

Regulatory Update

Presented by Dennis Derricks
WIEG Meeting - November 5, 2009



Agenda

- Fuel Re-opener and 2008 & 2009 Fuel cases
- WPSC Decoupling
- Energy Efficiency
- Renewable Energy and Advanced Renewable Tariffs or ART's
- Behind the Meter Generation
- Electric Rate Comparisons

Fuel Cases

- 2009 Fuel Cost—subject to refund since April 25
- 2009 Actuals through September & reforecast of Oct – Dec – yields a refund of \$24.1 M plus carry cost of \$2.2 M through 2010
- 2008 remaining fuel cost to refund of \$0.8 M plus carry cost of \$0.3 M through 2010

2010 Rate Re-opener Limited in Scope - Electric

ATC costs	\$11.7 M
Fuel & Purchased Power	(34.3) M
Emission Control	4.8 M
Emission Allowances	4.0 M
Crane Creek	6.2 M
Pension & Benefits	13.4 M
Enhanced EE (2009 & 2010)	12.4 M
KNPP Spent Fuel Settlement	(1.5) M
ACT 141 deferral recovery	<u>3.1 M</u>
Total	\$19.8 M

2010 Rate Reopener Limited Scope - Gas

Enhanced EE (2009 & 2010)	\$8.1 M
Pension and Benefits	3.5 M
ACT 141	1.7 M
Interdepartmental	<u>0.2 M</u>
Total	\$13.5 M

2010 Rate Reopener & Fuel Case

- Discussion of Record mid Nov, Dec order.
- Netting of increase and decrease.
- Electric - \$7.7 M Decrease.
 - Likely 2-4% decrease for CP class.

Gas - \$13.5 M increase

Decoupling Motion – Remove Caps.

April 1, 2010 file 2011 Rate Case.

Energy Efficiency

- Quadrennial - required by ACT 141
- Phase I – Policy - completed
- Phase II – details. Comments due 11/23.
- Process allows PSCW to recommend increase in EE funding – Joint Finance Committee.

Renewables

- Crane Creek commercialization
- High Country termination - Transmission
- Current projections under current WI RPS – in compliance for several years.

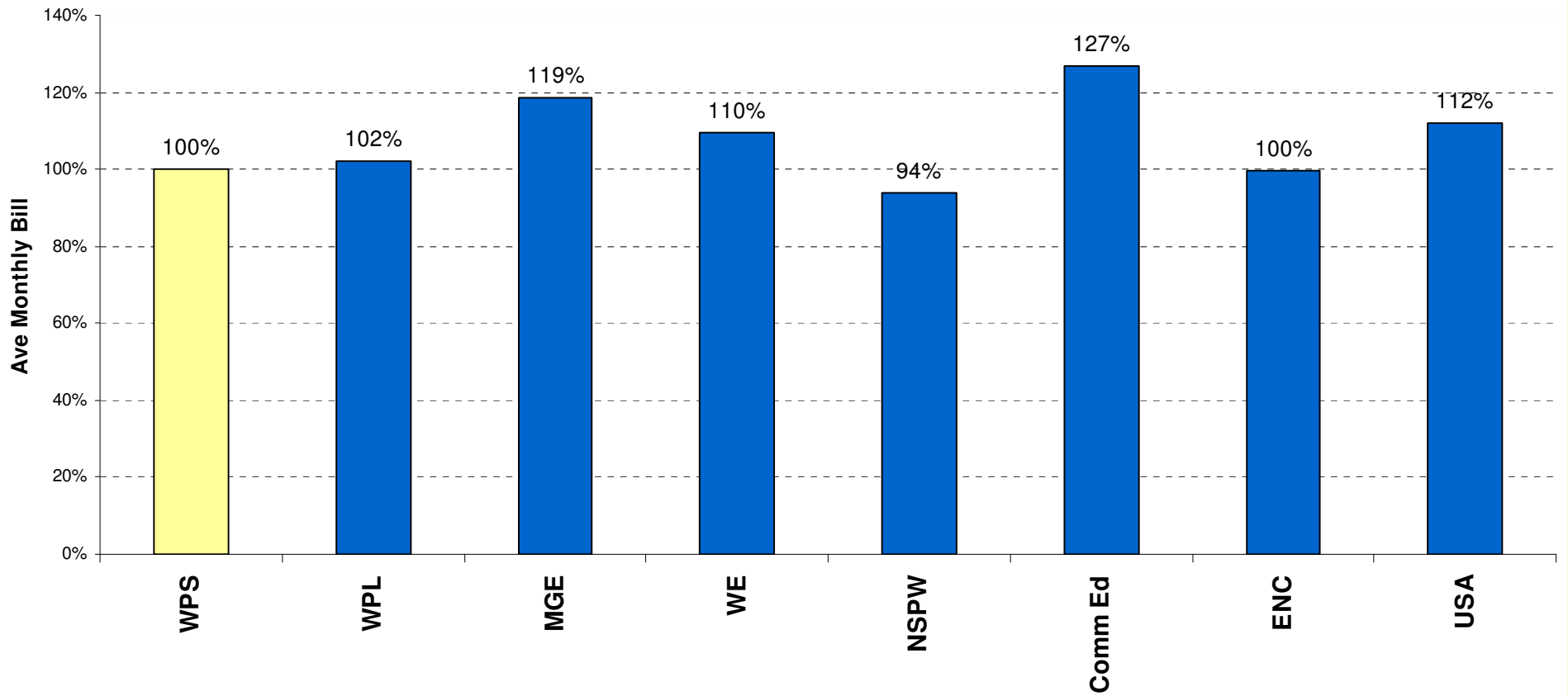
Advanced Renewable Tariffs

- Compensate small renewable generators for power at level to support profitability.
- Part of Gov Task force recommendations.
- PSCW does not have Legal authority to mandate.
 - Federal Law – PURPA – utilities pay at utilities avoided cost
 - State Law – ACT 141 – prohibition of mandating more renewable if Utility in compliance with RPS.
- PSCW Technical Conference – looking for increased voluntary offerings.
- WPSC Pilot – 10 Mw Ag Digesters.

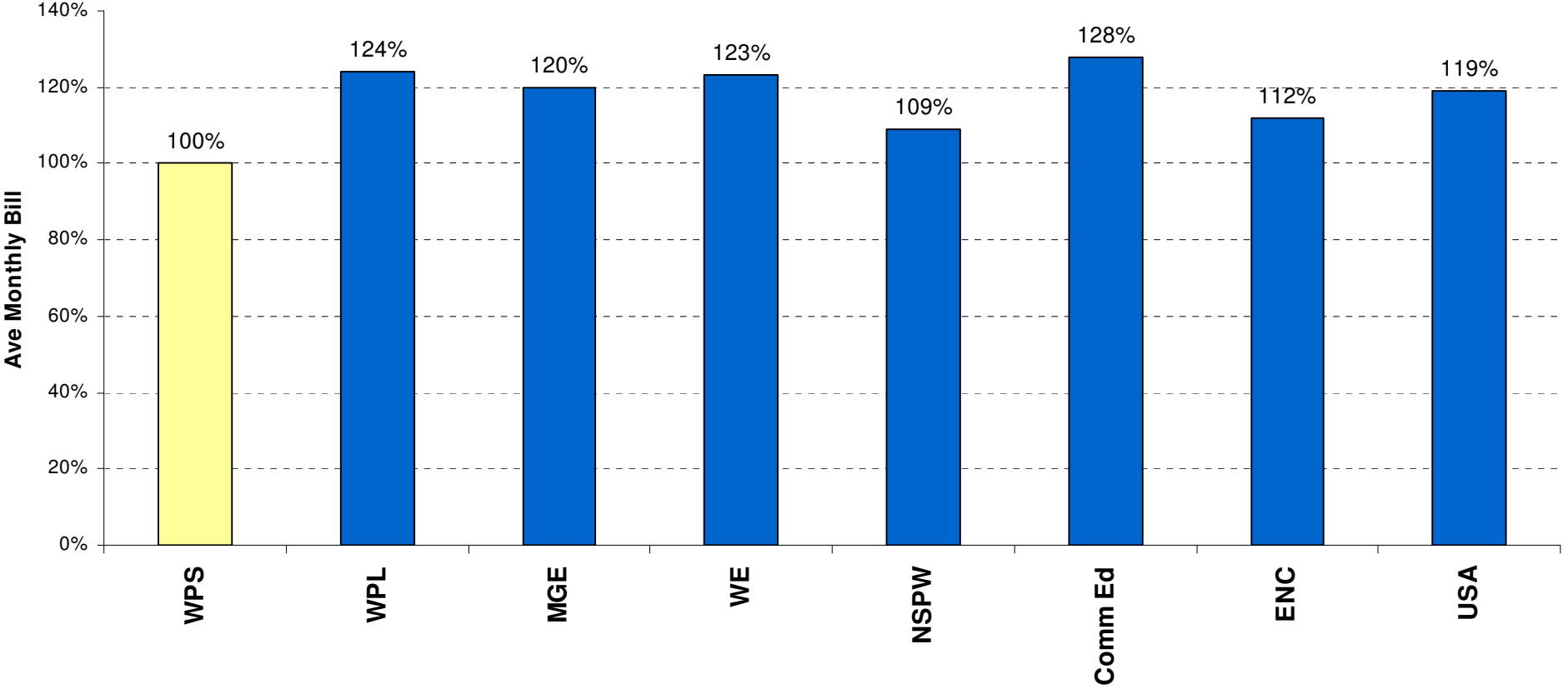
Behind The Meter Generation

- Definition
- Issues and impacts
- Complaint at FERC, Ameren vs. Prairieland State (U of Illinois)
- Docket EL09-69

WPSC VS. IOU'S TOTAL RETAIL RATES 12-Months 6/30/2009 source EEI



WPSC VS. IOUS INDUSTRIAL RATES
12-Months 6/30/2009 source EEI



WPSC VS. IOUS RESIDENTIAL RATES

12-Months 6/30/2009 source EEI

