | 153,294 | 1,833,883 |
| Other A/R | 91,120 | 2,759 | 99,583 | 193,462 |
| Other Current Assets | 516,743 | 238,362 | 36,310 | 791,415 |
| Plant in Service | 19,994,068 | 9,018,426 | 20,768,384 | 49,780,877 |
| Accumulated Depreciation | (7,965,528) | (2,858,454) | (6,270,625) | (17,094,608) |
| Plant in Service - CIAC | 2,275,109 | 5,405,945 | - | 7,681,055 |
| Accumulated Depreciation-CIAC | (435,727) | (1,178,523) | - | (1,614,251) |
| Construction Work in Progress | 1,254,254 | 112,654 | 329,983 | 1,696,891 |
| Total Assets | \$ 23,829,356 | \$ 12,755,620 | \$ 18,106,128 | \$ 54,691,104 |
| Liabilities + Net Assets | | | | |
| A/P | \$ 1,175,320 | \$ (8,591) | \$ 41 | \$ 1,166,770 |
| Taxes Accrued | 137,502 | 112,500 | 5,659 | 255,661 |
| Interest Accrued | 80,209 | 15,390 | 22,499 | 118,098 |
| Other Current Liabilities | 155,664 | 83,432 | 100,636 | 339,732 |
| Long-Term Debt | 7,319,255 | 2,221,135 | 5,389,112 | 14,929,503 |
| Net Assets | 14,961,406 | 10,331,754 | 12,588,180 | 37,881,340 |
| Total Liabilities + Net Assets | \$ 23,829,356 | \$ 12,755,620 | \$ 18,106,128 | \$ 54,691,104 |

STOUGHTON UTILITIES
2009 Statistical Worksheet

| Electric | Total Sales 2008 Kwh | Total Kwh Purchased 2008 | Total Sales 2009 Kwh | Total Kwh Purchased 2009 | Demand Peak 2008 | Demand Peak 2009 |
|--------------|-------------------------|-----------------------------|-------------------------|-----------------------------|---------------------|---------------------|
| January | 12,814,174 | 12,877,726 | 12,528,674 | 12,758,970 | 24,290 | 23,808 |
| February | 11,830,563 | 11,874,353 | 10,571,338 | 10,791,222 | 23,339 | 22,476 |
| March | 10,497,385 | 11,598,139 | 10,411,495 | 10,924,959 | 21,724 | 20,628 |
| April | 10,368,260 | 10,558,531 | 9,495,456 | 9,712,939 | 20,329 | 18,831 |
| May | 10,367,375 | 10,292,490 | 9,562,688 | 9,566,446 | 19,182 | 19,032 |
| June | 11,436,709 | 11,946,296 | 10,864,926 | 11,370,009 | 26,831 | 31,849 |
| July | | | | | | |
| August | | | | | | |
| September | | | | | | |
| October | | | | | | |
| November | | | | | | |
| December | | | | | | |
| TOTAL | 67,314,466 | 69,147,535 | 63,434,577 | 65,124,545 | | |

| Water | Total Sales 2008 Gallons | Total Gallons Pumped 2008 | Total Sales 2009 Gallons | Total Gallons Pumped 2009 | Max Daily High 2008 | Max Daily Highs 2009 |
|--------------|-----------------------------|------------------------------|-----------------------------|------------------------------|------------------------|-------------------------|
| January | 34,438,000 | 40,449,000 | 35,308,000 | 38,020,000 | 1,622,000 | 1,412,000 |
| February | 33,172,000 | 37,487,000 | 32,547,000 | 35,089,000 | 1,467,000 | 1,514,000 |
| March | 32,675,000 | 40,071,000 | 35,418,000 | 38,686,000 | 1,487,000 | 1,448,000 |
| April | 33,928,000 | 39,643,000 | 35,288,000 | 36,844,000 | 1,492,000 | 1,401,000 |
| May | 41,380,000 | 45,678,000 | 38,050,000 | 37,591,000 | 1,760,000 | 1,484,000 |
| June | 33,761,000 | 46,730,000 | 34,117,000 | 39,112,000 | 2,064,000 | 1,538,000 |
| July | | | | | | |
| August | | | | | | |
| September | | | | | | |
| October | | | | | | |
| November | | | | | | |
| December | | | | | | |
| TOTAL | 209,354,000 | 250,058,000 | 210,728,000 | 225,342,000 | | |

| Wastewater | Total Sales 2008 Gallons | Total Treated Gallons 2008 | Total Sales 2009 Gallons | Total Treated Gallons 2009 | Precipitation 2008 | Precipitation 2009 |
|--------------|-----------------------------|-------------------------------|-----------------------------|-------------------------------|-----------------------|-----------------------|
| January | 27,441,000 | 44,790,000 | 31,580,000 | 40,200,000 | 1.79 | 0.87 |
| February | 26,715,000 | 40,004,000 | 26,896,000 | 38,307,000 | 3.22 | 1.77 |
| March | 26,903,000 | 50,539,000 | 28,348,000 | 53,160,000 | 1.90 | 6.91 |
| April | 27,760,000 | 56,925,000 | 29,403,000 | 49,536,000 | 7.00 | 4.93 |
| May | 31,013,000 | 50,727,000 | 33,157,000 | 48,610,000 | 2.81 | 2.61 |
| June | 28,661,000 | 63,984,000 | 28,747,000 | 41,693,000 | 9.57 | 4.30 |
| July | | | | | | |
| August | | | | | | |
| September | | | | | | |
| October | | | | | | |
| November | | | | | | |
| December | | | | | | |
| TOTAL | 168,493,000 | 306,969,000 | 178,131,000 | 271,506,000 | 26.29 | 21.39 |



Stoughton Utilities

600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Needs Since 1886

Date: August 13, 2009
To: Stoughton Utilities Committee
From: Robert P. Kardasz, P.E.
Stoughton Utilities Director
Subject: Stoughton Utilities Communications.

- Second Quarter 2009 American Transmission Company (ATC) Operational Highlights.
- Second Quarter 2009 WPPI Energy Highlights.
- Summer 2009 WPPI Energy Power Report newsletter for large commercial and industrial customers.
- July 24, 2009 WPPI Energy newsletter noting over 1,000 Stoughton Utilities electric customers are participating in the 2009 Summer Savings Challenge.
- July 27, 2009 letter that went to the 1,204 Stoughton Utilities electric customers participating in our 2009 Summer Savings Challenge.
- August 9, 2009 memorandum from WPPI Energy CEO Roy Thilly regarding developments.
- August 2009 Municipal Electric Utilities of Wisconsin (MEUW) newsletter "Live Lines" article regarding safety award recipients including Stoughton Utilities.
- August 2009 Customers First newsletter "The Wire."

Encl.

cc: Sean O Grady
Stoughton Utilities Operations Superintendent



Office 608-873-3379
Fax 608-873-4878
stoughtonutilities.com



American Transmission Co.
OPERATIONAL HIGHLIGHTS
Quarter 2, 2009

GOVERNMENT AND REGULATORY AFFAIRS

Upper Midwest States Plan for Transmission of Renewables

ATC continues to participate in regulatory initiatives involving transmission expansion and cost-allocation policies affecting the Midwest. The Upper Midwest Transmission Development Initiative (UMTDI) and the MISO states' Cost Allocation and Regional Planning (CARP) effort continues to devise transmission plans and consider cost-sharing formulae that can be applied in the MISO footprint.

UMTDI was formed by the governors of Wisconsin, Minnesota, Iowa, North Dakota and South Dakota to develop transmission projects – and an associated cost-sharing methodology – particularly related to interconnecting renewable generation in those states. The OMS CARP group consists of representatives from each of the 13 states in MISO and it is developing indicative transmission plans as part of its consideration of whether it should develop a new cost- allocation method for MISO or revise the existing methods.

State commissioners lead each project, and ATC representatives work through commission staff to provide advice and comment.

PLANNING

Planning Project Update

Rockdale-West Middleton

The Public Service Commission of Wisconsin (PSCW) issued its written order fully approving the project as requested. The commission determined that the project is needed for an adequate supply of electricity and that in reaching this conclusion, the commission emphasized "ATC conducted comprehensive studies on the reliability of the Dane County transmission system, and identified significant risks for voltage collapse and thermal overloads under contingency conditions in the near future. ATC also extensively studied alternative solutions to the problems identified in its reliability studies to arrive at the proposed 345-kV line."

ATC Energy Collaborative – Michigan

The ATC Energy Collaborative – Michigan continues. Project solutions have been developed for each of the six future-growth scenarios. Company executives have reviewed these scenarios, and preliminary solution sets have been identified. These will be included in the 10-year assessment and will serve as a baseline for seeking input from stakeholders this summer. Detailed analysis is continuing to further explore the robustness of the solutions in light of the many operational challenges in the area and to explore issues raised during the stakeholder outreach meetings.

Attachment FF-Stakeholder Involvement

ATC continues its implementation of the MISO Attachment FF tariff provisions. ATC-wide futures for the 2009 analyses were refined in consultation with stakeholders. The Economic Planning group also worked with stakeholders to identify three projects to evaluate. Stakeholders continue to be interested in the following three projects:

- Kenosha-Lakeview-Zion 138-kV,
- North La Crosse-Hilltop-Spring Green-Cardinal 345-kV, and
- Lore-Spring Green-Cardinal 345-kV.

ATC also is beginning an intensive review of the local and regional benefits that would be provided by a line from La Crosse to Madison. As part of that effort we are also studying:

- A combination of the La Crosse to Madison and Lore-Madison lines,
- Genoa-North Monroe 765-kV, and
- Lower voltage options that could provide the same benefit as La Crosse - Madison.

We are studying both the 765-kV line and lower voltage options to ensure that we have a complete set of options studied for inclusion in a CPCN filing if the Company decides to pursue the La Crosse-Madison project.

10-Year Assessment

Needs and solutions have been developed for the 2009 10-Year Assessment. Project requests are being revised or developed to accommodate changes, particularly in the dates the projects are needed. A new set of placeholder projects has been developed and writing of the document is underway. New for the 2009 report will be specific sections on the company's asset management and regional planning activities.

G-T Interconnection Studies

Planning has completed one re-study and posted a draft report for another system impact re-study. Planning has drafted a system impact study for one new request and has received a request for proposal from MISO to start two new studies. The queue is almost exclusively wind generation in the ATC footprint, although at significantly reduced levels

from last year. The change in the amount of generation queued is partially due to the MISO tariff changes approved by FERC in August 2008. ATC ~~subcontracts to MISO to perform~~ the studies for MISO and ATC is routinely recognized by generation customers for its excellence in performing G-T interconnection studies on time.

D-T Interconnection Studies

The D-T interconnection queue continues to be active. This is largely due to the significantly increased amount of substantial spot-load increases from previous years. The company has begun work on revising the D-T interconnection process to streamline its early stages to provide earlier feedback to the customer. ATC held a successful assessment meeting with WPS regarding a recently filed load-interconnection request to test this change. Work is underway to finalize the Best Value Plan for this interconnection in advance of the customer's notification to proceed.

Studies are continuing on a plan to address pre-existing system needs that were identified during a study for a load interconnection request in the greater Madison area.

Planning Policy and Regional Planning

MTEP 09

Development of the MISO Transmission Expansion Plan 09 is underway with sub-regional planning meetings beginning even earlier this year than in previous years. ATC presented and received no questions on the 12 projects moving to Appendix A (planned). We have three generator-interconnection projects eligible for cost sharing, but the analysis showed all the benefits accrued to ATC, so 100 percent of the costs are allocated to ATC.

MISO Regional Generator Outlet Study

ATC continues to actively participate in MISO's Regional Generator Outlet Study, which is looking at the transmission needed in Wisconsin, Iowa, Minnesota and Illinois to meet the current and anticipated renewable portfolio standards for each state. MISO and the transmission owners completed the analysis of "indicative plans," looking at the comparison between what would be needed to build in higher-wind resource areas (western Minnesota and the Dakotas) and move it to the load centers, versus the transmission needed when building the wind closer to the load centers. The UMTDI Executive Committee chose two renewable energy zone configurations and MISO will, with the help of the transmission owners, perform detailed design studies to determine what projects are needed to support this effort. MISO is conducting detailed analysis of the transmission needed to support development of 15,000 megawatts and 25,000 megawatts of wind to meet the current and future needs of the five states. Both ATC and ITC are providing technical resources to support the analysis, which is expected to be completed in mid-August. In the Fall, the UMTDI Executive Committee will review the results and provide a report to the governors.

Formatted: No widow/orphan control, Don't keep with next, Don't keep lines together

Midwest Governor's Association, PSCW Solar Collaborative and Michigan-Wind Energy Transmission System

ATC continues to provide transmission expertise to support these more regional efforts. ATC continues to actively participate in the Midwest Governors' Association transmission adequacy task force. ATC is participating actively in the PSCW's Solar Collaborative, looking at the impact solar development could have on meeting renewable portfolio standards, and the technical and regulatory challenges and opportunities with solar development. ATC is providing insight into how transmission would be impacted by solar adoption, both distributed and centrally sited. The effort kicked off in April, headed by Chairman Callisto, and is expected to produce a report within 9 to 12 months. ATC was active in the development of renewable energy zones in Michigan, sharing information on how much and where wind could be accommodated in the Upper Peninsula without undue stress on the transmission system; the Michigan Renewable Energy Zone Board chose zones in Lower Michigan rather than the UP.

ENGINEERING & CONSTRUCTION

West Portfolio

Key Projects in Service

- N Madison and Huiskamp Substations for N Madison-Huiskamp 138-kV line project in Dane County.
- Nelson Dewey to Hillman 138-kV line improvement in Southwest Wisconsin.
- Kilbourn to Chaffee Creek 69-kV line improvement in South Central Wisconsin.

Major Projects in Construction

- Verona to Oakridge 6-mile, 138-kV line in Dane County.
- Lightning Remediation on nine 69-kV lines in South Central Wisconsin.

East Portfolio

Key Projects in Service

- Montana Distribution Interconnect
- Brookdale Distribution Interconnect
- Add 3rd Distribution Transformer at Shorewood

Major Projects in Construction

- Jefferson County 138-kV line
- Elm Road T11 Transformer Addition

Other

- Point Beach Uprate – Interim Upgrades in Design
- Oak Creek 230-kV Upgrades in Design

North Portfolio

Key Projects in Service

- New North Lake Substation (complete as of 6/9/2009)
- New 7th Street Substation (WPS Distribution Interconnection, complete as of 4/14/2009)

Major Projects in Construction

- Cranberry-Conover-Plains Project – Segment 3: Iron Grove to Aspen Rebuild and Aspen Substation Additions
- Pine River Substation
- Plains Substation Relay Upgrades
- Atlantic-Winona-M-38 Relay Upgrades and Cap Bank Installation (M-38)
- Perkins Cap Bank Addition

- Hiawatha Cap Bank Addition

Major Projects in Regulatory Process

- Canal to Dunn Road new 138-kV line (CPCN application scheduled to be filed with PSCW by end of 2009)
- Woodmin to Clear Lake New 138-kV line to support WPS T/D Interconnection (CPCN to be filed in early 2010)
- Kewaunee Substation Project (PSCW issued an Order dated 3/12/09, ATC has requested modifications to the Order)

Major Projects

Major Projects in Construction

- Gardner Park to Structure 773
- Whitcomb to Caroline
- Clintonville to Highway 22
- Rockdale – Paddock construction for the transmission line and substations is proceeding. Outage work begins September 14, 2009 for the 138-kV facilities. We have possession of property with condemnation hearings scheduled over the next few months.
- GCMW – Hwy 22 – White Clay 138/345-kV facilities

Major Projects Energized

- All 345-kV and 138-kV facilities from Gardner Park to Werner West were energized by May 2009.

Major Projects in Development

- 345-kV LaCrosse – Madison in planning.

Major Projects in Regulatory Process

- Rockdale to West Middleton order July 2009 awaiting project initiation until timing for appeal has lapsed.

FINANCIAL HIGHLIGHTS (in thousands):

EARNINGS SUMMARY

June 2009 YTD

| | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> |
|--------------------------------|------------------|------------------|-----------------|
| Operating Revenues | \$255,249 | \$254,231 | \$1,018 |
| Operating Expenses | 113,572 | 112,752 | (820) |
| Operating Income | 141,677 | 141,479 | 198 |
| Net Interest and Other Expense | (38,048) | (38,406) | 358 |
| Earnings Before Tax | <u>\$103,629</u> | <u>\$103,073</u> | <u>\$556</u> |

EARNINGS VARIANCE ANALYSIS

| | | |
|---------------------------------------|--------------|---|
| Operating Revenues | \$1,018 | ▪ True-up variance due to higher total operating expenses |
| Operations and Maintenance | (1,540) | ▪ O&M variance due to higher medical and post-retirement benefit costs, acceleration of vegetation management plan and corrective maintenance on certain breakers |
| Property and Other Taxes | (67) | |
| Other | 787 | ▪ Variance primarily due to lower pre-certification expense for capital projects |
| Total Operating Expenses | <u>(820)</u> | |
| Operating Income | <u>198</u> | |
| Net Interest and Other Income/Expense | 358 | ▪ Variance primarily due to recognition of tax gross-ups on contributions in aid of construction and generator interconnections |
| Earnings Before Tax | <u>\$556</u> | |

SELECTED FINANCIAL INFORMATION

| | <u>June 30, 2009</u> | | |
|--------------------------------|----------------------|-------------------|---------------------|
| Capital Structure – GAAP Basis | | | |
| Debt % of Capital Structure | | 54.6% | |
| Equity % of Capital Structure | | 45.4% | |
| Capital Expenditures | <u>YTD Actual</u> | <u>YTD Budget</u> | <u>YTD Variance</u> |
| | \$221,689 | \$216,695 | \$4,994 |

Fiscal Year 2009 Second Quarter Highlights

.....

Financial Highlights

Energy sales to members were 1,182,381 megawatt-hours (MWh) in the second quarter of 2009. This is 51,888 MWh or 4.2% less than the same period a year ago. Included in the energy sales to members in the second quarter of 2009 are sales to three new members totaling 22,365 MWh.

Total operating revenues for the second quarter of 2009 were \$87,326,298 which was 7.2% less than the same period a year ago. Total operating expenses for the second quarter of 2009 were \$85,117,512 which was 8.2% less than the same period a year ago. The decrease in both operating revenues and expenses is primarily a result of reduced energy sales into the MISO market and lower megawatt-hour sales to members.

Power Supply Update

In the second quarter of 2009, WPPI Energy's 20% share of Boswell 4 generated a total of 192,773 MWh at an average capacity factor of 82.5%. Unit 4 was offline for four days in April for maintenance to repair several tube leaks.

This compares to generation of 62,960 MWh and an average capacity factor of 26.9% in the second quarter of 2008. Unit 4 was offline for most of the second quarter in 2008 to rewind the generator.

News Highlights

The city of Crystal Falls, Mich. has joined WPPI Energy, bringing to 51 the number of customer-owned electric utilities served.

A WPPI Energy-sponsored GreenMax Home, the region's first owner-designed and occupied net zero energy home (NZEH), was completed in spring 2009. Homeowners Tom and Verona Chambers are hosting public tours for interested participants to learn more about the special features of their NZEH. The tours will showcase the energy-efficient construction and sustainable energy systems that make the Chambers' Black River Falls, Wis. home unique.

Company Profile

WPPI Energy is a regional power company serving 51 customer-owned electric utilities. Through WPPI Energy, these public power utilities share resources and own generation facilities to provide reliable, affordable electricity to more than 192,000 homes and businesses in Wisconsin, Upper Michigan and Iowa.

POWER REPORT

Summer 2009

what's inside

- 2..... From the CEO
- 2..... WPPI Energy News in Brief
- 3-4..... Member Spotlight: Kaukauna, WI
- 5..... Member News
- 5..... State Updates
- 6..... Commercial & Industrial News
- 7..... Datebook: Fall
- 8..... Ask the Experts

members

| | | |
|-------------------|-----------------|-----------------|
| Wisconsin | Mount Horeb | Waunakee |
| Algoma | Muscoda | Waupun |
| Black River Falls | New Glarus | Westby |
| Boscobel | New Holstein | Whitehall |
| Brodhead | New London | |
| Cedarburg | New Richmond | Michigan |
| Columbus | Oconomowoc | Alger Delta CEA |
| Cuba City | Oconto Falls | Baraga |
| Eagle River | Plymouth | Crystal Falls |
| Evansville | Prairie du Sac | Gladstone |
| Florence | Reedsburg | L'Anse |
| Hartford | Richland Center | Negaunee |
| Hustisford | River Falls | Norway |
| Jefferson | Slinger | |
| Juneau | Stoughton | Iowa |
| Kaukauna | Sturgeon Bay | Independence |
| Lake Mills | Sun Prairie | Maquoketa |
| Lodi | Two Rivers | Preston |
| Menasha | Waterloo | |

WPPI Energy is a regional power company serving 51 customer-owned electric utilities. Through WPPI Energy, these public power utilities share resources and own generation facilities to provide reliable, affordable electricity to more than 192,000 homes and businesses in Wisconsin, Upper Michigan and Iowa.

Congress Takes First Step to Implement Carbon Regulation



On June 26, 2009, the U.S. House of Representatives passed landmark legislation that would, for the first time in our country's history, regulate carbon emissions and restrict carbon dioxide (CO₂) emissions from power plants and other sources. If enacted into law, this bill would represent the most significant change in utility regulation in decades and would dramatically alter the way WPPI Energy and our members meet customers' energy needs going into the future.

The centerpiece of the bill is a plan to regulate carbon emissions through a cap and trade program that would place a limit, or "cap," on the total amount of CO₂ emitted in the country and would distribute allowances via a complex allocation methodology to CO₂ emitters such as

utilities. The cap would be lowered over time, and entities would be required to buy or sell allowances based upon their needs in this new carbon market—the "trade."

Whether or not the U.S. Congress ultimately passes federal cap and trade legislation this year, we believe carbon regulation will inevitably be enacted. WPPI Energy is working hard to shape these anticipated changes, including the design of a cap and trade program.

Details Matter Greatly

As originally proposed and as included in President Obama's budget earlier this year, the cap and trade regime would have required utilities and other carbon emitters to purchase these allowances via an auction rather than receiving an allocation of allowances at no cost. As a group of Midwest utilities, including WPPI Energy, recently showed, consumers could face alarming economic impacts under program designs using auctions to distribute allowances. The Midwest Consumer Utilities study showed that estimated average rate increases for consumers in seven Midwestern states from 2012 to 2030 could be as high as 79 percent under a cap and trade program that employs a 100 percent auction method to distribute allowances. WPPI Energy joined many other stakeholders in pushing for a free system for allowances to protect our customers and help mitigate the costs associated with moving to a cap and trade system. Major changes were made in the bill as a result. The bill as passed does not employ auctions for utilities.

continued on page 7

To view the Midwest Consumer Utilities study, visit <http://www.wppienergy.org/newsarchive?ID=184>

From the CEO: Demand Response Brings System-Wide Benefits and Costs

Roy Thilly, rthilly@wppienergy.org



Demand response refers to the ability of energy users to reduce consumption to maintain electric system reliability or avoid high market energy prices. For years, demand response programs have been designed primarily to maintain system reliability. In a typical demand response program, a utility provides a monthly discount to a large power user in exchange for the right to interrupt the customer's power supply in defined circumstances. These programs have operated successfully for many years, saved WPPI Energy and retail customers money, and helped to maintain service reliability when the electric system is under stress.

WPPI Energy and our members now anticipate an opportunity to expand

demand response services to large customers who are able to reduce their energy usage at peak periods upon request and help us minimize purchases at market energy prices when prices are high. We expect the Midwest ISO, the operator of the wholesale regional power market, to adopt new rules late this year that will facilitate the new retail programs. The new rules are likely to be quite intricate. Once these rules are in place, we will design our new programs, which will have to be approved by the Public Service Commission of Wisconsin. This process will take time.

It is very important that WPPI Energy members and customers coordinate their demand response efforts. Without coordination and properly designed programs, the actions of individual customers could increase rather than lower WPPI Energy's power costs. Our

objectives will be to design programs that allow us to reflect cost savings on the individual bills of participating retail customers and lower our total system costs over the long run. We believe by working together closely with members and large retail customers, we can provide more reliable and affordable electric service in the future.

During these challenging times, it is important to mitigate increasing power costs in any way we can. As your community's electric supplier, it is our job to capture savings opportunities for the benefit of our members and their retail customers. If you have questions about the future role of demand response in our long-term power supply strategy, please do not hesitate to contact me.

QUICK TAKES

WPPI Energy News in Brief

Stimulus Funds Could Benefit Members

Of the \$787 billion in federal economic stimulus funding provided by the American Recovery and Reinvestment Act of 2009, more than \$15 billion has been set aside to fund energy efficiency, conservation, renewable and weatherization programs in counties and municipalities nationwide. If secured, stimulus funding could provide significant opportunities for WPPI Energy member communities to advance long-term strategic goals in these critical areas while also securing significant financial resources to help mitigate local effects of the current economic recession. We are preparing to help interested members apply for these funds by identifying and developing a number of joint grant project concepts, as well as providing assistance with the grant-writing process.

While program guidelines, applications and rules have not yet been finalized for most stimulus programs, by planning ahead,

we will be positioned well to respond to stimulus opportunities that offer significant benefits to member communities.

Energy Savings Would Power 17,400 Homes

Since the inception of our cost-effective energy efficiency programs seven years ago, customers of WPPI Energy member utilities have realized cumulative energy savings of 154,500 megawatt-hours per year, equivalent to the electricity used annually to serve 17,400 typical homes. The cumulative reduction in diversified demand avoids the need to generate 23 megawatts (MW) of baseload power and helps defer the need to build expensive new power plants.

Standardizing Wind Energy Siting

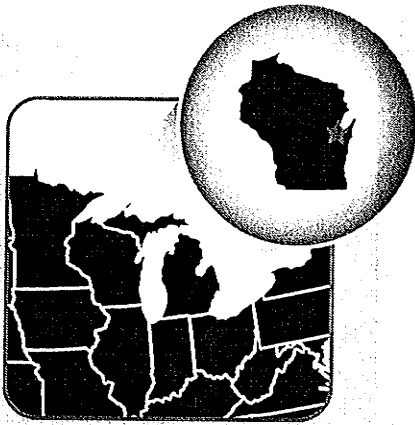
While wind energy represents the most cost-effective renewable option for Wisconsin today, a series of local government actions across the state

threatens to undermine the ability to site new wind farms. Senate Bill 185 and Assembly Bill 256, authored by Senator Jeff Plale (D-South Milwaukee) and Rep. Jim Soletski (D-Green Bay), would result in common, statewide standards for regulation of construction and operation of wind energy systems smaller than 100 MW. WPPI Energy and the Municipal Electric Utilities of Wisconsin have urged the legislature to act quickly in adopting the measure.

Subscribe Online

If you would prefer to receive *Power Report* by e-mail, simply send your request to PowerReport@wppienergy.org. Include your name, organization and mail address, and you'll be added to the electronic distribution list.





MEMBER SPOTLIGHT

Kaukauna, Wisconsin

kaukauna, wisconsin fast facts

County: Outagamie

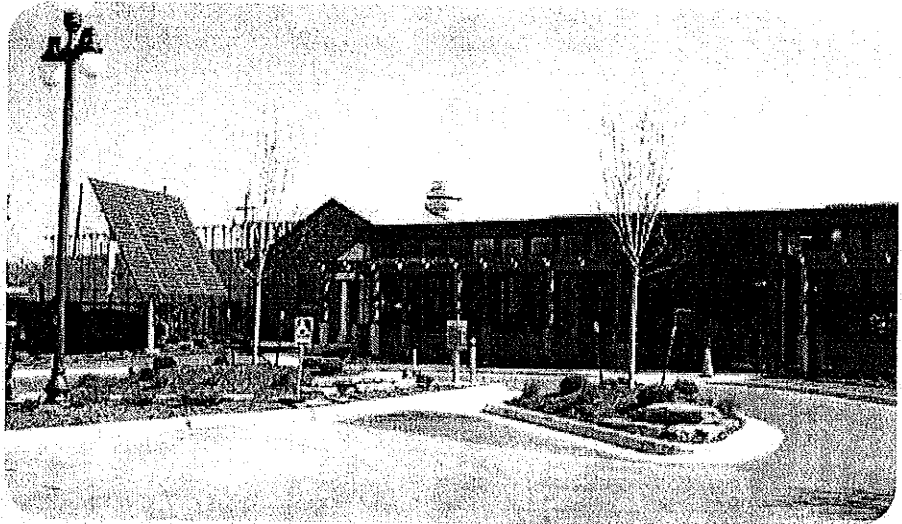
Population: 15,000

Nickname: *The Electric City*

Did you know:

- Kaukauna Utilities received American Public Power Association's Reliable Public Power Provider designation in 2006 and 2008 for providing the highest degree of reliable and safe electric service.
- Kaukauna Utilities was one of 23 original members to join WPPI Energy.
- Kaukauna Utilities was established in 1912 when the city of Kaukauna purchased the assets of the Kaukauna Gas and Electric Company for \$50,000.
- Kaukauna Utilities electric rates are among the lowest in the state of Wisconsin.

WPPI Energy member since 1980.



Kaukauna Utilities office facility.

Located on the Fox River in the northeast region of Wisconsin, Kaukauna is one of the oldest communities in Wisconsin. In September 1980, Kaukauna joined WPPI Energy, Wisconsin's first municipal electric power supply company. Today, Kaukauna Utilities is the largest community-owned and operated electric utility in Wisconsin.

Kaukauna Utilities provides electric service over a 50-square-mile area including the city of Kaukauna, villages of Little Chute and Combined Locks and parts of the towns of Buchanan, Freedom, Holland, Kaukauna, Oneida, Vandenbroek and Wrightstown. Kaukauna Utilities serves approximately 15,000 electric customers in the Fox Valley area and provides water service to more than 6,000 customers in the city of Kaukauna.

Valuable Hydroelectric Resources

Kaukauna Utilities owns and operates seven hydroelectric plants along the Fox

River including John Street, Little Chute, Combined Locks, Old and New Badger, Kaukauna City Plant and Rapid Croche. These facilities provide approximately 22.9 megawatts (MW) of nameplate capacity and in 2008 produced more than 147 million kilowatt-hours (kWh) of clean, renewable energy. Recently, WPPI Energy entered into a purchase power agreement with Kaukauna to purchase the entire output of the refurbished John Street Hydroelectric project, a purchase that will help meet WPPI Energy members' renewable requirements.

As part of a 15-year preventive maintenance program instituted by the utility, Kaukauna Utilities regularly monitors the efficiency and functionality of system components that make up each of its seven hydro plants. To do so, generators are taken apart and systematically rewound and the associated turbines are rebuilt. Dry ice cleaning and testing are performed annually and vibration testing analysis

continued on next page

Kaukauna, Wisconsin

is performed quarterly. With some original parts dating back to 1907, preventive maintenance indicates early warnings of breakdowns and malfunction prior to total system catastrophic failure.

Kaukauna's John Streethydro facility is a specific example of a recently refurbished hydro facility. Taken out of service in 2002 for structural and mechanical maintenance repairs, the generators were rewound and all of the 1911 vintage turbines completely rebuilt to closely model their original specifications.

Upgrades and improvements will increase the overall efficiency of the plant, which was put back into service on July 1, 2009.

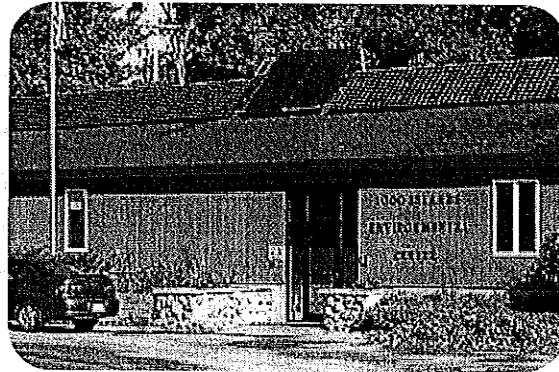
Green Building Expansion

Through its green building expansion program, Kaukauna Utilities has undertaken a number of energy efficiency and conservation efforts. The recently completed building project follows high standards for energy efficiency and conservation, conforming to Leadership in Energy and Environmental Design (LEED) "Gold" standards for energy efficiency. LEED is the nationally accepted benchmark for the design, construction and operation of high-performance, sustainable buildings.

The utility's newly expanded and remodeled office and garage facilities incorporate recycled building materials, energy and water-efficient appliances, landscaping and natural lighting systems. Such features make Kaukauna's facility more efficient than traditional buildings simply built "to code." Kaukauna Utilities is providing a leadership example by meeting LEED standards and demonstrating that conservation through sustainable building is a long-term investment for future generations.

Groundwater Management

Long-term groundwater management and water conservation is also a priority for Kaukauna Utilities. Through a measure recently approved by the Public Service Commission of Wisconsin, residential water utility customers of Kaukauna Utilities are now able to participate in a toilet rebate program, providing a \$50 rebate toward the purchase of new WaterSense-labeled high efficiency toilets.



An array of solar photovoltaic panels at Kaukauna's 1000 Islands Environmental Center provides approximately 7,000 kWh of electricity each year.

Kaukauna "Keeps it Going"

In a recent effort to expand awareness of energy-saving methods, Kaukauna Utilities enacted the "Keep it Going" campaign, a residential education campaign presented by WPPI Energy. The campaign focuses on promoting broad energy awareness and conservation, increasing individual and community energy efficiency, as well as increasing environmental stewardship activities. Kaukauna's Keep it Going campaign seeks to enhance community-wide sustainability

efforts and participation in utility programs.

Customer Commitment

Customer participation continues to increase in programs, like the Keep it Going campaign and the new toilet rebate program, as customers become more focused on opportunities for energy efficiency, the use of renewables and waste reduction. From May 2008 to April 2009, commercial and residential utility customers purchased more than 13 million kWh of renewable energy. The community's participation rates in utility-sponsored programs have also increased, in large part, thanks to responses by local citizens to a challenge from utility General Manager Jeff Feldt encouraging residential utility customers to reduce their electric consumption.

Large Power Leaders

Large power customers, like Thilmany, LLC, are also demonstrating that electric energy saving projects are a wise investment for large power customers. In February 2009, Kaukauna Utilities, Focus on Energy and WPPI Energy issued a pulp and paper staffing grant to Thilmany, LLC to support an energy manager position that focuses on improving efficiency efforts in the mill. Since the inception of the position and the end of the first quarter 2009, Thilmany's efficiency projects are projected to reduce electric usage by 13.5 million kWh annually. Thilmany has also received several grants through WPPI Energy's energy efficiency programs, replacing and upgrading equipment and systems to improve overall efficiency.

Leading By Example

Through the leadership efforts of Kaukauna's utility commission and city council, Kaukauna's community-owned municipal electric utility continues to lead by example in the areas of energy efficiency, conservation and renewables.

MEMBER NEWS



Benforado, Thilly and Bednarski.

Public Power Officials Earn National Recognition

Three local leaders and one municipal utility from Wisconsin recently garnered recognition at the national level, bringing home four prestigious awards from the American Public Power Association's (APPA) annual conference.

- **Dennis Bednarski**, general manager of Oconomowoc Utilities, received APPA's Robert E. Roundtree Rising Star Award for leaders of public power systems.

- **David Benforado**, executive director of the Municipal Electric Utilities of Wisconsin (MEUW), received the Harold Kramer-John Preston Personal Service Award for substantial contributions toward APPA goals.

- **Roy Thilly**, president and CEO of WPPI Energy, received APPA's Alan H. Richardson Statesmanship Award recognizing public power leaders who work successfully and tirelessly on APPA's behalf, forging consensus on national issues to achieve public power's goals.

- The **City Utilities of Richland Center** received the Community Service Award for "good neighbor" activities demonstrating the commitment of the utility and its employees to the community.

Renewable Energy Leaders

The U.S. Department of Energy's National Renewable Energy Laboratory (NREL) recently named River Falls, Wisconsin, and Lake Mills, Wisconsin, among the top

utilities in the United States for renewable energy program performance. The two communities ranked ninth and tenth, respectively, on NREL's national "Top 10" list for customer participation rates. River Falls also earned the No. 3 spot for green power sales as a percentage of total retail electricity sales.

EPA Green Power Partners

For the first time, River Falls and Stoughton are appearing on the U.S. Environmental Protection Agency's (EPA) national list of Green Power Communities. Green Power Communities are cities, towns and villages in which local government, businesses and residents collectively buy green power in amounts that meet or exceed the EPA's purchase requirements as part of the Green Power Partnership. River Falls and Stoughton are the first communities in Wisconsin and the Midwest to receive this distinction.



STATE UPDATES



WPPI Energy Welcomes New Member Crystal Falls

The City of Crystal Falls, Michigan, recently became WPPI Energy's 51st member utility. As of May 1, WPPI Energy assumed Crystal Falls' existing power supply contract and became the community's power supplier.

Energy Optimization

Recent state legislation requires Michigan electric utilities to develop energy optimization plans to help customers save energy. WPPI Energy staff has assisted our Michigan members in creating these plans, gathering public feedback, and developing implementation strategies in cooperation with other Upper Peninsula municipal utilities and electric cooperatives. Pending approval by the Michigan Public Service Commission, implementation is expected to begin this fall.



Barton Wind Project

WPPI Energy has a 20-year agreement with an affiliate of Iberdrola Renewables USA, Ltd. for the purchase of 30 megawatts (MW) of wind power from a wind farm in Worth County, Iowa. The new 80 MW Barton I wind project entered commercial operation in April.



Barth to Serve in Northeast Wisconsin

WPPI Energy welcomes Frank Barth, energy services representative supporting New Holstein Utilities, Plymouth Utilities and Two Rivers Water & Light.

Butler Ridge Wind Farm

WPPI Energy has a 20-year Power Purchase Agreement with an affiliate of Babcock & Brown to purchase 20 MW of wind generation from the Butler Ridge wind farm in Wisconsin. The 54 MW wind farm achieved commercial operation in mid-February.

Resources in Place to Meet Summer Demand

WPPI Energy's power supplies will be sufficient to meet the projected summer peak. We estimate a peak demand of 984 megawatts (MW) in 2009, reflecting the energy use of 51 member utilities. Earlier estimates of the forecasted peak were about 40 MW higher, but the forecast was adjusted downward to reflect the current economic recession.

The forecasted peak is about six percent higher than the 927 MW peak recorded in July 2008. The increase primarily is a result of additional members on the WPPI Energy system and assumed hotter weather. The forecasted peak is below the record peak of 998 MW set during the summer of 2006.

To meet summer demand, we have in place 1,094 MW of available capacity, including WPPI Energy-owned generation, power

purchase contracts, and member-owned and customer-sited generation.

While extreme weather conditions and major outages always have the potential to threaten reliability, there are no known significant operational issues or restrictions expected that could impact reliability

during the summer 2009 season. WPPI Energy works closely with other utilities, the American Transmission Company and the Midwest ISO to assess, plan for and respond to any potential contingencies and maintain reliable electric service.

customers play key role

Customer-owned generation resources make up an important part of WPPI Energy's demand reduction emergency response plan. Under capacity generation contracts, retail customers of our member communities are paid to run their back-up generators, relieving burden on the system during critical periods. Although the need to activate such programs is infrequent, the ability to reduce system-wide demand is crucial when a potentially serious power system outage threatens. A system-wide test of customer-sited distributed generation was conducted in March. The exercise went smoothly and demonstrated a demand reduction capacity of 19.7 MW.

Uniek Wins Grant by Bidding for Efficiency

In the most recent round of RFP for Energy Efficiency funding, Uniek, Inc., a customer of Waunakee Utilities, was awarded \$55,000 for an energy-saving equipment replacement project. WPPI Energy's RFP for Energy Efficiency program encourages investment by large commercial and industrial utility customers in energy efficient improvements.

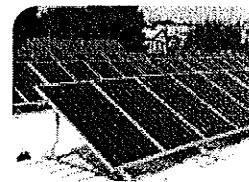
The grant will help replace Uniek's existing central chilled process cooling water system, which is more than 20 years old and has become highly inefficient. Replacing the existing chiller will improve efficiency and the chilled water conditioning process, reducing energy demand by 70 kilowatts (kW) and save approximately 577,000 kilowatt-hours (kWh) per year. Additional benefits of the new cooling system will include improved compressor efficiency, reduced peak demand, reduced water and sewage use, and more.

The chiller project is one of a number of efforts illustrating Uniek's commitment to conservation and energy efficiency. Uniek continues to evaluate the efficiency of its existing equipment and look for ways to improve overall efficiency and reduce energy use. Uniek has formed an energy/sustainability team to focus on ongoing process improvements and recommend energy reduction initiatives for the future.

Qualified customers of WPPI Energy member utilities are invited to submit proposals for the RFP for Energy Efficiency bidding cycle. To date, WPPI Energy has funded 10 project proposals, issuing more than \$431,000 in RFP for Energy Efficiency grants, resulting in demand reductions of 857 kW and energy consumption decreases of 4.5 million kWh. For more information on the RFP for Energy Efficiency and other industrial energy efficiency project funding opportunities available through WPPI Energy, visit www.wppienergy.org.

Solar Installation a Bright Spot for Business

Steve Lewis, owner of the Jefferson Area Business Center (JABC) in Jefferson, WI, believes in the



power of clean, green renewable energy. Lewis partnered with Jefferson Utilities, WPPI Energy, and local contractors to install a 20-kW solar photovoltaic (PV) renewable energy system on the roof of the JABC, the largest commercial project of its kind in Jefferson County.

WPPI Energy provided funding for the project in the form of a \$72,000 upfront purchase of the system's renewable energy output. Lewis also anticipates \$35,000 in funding through Focus on Energy and will be eligible for tax incentives. Members of the media, local officials, project partners and special guests were on hand for a commissioning ceremony and reception on June 11, when Lewis "flipped the switch" and put the new project online.

DATEBOOK: *Fall*



Mark your calendar for these upcoming events, conferences and technical workshops for commercial and industrial utility customers:

Best Practices in Compressed Air Systems

Focus on Energy, www.focusonenergy.com/training

- October 5, 2009 | Eau Claire, WI
- October 6, 2009 | Green Bay, WI
- October 7, 2009 | Brookfield, WI

Building Systems Commissioning and Retro-Commissioning

The Energy Center University, www.ecw.org/university/

- September 23, 2009 | Chicago, IL

Building Systems Retro-Commissioning

The Energy Center University, www.ecw.org/university/

- September 22, 2009 | Madison, WI
- October 7, 2009 | Appleton, WI

Commercial Solar Thermal

The Energy Center University, www.ecw.org/university/

- September 22, 2009 | Delafield, WI

Energy and the Bottom Line Conference & Expo

Focus on Energy

<http://www.focusonenergy.com/Calendar/event08260901.aspx>

- August 25–26, 2009 | Wisconsin Dells, WI

Energy Efficient Lighting

Energy Center University, www.ecw.org/university

- November 4, 2009 | Eau Claire, WI
- November 5, 2009 | Brookfield, WI

eQUEST...the Quick Energy Simulation Tool

Energy Center University, www.ecw.org/university

- October 13–14, 2009 | Wauwatosa, WI

Financial Impacts of Energy Efficiency

The Energy Center of Wisconsin, www.ecw.org

- October 28, 2009 | webinar

Potential for Energy Efficiency in the Midwest

The Energy Center of Wisconsin, www.ecw.org

- September 23, 2009 | webinar

Practical Energy Management – Industrial

Focus on Energy, www.focusonenergy.com/training

- September 24, 2009 | Milwaukee, WI
- October 8, 2009 | Mosinee, WI
- November 5, 2009 | Green Bay, WI

Practical Energy Management – Commercial

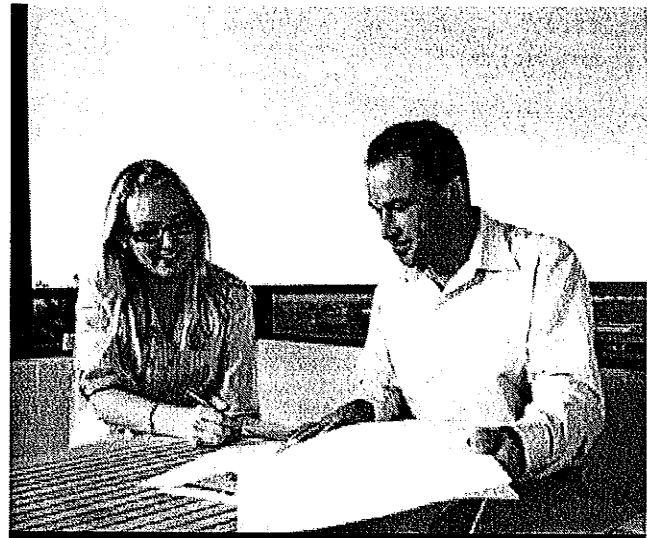
Focus on Energy, www.focusonenergy.com/training

- October 29, 2009 | Green Bay, WI

Smart Strategies for Healthcare

Focus on Energy, www.focusonenergy.com/training

- September 15, 2009 | Eau Claire, WI



Energy efficiency, It's good for business!

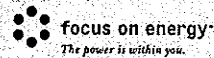
Saving energy is a sound investment for businesses. That's because every dollar you save on energy costs goes straight to your bottom line.

Your local utility's membership in WPPI Energy gives you access to energy solutions that save money, boost productivity and reduce maintenance costs.

In Wisconsin, Focus on Energy offers grants and financial incentives to help you offset the costs of energy efficiency and renewable energy installations. To find out how smart energy choices can save your business energy and money—call Focus on Energy at **800.762.7077** or visit focusonenergy.com.

In Iowa and Michigan, WPPI Energy member utility customers have access to similar opportunities through their local utilities. Call **800.255.9774** or visit www.wppienergy.org.

Take action today. See results tomorrow.



©2009 Focus on Energy F0E-3003-0709

Congress Takes First Step to Implement Carbon Regulation: continued from page 1

While the House action is only the first step in what will be a long and winding road to a final passage and the bill being signed into law by President Obama, momentum

is clearly building in Washington for action this year. WPPI Energy will stay engaged in this debate and will fight to protect our member communities and ratepayers to

the maximum extent possible and support a bill that balances the need to preserve the environment, ensure a secure energy future, and mitigate costs for consumers.

Ask the Experts

"How do geothermal systems work? Can I use this technology for my home or business in a cold climate?"

A ground-source heat pump (GSHP), also known as a geothermal heat pump, uses thermal energy from the ground to provide heating and hot water. The GSHP is able to access underground temperatures that are warmer than the air above during the winter and cooler than the air in the summer. These systems are highly efficient, even in cold climates, because underground temperatures are relatively stable throughout the year. And, while the cost for a GSHP is typically much higher than conventional systems, the difference usually can be returned in energy cost savings in less than 10 years.

A number of WPPI Energy customer projects offer a first-hand look at the use of a GSHP in cold climates. On the residential side, GreenMax Homeowners Tom and Verona Chambers used a GSHP to help them achieve net zero energy use. Through use of the GSHP in combination with a residential solar photovoltaic system and other energy-saving technologies and practices, the Chambers' Black River Falls, Wisconsin, home is now producing as much energy as it uses. The Chambers designed and constructed their all-electric home, which they completed earlier this year, with grant funding from WPPI Energy's GreenMax Home initiative.

Commercial utility customers are also reaping the benefits of a GSHP system. The Sun Prairie (Wisconsin) Area School District is currently constructing its third school using a geothermal heating and cooling system. In fact, because output efficiency levels can easily reach 300 percent or more compared to input energy, a GSHP system will be the biggest cost-saving measure at the new 400,000 square-foot Sun Prairie High School.

For more information on energy-saving ideas and technologies for your home or business, visit www.wppienergy.org.



your questions answered

Have a question you'd like answered by one of WPPI Energy's experts? E-mail your inquiry to PowerReport@wppienergy.org.

Kurt Pulvermacher, Energy Services Representative,
(608) 834-4565, kpulvermacher@wppienergy.org



Printed on recycled paper

PRRST STD
US POSTAGE
PAID
MADISON WI
PERMIT #2783

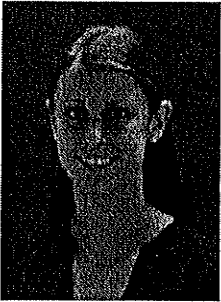
1425 Corporate Center Drive
Sun Prairie, WI 53590



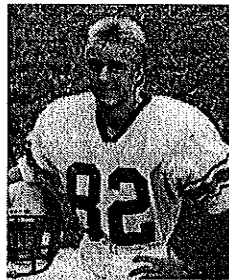
WHO SAID IT?

Welcome to a new section of Inside 1425, titled "Who said it?" Each week, three employees will answer the same five questions. Your challenge is to try and match the employee (left) with their answers (right). The answers to "Who said it?" are at the very bottom of this page, so try not to cheat. P.S. This first round should be pretty easy.

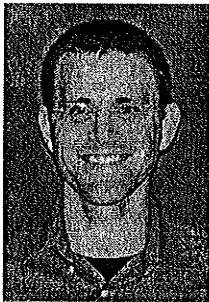
Employees



Alicia



Todd Komplin



Ben

Questions & Answers

If I didn't work at WPPI Energy, I would move to Florida and live in my tent.

You may think I'm laid-back, but really I'm competitive.

One item on my bucket list is to take my wife camping in the boundary waters.

My biggest pet peeve is cigarette butts flying out of car windows.

I could eat Culver's kid meals and drink Mountain Dew until my heart was content.

If I didn't work at WPPI Energy, I would be a farmer.

You may think I'm the city type, but really I'm a country girl!

One item on my bucket list is to obtain a permanent cubicle once and for all in the new WPPI office.

My biggest pet peeve is rude people.

I could eat chocolate chip cookies and drink iced mochas until my heart was content.

If I didn't work at WPPI Energy, I would be an auto body repairman.

You may think I wear tank tops to show off my big guns, but really it is to show off my pecs.

One item on my bucket list is to play tackle football with Brett Favre.

My biggest pet peeve is Vikings fans in WI who come out only when the team wins.

I could eat brats and drink Orange Crush until my heart was content.

DID YOU KNOW?

Stoughton Utilities currently has over 1,000 customers signed up to participate in their Summer Savings Challenge. Customers are encouraged to reduce their electricity usage by 15% for the month of August compared to their usage for the month of August 2008 and will receive a \$25 bill credit if they do so!



Stoughton Utilities

600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Needs Since 1886

July 27, 2008

Dear

Thank you for your interest in our Summer Savings Challenge. For the month of August, we are challenging you to reduce your August 2009 electric usage by 15% as compared to August of 2008. Our records indicate you used 557 kWh in August 2008. To qualify for the \$25.00 bill credit, you will need to use 459 kWh or less this August.

At the end of the month, we will compare your August 2009 usage with your August 2008 usage. If you have succeeded and used 15% less electricity, we'll credit your September electric bill \$25.

We initiated this campaign to encourage customers to conserve energy and lead a more energy conscious lifestyle.

Thanks again for your support of this initiative. To help you succeed in the challenge we have enclosed a tip sheet with energy saving ideas. For additional energy conservation tips, please visit websites such as Focus On Energy (www.focusonenergy.com) and Energy Star (www.energystar.gov).

If you have any questions or would like additional energy conservation ideas, please call a Stoughton Utilities representative at 873-3379 or visit us at www.stoughtonutilities.com.

Sincerely,
STOUGHTON UTILITIES

Robert P. Kardasz, P.E.
Utilities Director

Enclosure



Office 608-873-3379
Fax 608-873-4878
stoughtonutilities.com



Stoughton Utilities Summer Savings Challenge Tip Sheet

Conservative use of energy saves money, helps to preserve natural resources and reduces the impact energy use has on the environment. As such, we prepared this tip sheet to help the participants of our Summer Savings Challenge. For additional energy savings tips, please call us at 873-3379 or visit www.stoughtonutilities.com or www.focusonenergy.org.

Keeping your home cool...

- Set your thermostat to 78° F, or as high as comfort permits. When the weather is mild, turn off the AC and open the windows.
- Close your blinds and curtains during the hottest part of the day.
- Close cooling vents in unused rooms and keep doors to unused rooms closed.
- Check and clean or replace air filters every month.
- Clean the outside condenser coil once a year.
- Reduce your usage by 10-20 percent by caulking and weather-stripping your doors and windows.
- Kick it up a degree. When you're air conditioning, set your thermostat to 78. Anything lower will increase your cost by approximately 5% for every degree below 78. And if you're going to be away from home, try setting your thermostat even higher. In the winter, set the temperature at 68. Your heating cost will increase 3% for each degree above 68 degrees.

In the Kitchen...

- Keep your refrigerator at 37°- 40° F and your freezer at 5°F.
- Keep your refrigerator filled to capacity, but don't overcrowd to the point where doors cannot be closed or air cannot circulate.
- Vacuum the condenser coils (underneath or behind the unit) every three months or so.
- Check the condition of door gaskets by placing a dollar bill against the frame and closing the door. If the bill can be pulled out with a very gentle tug, the door should be adjusted or the gasket replaced.
- Do not put uncovered liquids in the refrigerator. The liquids give off vapors that add to the compressor workload.
- Plan ahead and remove all ingredients for each meal at one time.
- Allow hot food to cool off before putting it in the refrigerator.

- Try switching off the power-saver switch, if your refrigerator has one. If only a small amount of condensation appears, save energy and leave the switch off.
- Only use pots and pans with flat bottoms on the stove.
- Develop the habit of "lids-on" cooking to permit lower temperature settings.
- Carefully measure water used for cooking to avoid having to heat more than is needed.
- Begin cooking on highest heat until liquid begins to boil. Then lower the heat control settings and allow food to simmer until fully cooked.
- Cook as much of the meal in the oven at one time as possible. Variations of 25°F still produce good results and save energy.
- Rearrange oven shelves before turning your oven on - and don't peek at food in the oven! Every time you open the oven door, 25°-50°F is lost.
- There is no need to preheat the oven for broiling or roasting.
- Use your microwave oven whenever possible, as it draws less than half the power of its conventional oven counterpart and cooks for a much shorter amount of time.
- Your dishwasher uses less water than washing dishes by hand. Then let dishes air-dry to save even more!

When doing Laundry...

- Hang your laundry outside when weather permits.
- Clean the lint filter thoroughly after each use.
- Avoid over-drying. This not only wastes energy, but harms the fabric as well.
- Dry towels and heavy cottons in a separate load from lighter-weight fabrics.
- Do your laundry efficiently by using the warm or cold water setting for washing your clothes. Always use cold water to rinse clothes.

Eliminate wasted energy...

- Turn off appliances, lights and equipment when not in use.
- Unplug electronic devices and chargers when they aren't in use-most new electronics use electricity even when switched "off." Turn computers and printers off at the power strip.
- Unplug or recycle that spare refrigerator in the garage if you don't really need it. This will save you up to \$150 per year!



The way energy should be

1425 Corporate Center Drive
Sun Prairie, WI 53590
P: 608.834.4500 F: 608.837.0274
www.wppienergy.org

MEMORANDUM

TO: WPPI Energy Member Utility Managers
CC: All WPPI Energy Staff
FROM: Roy Thilly
DATE: August 5, 2009
SUBJECT: Developments; Wholesale Power Bills for June

This special Developments memo focuses on a single issue – rates. Our staff has received a number of questions concerning high average power costs reflected in wholesale power bills in July for June consumption. I'm sure members have received similar inquiries from their customers. This memo addresses the drivers behind our bills for June consumption, describes actions that WPPI Energy is investigating to mitigate wholesale bill volatility and identifies actions that members can take to lessen the impact on customers of power cost volatility.

Wholesale Bills for June Consumption

The high average power cost we experienced for June consumption was caused by a combination of two factors:

1. The deep recession our country is experiencing has resulted in significantly lower overall electricity consumption on the WPPI Energy system. Loads have dropped by 8 to 10%, primarily as a result of cutbacks in the industrial sector, and
2. Wisconsin experienced a much cooler June than normal, coupled with a few very hot, humid days at the end of the month.

These factors combined to cause significant declines in load factors for the WPPI Energy system as a whole and for many members. In fact, some members experienced the lowest load factors they have ever seen, with decreases of more than 20% compared with their May load factors. Because of the way electric rates are structured for all utilities, including WPPI Energy and its members, the higher a user's load factor, the lower its average cost of power will be. This occurs because a high load factor customer uses electricity around the clock and thus takes a significant percentage of its energy in the off-peak period when the cost of energy is low. Conversely, a customer with a low load factor generally takes a high percentage of its energy during the high priced on-peak period. This increases its average cost of power.

Much of the load decrease WPPI members have experienced as a result of the recession has occurred off-peak because industrial firms have cut second and third shifts, as well as weekend shifts. Such customers are taking less low cost, off-peak energy, increasing their average per unit cost of electricity, even though the total amount of electricity they are using is less than before. The resulting impact is to lower our system load factor, as well as the load factor of the member serving such an industry.

The weather in June substantially aggravated this problem. We had very hot and humid weather in the last week of June which set high billing demands for members. However, member energy usage over the full month was much lower than projected as a result of very cool weather for three out of four weeks. The combination of high monthly demands and low energy usage resulted in even lower monthly member load factors than recession impacts, which in turn increased the average cost of power delivered by WPPI Energy.

To put some numbers on this situation, WPPI Energy's load factor in June was 12 percentage points lower than in May. The impact on WPPI Energy of this lower load factor, taken in isolation, was a 5% increase in our average billed cost of power. However, some of our members experienced drops of 20 percentage points or more in their June load factors compared to May. When billed, these members experienced a considerably higher percentage increase in their average cost than the 5% experienced by the WPPI Energy system as a whole.

On the retail side, for example, we know of one industrial customer whose load factor dropped from 67% to 33% because it eliminated off-peak shifts. Although this customer used substantially less electricity than it had in the past, its average cost per Kwh of electricity increased by almost 20%, because of its substantially lower load factor and low off-peak consumption. The customer understandably perceived this change in its average cost as the result of a rate increase. It was not. In fact, had the customer maintained a 67% load factor, the increase in average power cost it would have experienced in June would have been very small. The same would have been true for most members. We recalculated one member's bill where a 20% load factor decrease occurred and found that its average cost of power in June would have been almost identical to its May cost had the member maintained its May load factor.

Bills in August for July Consumption

We are in the process of pulling together the bills that will be sent next week to our members. July was also much cooler than normal, but we did not experience a demand price spike because of the few days of hot weather. While loads in total were down significantly, resulting in fewer billing units over which to spread our fixed costs than projected in our budget, this cost problem was offset by substantially lower market energy costs, also due to the recession. Our Operation Center was able to buy energy on the market for less than the cost available under our formula rate contracts with the IOUs and thereby achieved significant savings. As a result of these factors, our demand and energy adjustment clauses will be negative in August bills for July consumption. While all the numbers are not yet in, we believe our average power cost should be very close to budget.

What WPPI Energy Can Do

WPPI Energy rates do not contain an equity return and we are required by our bond resolution to charge rates that recover our costs plus debt service coverage. Since we have no equity cushion, this means our rates must reflect our actual costs on an ongoing basis.

We recognize that cost volatility, particularly as it results in PCAC charges fluctuations on member retail bills, is a significant issue. It is important to note, however, that what occurred in June was not driven by increases in our costs reflected in WPPI Energy's adjustment clauses. Instead, the high per unit cost experienced in June resulted from the application of our base rates to low load factor usage. Volatility in member PCACs also is often a result of changes in member load factors rather than cost volatility reflected in WPPI Energy's wholesale rates. To the extent this is true, there is little we can do.

However, cost volatility in our wholesale rates does occur from time to time with a negative impact on member PCACs. As a result, we are looking at several mechanisms that may help levelize costs. Today we true-up our rates on a monthly basis through our adjustment clauses. The alternatives we are looking at include using a six-month rolling average true-up for adjustment clause purposes or a quarterly or semi-annual true-up. We need to run numbers to be sure that taking these actions will provide a meaningful benefit for members in terms of levelizing costs. We also need to make sure that these mechanisms will not create a coverage problem for WPPI Energy under our bond resolution. We will complete these analyses over the next month and a half and, if the results are favorable, propose a change to our rate schedule for 2010.

What Members Can Do

Although none of us can change the weather, or the impact of the recession on rates, there are actions members can take to mitigate somewhat price volatility for customers.

First, some members' billing periods for retail service are not aligned with our wholesale billing period. We use a calendar month billing period to coincide with how we are billed by the IOUs under the formula rates. Some members bill at mid-month or after the third week of the month. This causes a mismatch between the Kwh for which a member is billed by WPPI Energy and the Kwh the member uses to bill its retail customers.

In June, as a result of this misalignment, members that did not bill on a calendar month basis billed out their June wholesale power costs to their customers without using the high consumption period that occurred at the end of the month. As a result, they billed the costs they experienced using a fewer number of Kwh than they were billed for. This mismatch increased the average cost of power billed to retail customers, resulting in higher bills than would have occurred if the billing periods were aligned.

A number of our members have taken action to align billing periods for all customers. Others have aligned the billing cycles for the largest customers on their system. Members that do cycle

billing, that is, bill several times during a month, cannot do a full alignment. However, other members can. Alignment does require a transition adjustment. Since members are also billing sewer and water, there may be issues that may make it difficult to align. However, wherever possible, this alignment should be done, because the mismatch can have a significant cost impact when circumstances occurred as in June.

Another second step that members can take is to roll their PCAC costs into base rates on a regular annual basis. We will be contacting each Wisconsin member concerning our efforts with the PSC in this regard. Many questions arise when the PCAC becomes a larger positive adder because a member has not had a base rate change for a number of years and, as a result, in a rising-rate environment, is collecting a significant amount through the PCAC. In some cases, the adjustments went as high as five cents with the June bills.

WPPI Energy staff has recently met with the Public Service Commission about this issue. In the past, the PSC staff has been reluctant to allow annual PCAC roll-ins of costs to base rates without a full rate case. They have been concerned that members that have not modified their base rates for a number of years may be charging rates that no longer reflect costs. However, we now believe we have agreement from the PSC to allow annual roll-in adjustments for members as long as they undertake full-rate case reviews on a reasonable schedule. We strongly urge members to take this step. It should substantially lessen the questions that occur about the PCAC.

Controlling Costs

WPPI Energy has also taken a number of steps over the last 18 months to control our costs. These steps include:

1. We have refinanced all our short-term auction rate debt and terminating interest rate swaps that presented financial risk. All our debt is now low-cost, long-term, fixed-rate debt that was issued before the increase in tax exempt interest rates that have occurred because of the recession.
2. In February, anticipating a difficult 2009, we reduced our Administrative and General and Operation and Maintenance budgets for the year by 8½ % and lowered our purchased power and fuel cost budget by 6.7%. These adjustments reduced our 2009 revenue requirement by \$25 million.
3. As mentioned above, our Operations Department has worked hard to manage our resource portfolio as efficiently as possible. Operations has been taking advantage of the fact that gas prices have dropped precipitously and daily wholesale energy prices have been significantly lower in 2009 than in the past. As a result, we have cut our energy purchases under our long-term formula rate contracts with the IOUs, and substituted lower cost market energy. This strategy has offset to a significant degree the per unit demand cost increase we are experiencing because of lower loads over which to spread fixed costs.
4. We also have informed staff that for the 2010 budget no new projects should be proposed that are not key elements of our approved Business Plan, and that we will have no new hires. We will be looking very hard at the budget to do what we can to control costs. However, given our

approximately \$400 million revenue requirement, it would take about a \$4 million reduction in costs to reduce rates by 1%. Since about 95% of our budget is for the most part not under our control – fuel and purchased power costs, debt service and power plant O&M – our ability to reduce costs is limited. This does not mean, however, that we should not control costs wherever we can.

Safety Achievement Awards Presented at Annual Conference

The 2008 MEUW Safety Achievement Awards were given out at the 2009 MEUW Annual Conference in Manitowoc in the morning on Thursday, June 25.

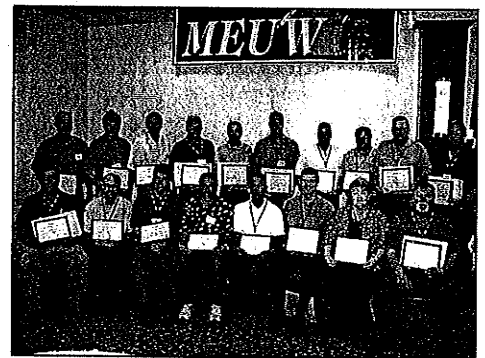
In its tenth year, the Award is a voluntary reporting system that MEUW developed to recognize safety achievement and to encourage pro-active safety activities. This year, 70% of the MEUW membership (57 Members) participated by filing reports, an all time high. Forty-nine Members received awards this year.



Thirteen Class C Utilities (over 20,000 annual worker hrs.) received awards. Front (L-R): Tom Bushman, Two Rivers; Jason Bieri, Sturgeon Bay; Bob Friberg, Florence; Rick Wicklund, Sun Prairie; Bob Kardasz, Stoughton. Back (L-R): Scott Reimer, Rice Lake; Melanie Krause, Menasha; Bob Trussoni, Marshfield; Eric Miller, Kaukauna; Darnell Hendricks, Hartford; Mark Niggemeier, Oconomowoc; Ron Navis, Plymouth. Not pictured: Manitowoc.



Twelve Class B Utilities (10,001-20,000 annual worker hrs.) received awards. Front (L-R): Kennan Buhr, Lodi; Dave Dresen, Waunakee; Zak Bloom, Waupun; Carl Gaulke, River Falls. Back (L-R): Ryan Sheehy, Arcadia; Art Schmitz, Elkhorn; Dennis Horner, New Richmond; Dave Mikonowicz, Reedsburg; Dale Bender, Richland Center. Not pictured: Bangor; Medford; Wisconsin Dells.

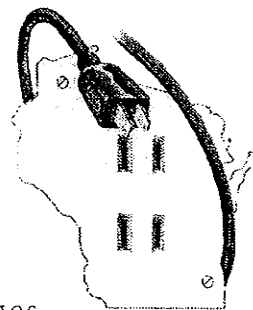


Twenty-four Class A Utilities (10,000 or fewer annual worker hrs.) received awards. Front (L-R): Herman Mack, Sauk City; Mike Reynolds, Boscobel; Eric Anthon, Columbus; Mel Kreul, Cuba City; John Murphy, Fennimore; Randy Jaeckels, New Holstein; Lisa Christensen, Oconto Falls; Pat Drone, Prairie du Sac. Back (L-R): Todd Tessmann, Hustisford; Ron Silverthorn, Elroy; Dennis Dederling, Kiel; Dave Herfel, Mt. Horeb; Troy Wardell, Muscoda; Scott Jelle, New Glarus; Dave Tracey, Pardeeville; Jeff Peterson, Brodhead; Eugene Weihert, Waterloo; Gregg Hanson, Westby. Not pictured: Barron; Clintonville; Cornell; Eagle River; Juneau; Whitehall.

If any recipients would like an electronic copy of one of the photos on this page, a sample press release, or extra copies of this issue of *Live Lines*, please contact MEUW Receptionist Shari Baumann (608/837-2263 or sbaumann@meuw.org).

A Coalition
to preserve
Wisconsin's
Reliable and
Affordable
Electricity

Customers First!



Plugging you in to electric industry changes

608/286-0784 • P.O. Box 54 • Madison, WI 53701 • www.customersfirst.org • AUGUST 2009 • Vol. 14, No. 8

Gone with the wind

Wisconsin's District II Court of Appeals ruled last month that Calumet County lacked proper authority to enact broad wind-energy siting restrictions, and a local ordinance that helped trigger the drive for statewide wind-siting standards is now history.

In a decision issued July 15, the court ruled that Calumet County exceeded its authority when it adopted an ordinance that imposed uniform setback requirements and other restrictions on all wind energy facilities.

"We read the Wisconsin statutes to say that our legislature favors alternative energy systems... We also read the statutes to disfavor wholesale local control which circumvents this policy," the three-judge panel wrote.

Existing law permits local municipalities to place restrictions on wind energy systems to protect public health or safety, or if the restriction doesn't raise the system's cost or decrease its efficiency, or if it allows for an alternative system of comparable cost or efficiency.

The court interpreted the statute to mean these prerequisites for local regulation must be met "on a case-by-case basis where the local governing arm first hears the specifics of the particular wind system and then decides whether a restriction is warranted."

The decision noted that the ordinance "arbitrarily" established setback, height, and noise restrictions "for any wind system that might want to exist in Calumet County," adding, "We hold that this 'one size fits all' scheme violates the legislative idea that localities must look at each wind system on its own merits."

Later on, the decision refers disapprovingly to the county having "passed a wind turbine ordinance restricting all wind energy systems uniformly."

The appeals court found Calumet County's ordinance contrary to the intent of the state Legislature on the basis of current law allowing a local standard to be applied to individual wind systems but not to all wind systems collectively.

That aspect of state law would be unaltered by pending legislation that not only directs the PSC to develop uniform statewide standards but also specifies those standards will cover some of the same issues addressed in the overturned Calumet County ordinance, such as minimum setbacks and allowable noise levels. Assembly Bill 256 cleared committee earlier in July on a 10-2 vote recommending passage and at press time was available to be scheduled for floor debate. 💡



New wind farm gets regulatory okay

Alliant Energy's Wisconsin Power and Light subsidiary got the green light from Wisconsin's Public Service Commission last month to build a new wind farm—in southeast Minnesota.

All three commissioners voted to approve the Madison-based utility's proposal to construct the Bent Tree Wind Project in Freeborn County,

Minnesota. The half-billion dollar project is expected to bring 200 megawatts of capacity on line next year. A long-term plan calls for an additional 200 megawatts to be constructed in subsequent years. That would require separate approval from the commission.

Commissioner Lauren Azar noted, "Cur-

rent policies require the Commission to review projects not just to keep the lights on, but also to fulfill a shift to obtain our energy from specific types of generation. This project is consistent with this shift, and will provide for more renewable and low-carbon energy for Wisconsin customers." 💡

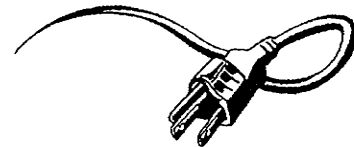
THE WIRE is a monthly publication of the *Customers First!* Coalition—a broad-based alliance of local governments, small businesses and farmers, environmental groups, labor and consumer groups, retirees and low-income families, municipal electric utilities, rural electric cooperatives, wholesale suppliers, and an investor-owned utility. *Customers First!* is a coalition dedicated to preserving Wisconsin's reliable and affordable electricity.

If you have questions or comments about THE WIRE or the *Customers First!* Coalition, please call 608/286-0784.



KEEPING CURRENT

With CFC Executive Director Matt Bromley



Federal legislation to curb greenhouse gas emissions passed its first test on June 26 when the House of Representatives narrowly approved the American Clean Energy and Security Act, H.R. 2454, by a vote of 219-212. The measure has a ways to go before it becomes law and no one is quite sure what will happen in the Senate where support for the legislation is more tenuous.

Politics as the art of compromise was fully exercised as the bill worked its way through the House and sponsors had to make a series of concessions to attract enough votes for passage. Most of the effort focused on gaining support from House members worried about the potential impact on energy costs, especially in carbon-intensive states that have a large manufacturing base and rely on coal for electricity. To allay these concerns, the sponsors agreed to scale back the reduction targets for greenhouse emissions, ease the renewable energy mandate, and modify a carbon cap-and-trade program to provide more free allowances to utilities and industries that emit greenhouse gases.



Bromley

The bill that passed the House sets a goal of reducing greenhouse gases in the United States to 17 percent below 2005 levels by 2020 and 83 percent by 2050. It requires that 20 percent of electricity sold by 2020 must come from renewable sources or through a combination of renewables and efficiency savings. Perhaps the most contentious provision, though, is one that creates a nationwide carbon cap-and-trade system.

The cap-and-trade debate generally centers on whether the federal government should sell or give permits to businesses that could then either emit carbon dioxide up to the amount of their permit, or, if they can hold emissions below that amount, sell or "trade" the permit to the highest bidder in the open market. The compromise House bill sided with temporarily giving a majority of the permits for free to utilities, refineries, and other big users of fossil fuels.

The House action sets the stage for the Senate where battle lines are being drawn. Some who are critical of the House allocation plan want utilities to buy their carbon allowances and use the proceeds to soften the blow of rising energy costs on consumers. Others contend that free allocation keeps utilities from passing the cost of buying permits to their customers. And there is also disagreement within the industry itself on whether certain utilities, like unregulated merchant generators, should be granted free allowances at all. Expect these and many more issues to get a lot of air time in the coming weeks as the climate change debate continues in the Senate. 💡

Sign of the times?

Industry consolidations and the proliferation of non-utility subsidiaries were prominent features of the 1990s electric restructuring mania. When the bloom went off that romance, many companies began restoring focus on their core utility businesses. For Integrys Energy Group, the product of a more recent consolidation involving Green Bay's Wisconsin Public Service Corp., the time has come to sell off its non-regulated consulting business, Integrys Energy Services.

Integrys Energy Group announced near the end of July that the consulting business would be sold to U.S. Energy Services of Minneapolis. The deal was expected to close by this fall. The company said the undisclosed sale price was "in line with Integrys Energy Group's recovered capital expectations associated with its

nonregulated segment divestiture plans."

Integrys Energy Group has subsidiaries providing regulated gas and electric utility services in Illinois, Michigan, and Minnesota in addition to the northeast Wisconsin operations of Wisconsin Public Service Corp. 💡

Energy saver tip

If there's a run of hot, humid weather you can still save energy while maintaining cool comfort in your home. If you use a dehumidifier, put it on a timer set to run at night when power demand is lower. And cooking outdoors helps your air conditioner by avoiding heat buildup in the kitchen. 💡

Transmission plan may draw lawsuit

A major transmission project designed to boost access to northern Plains renewable energy could be the target of a lawsuit by Minnesota opponents who want to overturn regulatory approval granted this spring by the Minnesota Public Utilities Commission.

The Citizens Energy Task Force (CETF) said in mid-July it may file suit to block the \$1.7 billion, multi-state project involving Xcel Energy, Dairyland Power Cooperative, WPPI Energy, and other municipal and investor-owned utilities serving Minnesota and the Dakotas.

Based in La Crescent, Minnesota, the CETF made its announcement in the wake of the Minnesota commission's decision rejecting the group's petition for a rehearing.

FutureGen back on

First authorized and later scrapped by the Bush administration, the nation's first commercial-scale coal-fired power plant with fully integrated carbon capture and sequestration technology got a new lease on life last month.

The Department of Energy issued a Record of Decision to proceed with the FutureGen project at Mattoon, Illinois.

The move will allow the FutureGen Alliance to move ahead with preliminary design, funding plans, cost estimate refinements, and other activities. The Department of Energy said that phase of action, to be completed early next year, will be followed by a decision whether to continue with plant construction.

FutureGen Alliance is a partnership between the federal government, several of the world's largest coal producers, and major coal consumers including the U.S. subsidiary of Germany's E.ON A.G. and the Huaneng Group, China's largest operator of coal-fired power plants.

If completed, the plant will use integrated gasification combined-cycle technology with carbon dioxide emissions to be captured and sequestered in a deep saline geological formation, the Department of Energy said. When fully operational by its third year of service, the plant is expected to capture 90 percent of its CO₂ emissions. 💡

The commission issued a certificate of need for the CapX2020 project in May and in mid-June the CETF formally requested that commissioners revisit the matter, impose additional conditions on some segments of the project, and withdraw support entirely from a proposed segment of new line between the Twin Cities and La Crosse.

The Minnesota regulators showed no signs of ambivalence in their approval of the project. Their May 22 order granting the certificate of need said opponents had called the project "a subterfuge to speed development of transfer of power from the Western states of North and South Dakota to load in Wisconsin and points further to the east." It rejected those arguments, saying, "The record does not support this fear" and added that credible testimony shows the project will support regional reliability.

"The record shows that denying the application would probably impair the future adequacy, reliability or efficiency of energy supply to Applicants, to Applicants' customers, or to the people of Minnesota and neighboring

states," the commission said.

The order also found the multi-phased project—which would mainly span Minnesota with three new 345-kilovolt lines but would also reach into the Dakotas and Wisconsin—to be "at least as reasonable and prudent as any other alternative," adding, "Conservation, load management and an increased reliance on renewable sources of energy alone will not be sufficient to meet the demonstrated needs."

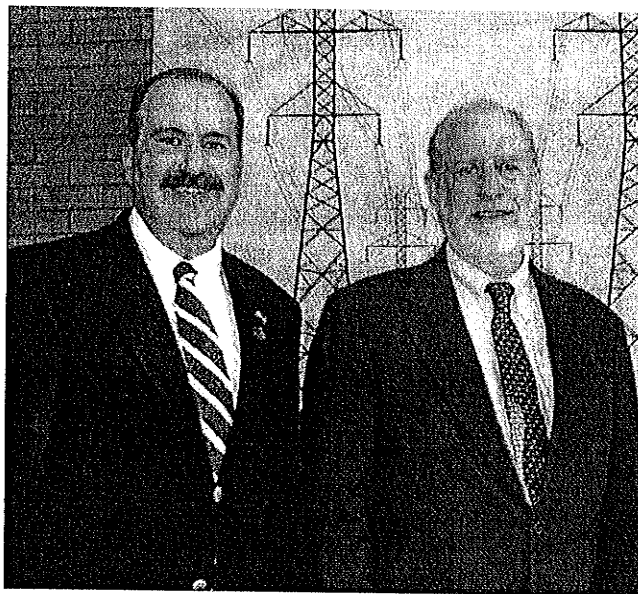
The commission's order said CapX2020 "would benefit society in a manner compatible with protecting the natural and socioeconomic environments."

Among other things, the CETF objected to adding a new line on an existing transmission right-of-way through the Upper Mississippi River Wildlife Refuge. An alternative route bringing the Twin Cities–La Crosse line over farmland in Buffalo, Trempealeau, and La Crosse counties has since been suggested and might overcome that objection. If formally proposed, the alternative route would require fresh regulatory review by Wisconsin's Public Service Commission. 💡

Board members win national honors

Two members of the *Customers First!* Coalition board of directors have been recognized by the American Public Power Association (APPA) for their service to the goals of community-owned electric utilities in Wisconsin and across the U.S.

David Benforado, executive director of the Sun Prairie-based Municipal Electric Utilities of Wisconsin, received APPA's Harold Kramer–John Preston Personal Service Award for substantial



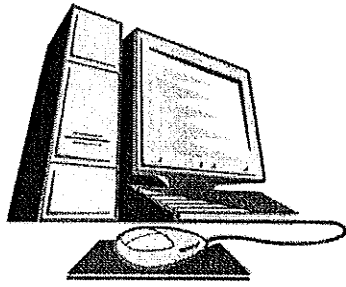
Dave Benforado (left) and Roy Thilly at the June 16 APPA awards presentation in Salt Lake City.

contributions toward association goals. He has been actively involved with APPA for 14 years.

Roy Thilly, president and CEO of WPPI Energy, also based in Sun Prairie, received the Alan H. Richardson Statesmanship Award, given to recognize "public power leaders who work successfully and tirelessly on APPA's behalf" and help bring about consensus on national issues.

Both Benforado and Thilly have been among the leaders of the *Customers First!* Coalition since its founding in 1995. 💡

Be sure
to check out the
Customers First!
web site at



www.customersfirst.org



Quotable Quotes

“If the County and other similarly situated localities believe that localities should be able to decide for themselves whether and to what extent wind systems are welcome in their geographical area, their argument is best made to the legislature.”

—Wisconsin’s District II Court of Appeals, in its July 15, 2009, decision invalidating Calumet County’s wind energy-siting ordinance

Help us share our messages with others. If you know of businesses or organizations that would like to learn more about protecting Wisconsin’s reliable and affordable electricity, please feel free to copy and share with them all or part of this newsletter, or you can call 608/286-0784 to arrange an informational meeting.

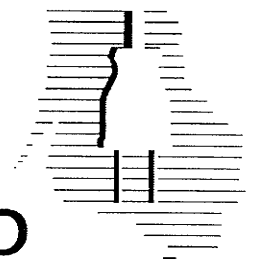
Customers First!
Plugging Wisconsin In



A Coalition
to preserve
Wisconsin’s
Reliable
and Affordable
Electricity

P.O. Box 54
Madison, WI 53701

Customers First!





Stoughton Utilities

600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Needs Since 1886

Date: August 13, 2008
To: Stoughton Utilities Committee
From: Robert P. Kardasz, P.E.
Stoughton Utilities Director
Subject: Stoughton Utilities Committee 12-Month Calendar.

The following calendar is provided for information and discussion.

| | |
|-----------------------|--|
| August 17, 2009 | Regular Meeting - Approve the Stoughton Utilities Wastewater Collection System Study Update - Tour East Electric Substation |
| September 11-12, 2009 | Municipal Electric Utilities Of Wisconsin (MEUW) Fourth Annual Lineman's Rodeo in Sturgeon Bay |
| September 15, 2009 | Regular Meeting At the Wastewater Treatment Facility - Approve and Recommend the Proposed Stoughton Utilities 2010 Budget to the Common Council - Approve and recommend the Twenty-Year (2010-2029) Stoughton Utilities Capital Projects Program to the Common Council - Approve and recommend the proposed non-represented employee compensation adjustments to the Personnel Committee and the Common Council - Tour the Wastewater Treatment Facility |
| September 17-18, 2009 | Wisconsin Public Power, Inc. (WPPI) Annual Conference in Green Lake |
| October 7-9, 2009 | Wisconsin Wastewater Operators Association (WWOA) Annual Conference in Green Bay |
| October 14, 2009 | Regular Meeting - Tour Well No. 5 and Reservoir |



Office 608-873-3379
Fax 608-873-4878
stoughtonutilities.com

| | |
|----------------------|---|
| October 15, 2009 | Stoughton Utilities Public Power Week Open House. |
| October 22, 2009 | Special Meeting - Conduct Hearings for the 2009 Tax Roll Nomination |
| November 4, 2009 | Common Council Committee of the Whole - 2010 Budget and Twenty-Year (2010-2029) Capital Projects Program |
| November 10, 2009 | Common Council Meeting - Approve 2010 Budget and Twenty-Year (2010-2029) Capital Projects Program |
| December 10, 2009 | Stoughton Utilities Holiday Open House |
| December 14, 2009 | Regular Meeting - Authorize payment of December bills |
| January 20, 2010 | Regular Meeting - Approve Declarations of Official Intent |
| February 17, 2010 | Regular Meeting - Discuss Stoughton Utilities 2009 Accomplishments |
| February 22-25, 2010 | American Public Power Association Legislative Rally in Washington, D.C. |
| March 15, 2010 | Regular Meeting - Stoughton Utilities Tax Stabilization Dividends Discussion and Approval |
| March 23, 2010 | Common Council - Accept Stoughton Utilities Tax Stabilization Dividends Recommendation |
| March 24-26, 2010 | Wisconsin Rural Water Association Annual Conference in Green Bay |
| April 19, 2010 | Regular Meeting - Stoughton Utilities 2009 Annual Audit and Management Letter Presentation - Review Drinking Water Consumer Confidence Report (CCR) - Annual Stoughton Utilities Goals Discussion and Approval - Review Wisconsin Public Service Commission Annual Electric and Water Reports |
| April 27, 2010 | Common Council Meeting - Stoughton Utilities 2010 Annual Audit Presentation and approval |
| May 2-8, 2010 | Drinking Water Week |
| May 5, 2010 | WPPI Energy Orientation Meeting |

May 17, 2010 Regular Meeting - First Regular Meeting after the Common Council Reorganization Meeting - Elect Committee Chair and Vice Chair - Annual Studies Discussion and Presentation - Tour Stoughton Utilities Building

June 9-11, 2010 Municipal Electric Utilities of Wisconsin (MEUW) Annual Conference in Green Bay

June 14, 2010 Regular Meeting - Approve and recommend the Wastewater Compliance Maintenance Annual Report (CMAR) and Resolution to the Common Council - Stoughton Utilities Green Energy Discussion

June 22, 2010 Common Council Meeting - Approve Compliance Maintenance Annual Report (CMAR) and adopt corresponding resolution

July 19, 2010 Regular Meeting

cc: Sean O Grady
Stoughton Utilities Operations Superintendent



Stoughton Utilities Activities Reports

July 2009

ADMINISTRATION – Utilities Director Robert P. Kardasz, P.E.

A significant amount of construction continued in the service territory in July. Time-sensitive activities continued on the electric and water distribution systems, the sanitary sewer collection system, and in the office where your staff continues to work with customers fulfilling their financial obligations. Procedures continue to improve as we help customers address those obligations. Construction on Isham Street, Main Street, S. Page Street and Seventh Street was completed on schedule while electric system projects in two rural subdivisions, shallow water service abatement and valve replacement and flushing continued. Sanitary sewer flushing and televising also continued. Projects also moved forward at Well No. 5 and at the wastewater treatment facility on schedule.

ACCOUNTING – Kim M. Jennings, CPA

Accomplishments:

- Stoughton Fair booth, July 1-3.
- Assisted with Summer Savings Challenge (set up).
- Finalized proposal for utility building purchase.
- July investment sales/purchases.
- Monthly account reconciliation, reporting and billing statistics for June 2009.

In Progress:

- Reviewing internal control procedures for billing, accounting, information systems and customer service.
- Developing financial statement report format including notes and supplemental schedules for year-end reporting.
- Monthly account reconciliation and reporting for July 2009.
- Utilities 2010 budget.

CUSTOMER SERVICES AND INFORMATION TECHNOLOGIES DIVISION – Utilities
Office and Information Systems Supervisor Brian R. Hoops

Accomplishments:

- Staff has been busy receiving and processing signup forms for the 2009 Summer Savings Challenge. Over 1,200 households have accepted our challenge to reduce their August electricity usage by 15%.
- Issued nearly 1,000 10-day notices and 140 24-hour notices to customers with delinquent accounts. Disconnected all accounts that remained unpaid.
- Staff processed utility billing and collections, accounts payable, payroll, and daily cash deposits.

In Progress:

- Staff is reviewing our processes during our monthly disconnection procedures for areas to improve communication, and streamline the process.
- Staff is beginning to notify customers on a daily basis when their deferred payment arrangements have not been met. Daily disconnections will follow soon.
- Staff is beginning to calculate and request deposits from customers that remain continuously delinquent.
- Continuing ongoing additions and updates to our documentation for billing, accounting and customer service policies and procedures.

LINE DIVISION, METERING DIVISION AND PLANNING DIVISION – Utilities
Operations Superintendent Sean O Grady

Capital Improvement Plans (CIP'S): Staff is working on updating our 20-year CIP and will have a proposal for Utilities Committee action in September.

Building Remodeling Project: The final walk thru was completed, punch list items are scheduled to be completed in early August and the project is tentatively scheduled to be closed out soon thereafter.

Vandalism: Our underground trenching contractor received a fair amount of equipment damage to a trenching machine left on the job site in a wooded area south of the City limits. The Sheriff's Department was contacted and an investigation initiated. That afternoon, I received a phone call from a parent of an eleven year old indicating her son confessed to the prank along with a 17 year old autistic friend.

Safety Camp and Truck Display: Staff participated in the Stoughton Police Department's Safety Camp program which included a table top demonstration on electric safety. Staff also participated and displayed a few of our trucks at the Stoughton Public Library's "Big Truck Show" located at Mandt Park.

Charter Communications: Staff continues to work with WPPI Energy and Charter Communications with communication errors at our East Electric Substation metering equipment. Each time the communications system trips off line, WPPI Energy's SOC Center loses data communications.

Green Max Home: Electric service was provided to the job site for the second green max home to be constructed in the State of Wisconsin. This site is located on Lake Kegonsa Road in the Township of Rutland and will be owned by a couple relocating from Madison.

Two-Way Radio System: We continue to work with our maintenance provider on our radio interference problem. The staff from the Chicago Office of the Federal Communications Commission has been in our area monitoring our frequency to pinpoint the cause. This interference remains under investigation.

Electric Supervisory Control and Data Acquisition (SCADA System): Staff continues to work with Nova Tech on punch list items to complete the upgrades to the system. We hope to have this project closed out in early August.

Main Street Utility Reconstruction Project: All water and sanitary sewer mains along with laterals have been installed and the old systems abandoned. Crews are currently working on the City's storm water project, curb and gutter and laying pavement. The street is scheduled to be open for traffic and detour routes removed by the end of July or early August.

Water Operator Vacancy: Lawrence Scheel from the Utilities Planning Division was offered and accepted the position of Water Operator I. Congratulations Lawrence!!!

Line Division: Along with normal maintenance, crews are working on a pole replacement/upgrade project south of town in the River Wood Subdivision. This project will take us through the summer/fall construction season. One crew is working on an underground primary cable upgrade project in the Township of Dunn.

Wastewater System Study: Staff has reviewed a draft Wastewater System Study and Strand & Associates will have a Committee presentation in August.

WASTEWATER DIVISION – Utilities Wastewater System Supervisor Brian G. Erickson

Strand Associates, inc. continues to work on the sanitary sewer system study. The study will help direct us for our future capital improvement plans.

Sewer lining projects over the past six years has amounted to 7 % of the sanitary sewer system being lined with cured in place piping. I anticipate over the next five years another 10 % of the system will be lined.

The blower project at the wastewater plant is scheduled to be completed in August. The blower and some equipment have also arrived. The contractor will be on site to install the unit the second week in August.

I attended a Mercury Pollutant Minimization Program class in Stevens Point. This class was directed by the WDNR as a mandate to reduce mercury pollution entering the wastewater plant.

Staff continues to clean sewers, repair manholes and televise the collection system.

The precipitation for the month was 2.06 inches.

The wastewater treatment facility processed an average flow of 1.25 million gallons per day with a monthly total of 39 million gallons.

WATER DIVISION – Utilities Water System Supervisor Roger M. Thorson

The water infrastructure reinforcement project on Main Street and Seventh Street was completed in mid-July. Contractors are now working on the installation of storm sewer and curb and gutter replacement. Construction is planned to be completed mid-August.

Staff has been busy the past month working on system maintenance including replacing broken water main valve boxes, insulating shallow water services, and some system flushing of fire hydrants. We are also sharing staff with the Wastewater Division in black topping water and wastewater road patches.

We had two motor starters replaced on our 100-horsepower booster pumps at well # 5 with two new variable frequency drives which will reduce energy costs, and extend the life of the electric motors. We are applying for a bonus incentive offered by Focus on Energy which will cover 50% of project cost.

Staff participated in some in house refresher safety training.

ENERGY SERVICES SECTION OF THE PLANNING DIVISION – Stoughton Utilities/WPPI Energy Energy Services Representative Alicia Rankin

July Activities

- Presented PowerTOWN at the Stoughton Safety Camp.
- Attended solar Photovoltaic (PV) site assessment at the Stoughton Public Library and provided renewable energy project funding information to the Library Facilities Committee for proposed systems.
- Installed Aztech energy monitor at residential customer's home.
- Provided Uniroyal with technology and incentive information for a potential lighting upgrade.
- Conducted walk-through audit at Galva Closure with a Focus on Energy representative.
- Provided Cummins Filtration with data from an energy monitor for maintenance garage.
- John & Rebecca Scheller will be building a net-zero energy home in Stoughton through WPPI Energy's GreenMax Home program. The interconnection documents for their solar PV system were signed in July. They will also be participating in the solar buy-back tariff.

- Submitted articles for the fall Local Circuit mailing.

August Objectives

- Appointments scheduled with residential customers concerned with electric bills.
- Attend GreenMax Home kickoff ceremony.

Dates at Stoughton Utilities in July: 2, 8, 13, 23, 29

SAFETY COMPLIANCE SECTION OF THE PLANNING DIVISION – Stoughton Utilities/Municipal Electric Utilities of Wisconsin Southeastern Regional Safety Coordinator Christopher Belz

Accomplishments

Training

- Developed and Trained on the topic of Blood Borne Pathogens
- Developed and Trained on the topic of Hazard Communications

Audits/Inspections

Compliance/Risk Management

Working on Evacuation Maps for renovated facility

- File records from the Red Training File
- Continued a review of the Fall Protection Written Program
- Completed Incident Investigation and reports
- Started Equipment Damage Investigation/report
- Develop/Distribute WDNR Credits from Safety Training
- Enter Educational Credits (CEU's) into the database
- Created/edited/distributed Tailgate Checklists
- Set up respirator medical evaluation forms and provided them to employees

Goals & Objectives

Training

- Complete all Wisconsin Department of Commerce (DCOMM) regulated training topics
 - Develop/Train on the topics of Emergency Evacuations and proper Fire Extinguisher techniques

Audits/Inspections

- Inspect all Crews periodically to ensure safety compliance
- Perform facility inspections in all Stoughton Utilities facilities
- Audit all safety training records

Compliance/Risk Management

- Audit Energy Control Procedures in the Control of Hazardous Energy Procedures
- Review Written Safety Programs (BBP, Excavation Respirator and Occupation Noise, LO/TO and PPE finished)

Dates Safety Coordinator was at Stoughton Utilities: July 8, 13, 20 and 27

Please visit us on our website at www.stoughtonutilities.com to view current events, follow project schedules, view meeting notices and minutes, review our energy conservation programs, pay your utilities bill via the internet, or to learn more about your Stoughton Utilities Electric, Wastewater and Water services.



Stoughton Utilities

600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Needs Since 1886

Date: August 13, 2009

To: Stoughton Utilities Committee

From: Robert P. Kardasz, P.E.
Stoughton Utilities Director

Subject: Status Of Stoughton Utilities Committee July 20, 2009 Recommendation
To The Stoughton Common Council.

July 28, 2009 Stoughton Common Council Meeting

- Approved the Stoughton Utilities Payments Due List.

cc: Sean O Grady
Stoughton Utilities Operations Superintendent



Office 608-873-3379
Fax 608-873-4878
stoughtonutilities.com





Stoughton Utilities

600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Needs Since 1886

Date: August 13, 2009

To: Stoughton Utilities Committee

From: Sean O Grady
Stoughton Utilities Operations Superintendent

Brian G. Erickson
Stoughton Utilities Wastewater System Supervisor

Subject: Stoughton Utilities 2009 Wastewater System Study Update.

The Stoughton Utilities 2009 Wastewater System Study Update will be presented to the Stoughton Utilities Committee on August 17, 2009 by Mark Fisher of Strand Associates, Inc. Hard copies of the study are being provided. Please do not copy any portions of the study, and for security reasons, the study will be collected after the presentation.

Approval of the Stoughton Utilities 2009 Wastewater System Study Update is requested.

Encl.

cc: Mark A. Fisher, P.E.
Strand Associates, Inc.

Robert P. Kardasz, P.E.
Stoughton Utilities Director

Kim M. Jennings
Stoughton Utilities Finance and Administrative Manager



Office 608-873-3379
Fax 608-873-4878
stoughtonutilities.com





Stoughton Utilities

600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Needs Since 1886

Date: August 13, 2009

To: Stoughton Utilities Committee

From: Kim M. Jennings, CPA
Stoughton Utilities Finance and Administrative Manager

Robert P. Kardasz, P.E.
Stoughton Utilities Director

Subject: Proposed Building Purchase From The City Of Stoughton By Stoughton Utilities Status Report No. 4.

Meetings have been ongoing between the City of Stoughton, Stoughton Emergency Medical Service (EMS) and Stoughton Utilities to transfer the title of the Stoughton Utilities Building to Stoughton Utilities. The transfer would include the Stoughton Utilities financing of 2009-2010 EMS Remodeling Project and the temporary relocation of the Stoughton Youth Center. The title transfer would not affect the Stoughton Food Pantry.

The building purchase was discussed at the Stoughton Utilities Committee and Stoughton Finance Committee meetings held on July 20, 2009 and July 28, 2009. In response to all comments and questions from the July meetings, we have adjusted the original proposal to include an up-front payment from the Utility to the City equal to the City's net book value of the building, or \$596,000. Subsequently, the cost to remodel the EMS space will be accounted for by the utility as a non-operating transaction. We believe the changes to the proposal result in a win-win situation for all departments involved.

It is requested that the Stoughton Utilities Committee approve and recommend the purchase of the Stoughton Utilities Building to the Stoughton Finance Committee and the Stoughton Common Council on August 25, 2009.

cc: Sean O Grady
Stoughton Utilities Operations Superintendent

Laurie Sullivan
Stoughton Finance Director and Treasurer



Office 608-873-3379
Fax 608-873-4878
stoughtonutilities.com



Stoughton Utilities
Proposed Purchase of Utility Administration Building

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-----------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Net Present Value Factor at 3% | 1.000000 | 0.970874 | 0.942596 | 0.915142 | 0.888487 | 0.862609 | 0.837484 | 0.813092 | 0.789409 | 0.766617 | 0.744094 | 0.722421 |
| <i>Annual Financial Impact on Utility Revenue Required</i> | | | | | | | | | | | | |
| Removal of Rent Expense to City (gross)* | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) |
| Increased Depreciation on Purchased Building | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 |
| Increased PILOT on Purchased Building | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 |
| Increased Return on Purchased Building | 38,000 | 36,000 | 34,000 | 31,000 | 29,000 | 27,000 | 25,000 | 23,000 | 21,000 | 19,000 | 17,000 | 15,000 |
| Removal of EMS/Youth Center rent from Operations | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 |
| Increase (Decrease) in Revenue Required | \$ 1,000 | \$ (1,000) | \$ (3,000) | \$ (6,000) | \$ (8,000) | \$ (10,000) | \$ (12,000) | \$ (14,000) | \$ (16,000) | \$ (18,000) | \$ (20,000) | \$ (22,000) |

| | | | | | | | | | | | | |
|--------------------------|-----------------|-----------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Net Present Value | \$ 1,000 | \$ (971) | \$ (2,828) | \$ (5,491) | \$ (7,108) | \$ (8,626) | \$ (10,050) | \$ (11,383) | \$ (12,631) | \$ (13,796) | \$ (14,882) | \$ (15,893) |
|--------------------------|-----------------|-----------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|

Annual Cash Flow Impact on Utility

| | | | | | | | | | | | | |
|--|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Removal of Rent Expense to City (gross)* | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 |
| Increased PILOT on Purchased Building | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) |
| Increased Dividend to City (PILOT on EMS Project) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) |
| Lost Interest Income | (54,000) | (53,000) | (51,000) | (50,000) | (49,000) | (47,000) | (46,000) | (44,000) | (43,000) | (41,000) | (40,000) | (38,000) |
| Increased Rent from EMS | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 |
| Purchase of Building and Completion of EMS Project | (1,800,000) | | | | | | | | | | | |

| | | | | | | | | | | | | |
|---|-----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Increase (Decrease) in Cash Flow | \$ (1,758,000) | \$ 43,000 | \$ 45,000 | \$ 46,000 | \$ 47,000 | \$ 49,000 | \$ 50,000 | \$ 52,000 | \$ 53,000 | \$ 55,000 | \$ 56,000 | \$ 58,000 |
|---|-----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|

Stoughton Utilities
Proposed Purchase of Utility Administration Building

| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Net Present Value Factor at 3% | 0.701380 | 0.680951 | 0.661118 | 0.641862 | 0.623167 | 0.605016 | 0.587395 | 0.570286 | 0.553676 | 0.537549 | 0.521893 | 0.506692 | 0.491934 |
| <i>Annual Financial Impact on Utility Revenue Required</i> | | | | | | | | | | | | | |
| Removal of Rent Expense to City (gross)* | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) | (113,000) |
| Increased Depreciation on Purchased Building | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 20,000 | - | - | - | - | - | - |
| Increased PILOT on Purchased Building | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 |
| Increased Return on Purchased Building | 13,000 | 11,000 | 9,000 | 7,000 | 4,000 | 2,000 | 1,000 | - | - | - | - | - | - |
| Removal of EMS/Youth Center rent from Operations | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 |
| Increase (Decrease) in Revenue Required | \$ (24,000) | \$ (26,000) | \$ (28,000) | \$ (30,000) | \$ (33,000) | \$ (35,000) | \$ (48,000) | \$ (69,000) | \$ (69,000) | \$ (69,000) | \$ (69,000) | \$ (69,000) | \$ (69,000) |
| Net Present Value | \$ (16,833) | \$ (17,705) | \$ (18,511) | \$ (19,256) | \$ (20,565) | \$ (21,176) | \$ (28,195) | \$ (39,350) | \$ (38,204) | \$ (37,091) | \$ (36,011) | \$ (34,962) | \$ (33,943) |
| <i>Annual Cash Flow Impact on Utility</i> | | | | | | | | | | | | | |
| Removal of Rent Expense to City (gross)* | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 | 113,000 |
| Increased PILOT on Purchased Building | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) | (12,000) |
| Increased Dividend to City (PILOT on EMS Project) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) | (18,000) |
| Lost Interest Income | (36,000) | (34,000) | (32,000) | (31,000) | (29,000) | (27,000) | (25,000) | (22,000) | (20,000) | (18,000) | (16,000) | (13,000) | (11,000) |
| Increased Rent from EMS | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 |
| Purchase of Building and Completion of EMS Project | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Increase (Decrease) in Cash Flow | \$ 60,000 | \$ 62,000 | \$ 64,000 | \$ 65,000 | \$ 67,000 | \$ 69,000 | \$ 71,000 | \$ 74,000 | \$ 76,000 | \$ 78,000 | \$ 80,000 | \$ 83,000 | \$ 85,000 |
| Net Present Value | \$ (16,833) | \$ (17,705) | \$ (18,511) | \$ (19,256) | \$ (20,565) | \$ (21,176) | \$ (28,195) | \$ (39,350) | \$ (38,204) | \$ (37,091) | \$ (36,011) | \$ (34,962) | \$ (33,943) |



Stoughton Utilities

600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Needs Since 1886

Date: August 13, 2009
To: Stoughton Utilities Committee
From: Robert P. Kardasz, P.E.
Stoughton Utilities Director
Subject: Stoughton Utilities Governance.

Aldersperson Carl Chenoweth has requested that this item be placed on the agenda of the August 17, 2009 Stoughton Utilities Committee Meeting.

Encl.

cc: Sean O Grady
Stoughton Utilities Operations Superintendent



Office 608-873-3379
Fax 608-873-4878
stoughtonutilities.com



070



Stoughton Utilities

600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Needs Since 1886

Date: August 13, 2009
To: Stoughton Utilities Committee
From: Robert P. Kardasz, P.E.
Stoughton Utilities Director
Subject: WPPI Annual Meeting.

The WPPI Energy Annual Meeting will be conducted on September 17 and 18, 2009 at the Heidelberg House Resort in Green Lake. I encourage you to participate in the meeting on September 17, 2009, as some excellent speakers will be addressing challenges in the electric industry. You will also find the September 18, 2009 Business Meeting of interest as well.

Please contact Sean Grady or myself if you elect to participate. The room block will expire on August 22, 2009. Travel and lodging expenses for you and your guest are reimbursable from Stoughton Utilities.

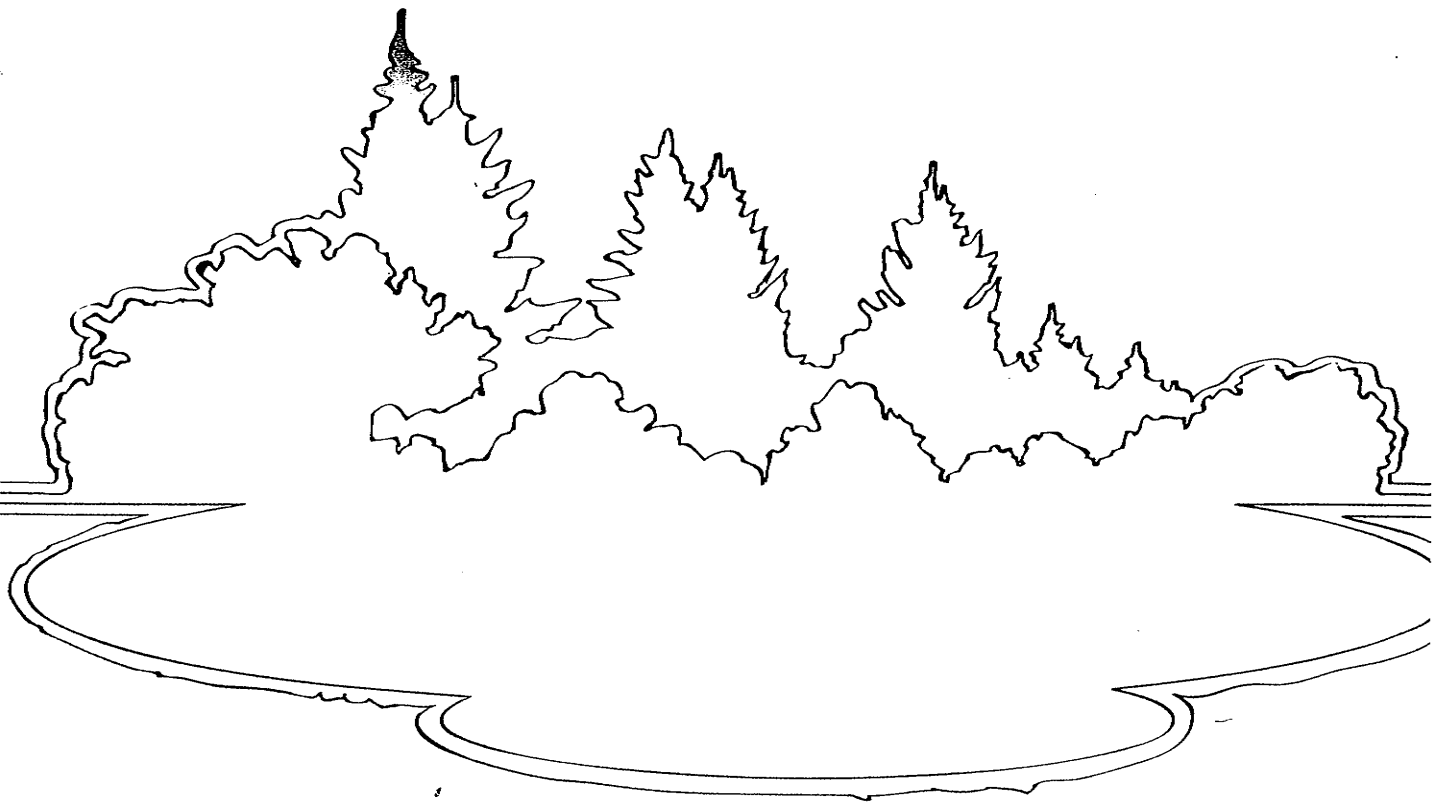
Encl.

cc: Sean O Grady
Stoughton Utilities Operations Superintendent



Office 608-873-3379
Fax 608-873-4878
stoughtonutilities.com





WPPI Energy Annual Meeting September 17-18, 2009

MANY COMMUNITIES. ONE DESTINATION.

MEMBER COMMUNITIES

Wisconsin
Algoma
Black River Falls
Boscobel
Brodhead
Cedarburg
Columbus
Cuba City
Eagle River
Evansville
Florence
Hartford
Hustisford
Jefferson

Juneau
Kaukauna
Lake Mills
Lodi
Menasha
Mount Horeb
Muscodia
New Glarus
New Holstein
New London
New Richmond
Oconomowoc
Oconto Falls
Plymouth

Prairie du Sac
Reedsburg
Richland Center
River Falls
Slinger
Stoughton
Sturgeon Bay
Sun Prairie
Two Rivers
Waterloo
Waunakee
Waupun
Westby
Whitehall

Michigan
Alger Delta CEA
Baraga
Crystal Falls
Gladstone
L'Anse
Negaunee
Norway

Iowa
Independence
Maquoketa
Preston



The way energy should be

This year, WPPI Energy member communities will converge at a beautiful new location, the Heidel House Resort on the shores of Green Lake.

We hope you'll join us, as we celebrate a shared vision and explore continued opportunities for leadership through joint action.

The Heidel House is Travel Green Wisconsin certified. Travel Green Wisconsin is a voluntary program that reviews, certifies and recognizes tourism businesses that have made a commitment to reduce their environmental impact.

WPPI Energy invites you to attend its
2009 ANNUAL MEETING
to be held at the Heidel House Resort



Thursday, September 17

Continental breakfast 8:15 a.m.

Program 9:00 a.m. – 3:30 p.m.

Cocktails 6:00 p.m.

Dinner 6:30 p.m.

Awards presentation to follow

Please join your colleagues for a night around the campfire. Refreshments and s'mores will be served.

Friday, September 18

Breakfast buffet 8:00 a.m.

Member business meeting 9:00 a.m.

PROGRAM • Thursday, September 17, 2009

8:15 a.m. Continental Breakfast

9:00 a.m. Welcome

9:15 a.m.–
12:30 p.m. **Building the future together: Strategies for efficient and sustainable building performance**

Buildings consume 70 percent of the electricity load in the United States. With 15 million new buildings projected to be constructed nationwide by 2015, it is no surprise that sustainable construction and high-performance buildings have come to the forefront in today's society. Joy Altwies will discuss how buildings use energy and ways to reduce energy use in existing buildings to improve operations, and maintainability while saving money. She will also highlight emerging technologies, construction best practices, strategies for sustainability and how the market is responding.

*Joy E. Altwies, P.E.
Program Director
Department of Engineering Professional Development
University of Wisconsin
Madison, WI*

Great minds at work: Neuroleadership and skills to build a shared vision

Neuroleadership is an emerging frontier that integrates neuroscience research and leadership techniques to provide significant insights that help leaders develop more effective approaches. Self-awareness, decision-making and teamwork are some examples of key leadership practices that can be improved by a deeper understanding of how our brains function in today's fast-paced work environments. Lori Cross will discuss tactics for influencing others and creating positive relationships, critical techniques for managing conflict and central drivers of building communities with a shared vision, in spite of differences.

*Lori Cross
President
Mindspan Consulting, LLC
Madison, WI*

[Continued, over]

Start your engines: Advanced automobile technologies for a carbon-constrained world

The transportation sector has major impacts on the environment, contributing nearly 30 percent of the total carbon emissions in the United States. A fundamental change in battery and engine technology will be necessary to achieve a more sustainable, energy-efficient transportation infrastructure. Dr. David Foster will discuss the tremendous opportunities and challenges approaching research of advanced combustion and engine design. He also will discuss how gaining a better understanding of combustion and emission formation processes will lead to more efficient and cleaner engines. With the auto industry at a crossroads, this timely presentation will discuss the future of fuel economy legislation as we become more conscious of our environmental impact.

*Dr. David E. Foster
Engine Research Center
School of Engineering
University of Wisconsin
Madison, WI*

**12:30 p.m.–
1:30 p.m.**

Lunch and Awards Program Presentation

1:45 p.m.

Social marketing: Influencing customers to support energy efficiency programs

There has been quite a buzz in the energy industry about social, or behavior-change, marketing. Why all the interest? As energy efficiency takes on a larger role in meeting our future energy needs as well as helping residents and businesses reduce their costs, it is essential to capture the attention of your customers and provide the valuable information they need. Beyond engagement, it is critical to create support for utility programs and motivate customers to take action. Bill LeBlanc will discuss social marketing tactics that can help increase customer participation in your programs as well as boost your utility's brand.

*Bill LeBlanc
President
Boulder Energy Group
Boulder, CO*

3:00 p.m.

The State of WPPI Energy in 2009

Roy Thilly, President & CEO

3:30 p.m.

Adjourn



Stoughton Utilities

600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Needs Since 1886

Date: August 13, 2009

To: Stoughton Utilities Committee

From: Sean O Grady
Stoughton Utilities Operations Superintendent

Robert P. Kardasz, P.E.
Stoughton Utilities Director

Subject: WPPI Energy/Stoughton Utilities Net Zero Energy Green Max Home
Status Report No. 1.

The Net Zero Energy Green Max Home is under construction with a scheduled December 2009 completion date. The project kickoff ceremony was conducted yesterday.

Encl.

cc: Brian R. Hoops
Stoughton Utilities Information Systems and Office Supervisor

Kim M. Jennings
Stoughton Utilities Finance and Administrative Manager

Alicia Rankin
WPPI Energy/Stoughton Utilities Energy Services Representative



Office 608-873-3379
Fax 608-873-4878
stoughtonutilities.com



GreenMax HOME

A little energy is all it takes.

WPPI Energy

cordially invites
local officials and project partners

to a special kickoff ceremony
for the new net zero energy home of

John & Rebecca Scheller

1102 Lake Kegonsa Road

Stoughton, Wisconsin

Wednesday, August 12, 2009

10:00 A.M.

Refreshments will be served.

RSVP by August 7, 2009

800-255-9774 ext. 4537



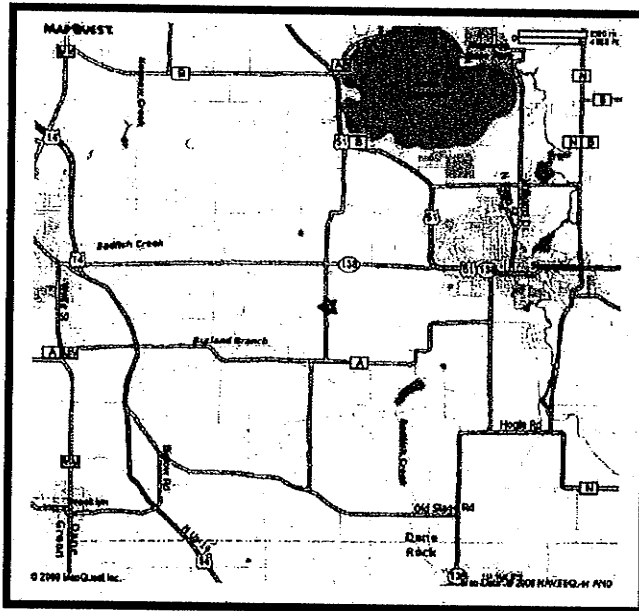
The Schellers are constructing one of the region's first net zero energy homes. Their new residence will be a model for combining state-of-the-art, efficient construction and appliances with renewable energy systems and a commitment to saving energy. As a result, the home will produce at least as much energy as it consumes, creating a "net zero" impact on our nation's energy supply.

Please join WPPI Energy in a special ceremony to help the Schellers kick off their very special environmentally responsible home.

GreenMax HOME

kickoff ceremony
Wednesday, August 12, 2009
10:00 A.M.

John & Rebecca Scheller
1102 Lake Kegonsa Road
Stoughton, Wisconsin





A little energy is all it takes.

FACT SHEET: John & Rebecca Scheller's GreenMax Home

What is a net zero energy home?

- A net zero energy home (NZEH) is designed and constructed to produce as much energy as it consumes.
- The home is connected to the local utility electric grid.
- By installing one or more residential renewable energy systems, such as solar photovoltaics or a wind generator, the homeowners supply back to the grid at least as much energy as they use.
- The result: a home with net zero impact on our nation's energy supply.

About the Scheller home

- John and Rebecca Scheller are building one of the region's first cold-climate NZEH's.
- Partial grant funding was provided through WPPI Energy's GreenMax Home initiative.
- Among their reasons for building a NZEH: the Schellers desire to accommodate their family's needs while also protecting the environment.
- The home lot is located in the Town of Rutland, in the service territory of Stoughton Utilities, a member of WPPI Energy.
- The Schellers worked with Shaw Building & Design, Inc. to design their highly efficient, 4,000 square-foot home and apply for GreenMax Home funding from WPPI Energy.
- Construction commenced July 7, 2009 and is expected to be finished in late November 2009.

The GreenMax Home initiative

- WPPI Energy solicited competitive proposals for NZEHs within WPPI Energy member utility service areas.
- GreenMax Home grants share the incremental cost of taking a highly efficient home to net zero energy use.

About WPPI Energy

- WPPI Energy is a nonprofit utility serving 51 customer-owned electric utilities in Wisconsin, Upper Michigan and Iowa, including Stoughton Utilities.

Why does WPPI Energy want customers to save energy?

- The GreenMax Home initiative is one of many programs by WPPI Energy and its members aimed at helping customers manage their energy use.
- Helping customers become more efficient will help lower customers' utility bills, protect the environment, and help defer the need to build expensive new power plants.

Key features of the Scheller home

- **Building shell improvements** – ENERGY STAR® windows, special attention to air sealing, and increased insulation levels will help prevent energy loss.
- **Solar photovoltaic (PV) system** – Two pole-mounted 2.88 kilowatt arrays of PV panels will harness the power of the sun, tilting and moving to collect sunlight throughout the day.
- **Geothermal systems** – Two ground-source heat pumps will take advantage of stable year-round underground temperatures to provide heating, cooling and hot water.
- **Structural Plumbing** – Advanced plumbing designs and controls to eliminate the need to let taps run before hot water arrives at faucets, reducing water waste and energy use.
- **Simple Design** – The strength and simplicity of the New England Saltbox design, a Colonial style of architecture, makes the building easy to insulate and seal.
- **Attention to detail** – Although unique in its goal of net zero energy use, the home's construction methods are similar to most average homes today. Attention to basic details, such as insulation and air sealing, will help make the home far more efficient.
- **Commitment** -- The homeowners will work with Stoughton Utilities and WPPI Energy to monitor and fine-tune the home's performance to ensure their energy use is truly net zero.

Cost & Funding

The total incremental, "above and beyond" cost to move the Schellers' home from highly efficient to net zero is approximately \$99,000.

- **Focus on Energy Incentives:** \$17,000
- **Federal tax credits:** \$24,000
- **WPPI Energy GreenMax Home grant:** \$42,000
 - \$18,000 awarded at project kickoff
 - \$18,000 awarded upon completion of construction
 - \$6,000 after one year, upon meeting energy use goals
- **Remaining incremental costs for the Schellers:** approximately \$16,000.

Ensuring net zero energy use

- Energy used and produced by the home will be monitored.
- Ongoing updates and details at www.greenmaxhome.com



Stoughton Utilities

600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Needs Since 1886

Date: August 13, 2009
To: Stoughton Utilities Committee
From: Robert P. Kardasz, P.E.
Stoughton Utilities Director
Subject: Stoughton Utilities Committee Future Agenda Item(s).

This item appears on all agendas of Committees of the City of Stoughton.

cc: Sean O Grady
Stoughton Utilities Operations Superintendent



Office 608-873-3379
Fax 608-873-4878
stoughtonutilities.com

