Being stronger together means something different for each of our 51 locally owned, locally controlled member utilities in Wisconsin, Michigan and Iowa. Each utility benefits in its own way, and each contributes different strengths to our joint action agency. By working together, we provide greater value to the local communities and customers our members serve.

**Stronger Power Supply**

For our not-for-profit member electric utilities, our shared strength is in maintaining a reliable, affordable power supply for their 200,000 residential and business customers. Over the past 32 years, we have acquired and maintained a diverse and flexible power supply portfolio comprised of short- and long-term purchased power agreements and owned assets that keep rates competitive over the long term.

Our energy mix includes generation powered by coal, nuclear, natural gas and renewables, which allows us to better manage price changes in the energy markets. We’re well ahead of Wisconsin and Michigan renewable energy goals, with more than 14% of our power supplied by wind, solar, and biogas resources.

We have one of the cleanest and most modern generation fleets in the region, which means new, stricter environmental regulations will have less of an impact on us. Our strong member support, our investments in electric generation and transmission, and our long-term power contracts help us maintain a strong financial standing and access to capital to meet future power supply needs.

**Stronger Service**

WPPI Energy makes available a comprehensive array of services and staff aimed at helping members continue to operate successfully in a rapidly changing industry and meet the needs of their retail customers. For example, we help small utilities adopt proven technologies and share best practices in a way that benefits the group as a whole. In 2012, the member Metering and Billing Best Practices Task Force developed a best practices manual, which has evolved into a training workshop and videos, ensuring that our member utility employees have the best information and resources available to deliver on critical utility functions.

An advanced metering infrastructure (AMI) project is another example. Our first group of members is using our new meter data management and collection service to streamline meter reading processes and save on operational expenses and ultimately provide better information to customers.
Our mission begins with unity of purpose, and it is delivered each day as our communities rely on us for dependable power at a reasonable cost.

**Stronger Communities**
WPPI Energy members maintain their local autonomy while playing a vital role in determining system-wide initiatives and priorities. Member employees, utility commissioners and local elected officials provide direction on our operations, including our power supply portfolio, transmission ownership and support services for members. Because these individuals live and work within the communities they serve, their input is focused on achieving positive long-range economic impacts and direct benefits for their customers and their communities.

**Stronger Advocacy and Leadership**
In 2012, we advised elected officials and regulators on public policy that directly impacts our communities, including managing costs and reliability issues associated with new regulations; preserving the ability of our utilities to finance infrastructure with tax-exempt bonds; and ensuring the security of our nation’s electric grid.

Our mission begins with unity of purpose, and it is delivered each day as our communities rely on us for dependable power at a reasonable cost.

Overall, member satisfaction with WPPI Energy has remained strong over the past two years. A recent survey shows that member satisfaction is high in many areas, including power supply and our programs and services offerings. The pages that follow detail how WPPI Energy and our 51 members truly are stronger together.

**Jeff Feldt**
WPPI Energy Chair
Kaukauna Utilities
General Manager

**Mike Peters**
WPPI Energy
President and CEO
**STRONGER POWER SUPPLY**

For us, decisions aren’t determined by profits.

Instead, we measure our success by helping our member utilities and their customers save money and by keeping money within each community.

Maintaining a level of flexibility is an important aspect of our power supply portfolio. One way WPPI Energy achieves flexibility is through varying terms and the amounts of capacity and energy we buy through purchased power agreements. Specifically, WPPI Energy has contracts with energy amounts that can be reduced, shorter-term contracts that terminate over the next few years and other contracts that are longer term in nature. These longer-term contracts reduce the volatility of WPPI Energy’s power costs while the shorter-term contracts provide opportunities to take advantage of lower-cost market purchases if available.

This flexibility, together with our focus on the long term, lets us watch for smart investment opportunities during times of excess capacity in the marketplace. For example, WPPI Energy was able to add a new resource in 2011 – 164 megawatts of carbon-free, fixed-rate electricity from Point Beach Nuclear Plant. As a result, we were able to cut back on other purchased power resources over the next few years, which will result in long-term savings.

Relying on a diverse mix of fuel sources also helps us reduce the risk related to any single fuel resource. The dramatic decline in wholesale natural gas prices over the past few years – which decreased an average of 31% throughout the United States in 2012 from a year earlier, according to the U.S. Energy Information Administration – demonstrates that no one can fully predict what resource will be the most cost-effective in the future.

**Energy Resources**

WPPI Energy regularly makes decisions and investments in power generation with an eye toward the future.

Ours is among the most modern and clean generation fleets of any utility in the region, which means we will be far less impacted by increasingly stringent environmental regulations than other utilities going forward.

An environmental retrofit at **Boswell Unit 4** will reduce mercury and particulates emissions and help us meet state and federal air quality regulations. Purchased in 1989, Boswell is WPPI Energy’s first owned generation resource. For more than 20 years, our 20% interest in the unit has provided a significant portion of the energy needed to serve our members at a competitive price.

WPPI Energy’s cost for the retrofit project, beginning in spring 2013, will total approximately $84.2 million plus interest during construction and will be financed with the proceeds of fixed-rate, tax-exempt bonds. Even with the cost of the upgrades, Boswell will continue to be the lowest-cost resource in our portfolio over the long term.

**Elm Road Generating Station** (ERGS), completed in 2011, is another of WPPI Energy’s owned baseload

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**2012 Capacity Resources**

- **39%** IOU Formula Rate Power Purchases
- **20%** Other Purchases
- **18%** Coal - WPPI Energy Owned
- **21%** Peaking Generation - WPPI Energy & Member Owned
- **3%** Renewables

**2012 Energy Resources**

- **70%** IOU Formula Rate & Other Power Purchases
- **15%** Coal - WPPI Energy Owned
- **<1%** Peaking Generation - WPPI Energy & Member Owned
- **14%** Renewables
resources. ERGS is a modern, efficient, “supercritical” facility, which describes the high pressure of the steam that in turn boosts efficiency and cuts emissions compared with other coal-fired power plants built in the last 30 years. A test project at ERGS in 2013 has the potential to significantly reduce the plant’s future fuel costs by burning a blend of eastern and western coal supplies resulting in a potential for $2 million to $4 million per year in savings.

**Carbon-Free, Renewable Investments**

As utilities throughout the region reduce their reliance on fossil fuels, WPPI Energy is already well ahead of the curve.

With the addition of energy purchased from Point Beach Nuclear Plant, WPPI Energy expects to meet nearly 40% of our power supply needs from carbon-free resources in 2013.

Continued on next page.
In addition, the wind, solar and biogas resources in which WPPI Energy has invested fulfill more than 14% of our members’ power supply needs, which puts us far ahead of schedule for Wisconsin and Michigan state renewable energy mandates. Those rules will require that utilities in those states obtain 10% of their energy from renewables by 2015. With our current resources in place, WPPI Energy anticipates it will not need to acquire additional renewable generation until after 2022.

As a joint action agency, we assist members with local projects whenever possible. In 2012, WPPI Energy’s Board of Directors approved a 1.7-megawatt purchased power agreement with Richland Center Renewable Energy, a new privately owned wastewater digester project. (See Renewables Q&A, page 7.)

**Transmission Resources**

WPPI Energy’s participation as a 6.7% equity owner of American Transmission Co. (ATC) provides ongoing value. In 2012, the return from our investment in ATC was used to offset our transmission costs by $6.4 million. ATC provides electric transmission service to the Upper Peninsula of Michigan, throughout the eastern half of Wisconsin and into portions of Illinois. WPPI Energy President and CEO Mike Peters serves on the ATC board of directors.

WPPI Energy is also involved with CapX2020, a joint initiative of 11 transmission-owning utilities to expand the electric transmission grid. Specifically, WPPI Energy is investing in the 345-kilovolt La Crosse transmission line, which will improve reliability and help mitigate future transmission costs for the WPPI Energy membership. The La Crosse transmission line recently received all required regulatory approvals, and construction started in February 2013 on the Minnesota portion of the line. (See Transmission Q&A, page 7.)
STRONGER COMMUNITIES

Maintaining hometown values is our common mission.

WPPI Energy’s member utilities don’t have investors. “Shareholders” are residents of each community. People, rather than profits, are the focus. Success is measured by how much money stays within the community through maintaining competitive rates, keeping jobs local and financial contributions. Other advantages include:

LOCAL DECISIONS. Municipal utility commissions and city governments make decisions based on local needs. Each utility, in turn, participates in making decisions that determine the course of WPPI Energy.

LOCAL CONTRIBUTIONS. Locally owned utilities support many important programs in the community, including public power scholarships, line worker scholarships, charitable projects and economic development organizations.

WPPI Energy member utilities contributed more than $170,000 to local charitable organizations and worthy local causes in 2012, for a total of more than $1.8 million in local donations made since 1998.

MILESTONE ANNIVERSARIES IN 2012

Several WPPI Energy member communities celebrated milestones in the past year with special events, including:

Alger Delta 75
Hartford 115
Hustisford 75
Kaukauna 100
Lodi 105
Muscoda 105
New Glarus 110
New Holstein 100
Norway 105
Oconto Falls 80
Preston 90
Q&A: STRONGER TOGETHER

» Renewables

Dale Bender
Electric Superintendent,
City Utilities of Richland Center
Years of industry experience: 26

Q: Why did two of your largest customers, Foremost Farms and Schreiber Foods, decide to build Richland Center Renewable Energy (RCRE)?
A: The companies built their own wastewater treatment plant to manage industrial wastes from their three dairy processing plants in Richland Center. The digester’s anaerobic and aerobic processes capture methane and use it as fuel for the two generators. The generators have a capacity of 1.7 megawatts.

Q: What environmental benefits does RCRE provide?
A: It provides several: 1) the digester efficiently treats wastewater; 2) it helps reduce pollution when liquid waste is not applied to agricultural fields; and 3) the process generates clean, renewable energy by burning wastes rather than fossil fuels – which produces lower amounts of nitrogen oxide and mercury than a facility that uses coal or natural gas.

Q: What are the benefits to the community and to WPPI Energy?
A: The project helps the businesses expand and increase production by reducing the costs of disposing a waste product. This helps our local economy and benefits WPPI Energy’s entire membership by adding more sustainable resources and diversity to the renewable energy portfolio.

» Transmission

Tim Noeldner
Vice President – Rates and Special Projects, WPPI Energy
Years of industry experience: 28

Q: Why did WPPI Energy’s Board of Directors decide to become one of the five utility partners involved in the Hampton Corners-La Crosse, segment of CapX2020?
A: We wanted to invest in the project in part to hedge some of the transmission cost increases expected for transmission service in western Wisconsin as that area’s transmission grid is strengthened. This investment also makes WPPI Energy a direct owner of transmission assets, in addition to our indirect transmission ownership through American Transmission Co. (ATC).

Q: How will this investment help WPPI Energy manage future transmission service cost increases?
A: Ownership of a 3% share of the transmission system gives us a return on our investment through the Midwest Independent Transmission System Operator (MISO) – currently 12.38%. This return will help offset the increased transmission service costs we will incur. This is a benefit that our members could only achieve through joint action.

Q: When will the project be completed?
A: The CapX2020 Hampton Corners – La Crosse project is scheduled to be completed in 2015. It is under construction now.

» Regulatory Compliance

Andy Kellen
Vice President – Power Supply Resources, WPPI Energy
Years of industry experience: 25

Q: How is WPPI Energy positioned in terms of environmental compliance costs compared with other utilities in our region?
A: WPPI Energy expects to incur fewer costs, compared to some utilities, to comply with new emissions regulations for coal-fired plants. Only one of WPPI Energy’s energy resources – the Boswell plant – requires environmental upgrades, which will allow it to comply with the Minnesota Mercury Emission Reduction Act (MERA) and the U.S. Environmental Protection Agency’s Mercury and Air Toxics Standard (MATS). However, even with these expenses, Boswell will remain our lowest-cost resource over the long term.

Q: How does WPPI Energy support members with their compliance requirements?
A: Utility employees who serve on our advisory groups, Executive Committee and Board of Directors receive frequent updates on regulatory issues. They also have access to a ready network of experts, including other utility staff and WPPI Energy staff. We strive to be responsive: in 2012, for example, we assisted some of our larger members by developing a checklist for, and a process to ensure documentation with, certain North American Electric Reliability Corporation (NERC) requirements.
IN 2013 WPPI ENERGY EXPECTS TO MEET NEARLY 40% OF ITS POWER SUPPLY NEEDS FROM CARBON-FREE RESOURCES.

» Value of Joint Action

Mayor Paul Fisk
City of Lodi, Wis.
Vice Chair, Policy and Communications Leadership Council
Years of industry experience: 37, plus 20 years of public service experience

Q: What is the value of joint action to Lodi?
A: The benefits of our involvement in WPPI Energy extend beyond Lodi Utilities. We stay informed on issues that affect our city and our residents, and we have a voice in our state capitals and in Congress that is far stronger than what we’d have on our own.

Q: Why did Lodi pass a resolution in 2012 in support of maintaining tax-exempt municipal bond financing?
A: This is a prime example of our strength in numbers. We were one of nearly 30 WPPI Energy members that have passed such resolutions, which helped us gain attention for the issue with our members of Congress. Removing this tax exemption would raise our municipalities’ borrowing costs significantly for important infrastructure projects and ultimately raise costs to our customers.

» Customer Service Resources

Steve Thompson
General Manager, New London Utilities
Chair, WPPI Energy Metering and Billing Best Practices Task Force
Years of industry experience: 27

Q: Why did WPPI Energy members establish this task force?
A: Metering and billing accuracy is extremely important in our increasingly complex industry, and it is critical that we make every effort to ensure accuracy for our customers. Although WPPI Energy members have different equipment, systems, policies and procedures, we determined that we could collectively review our practices, look for ways to work more efficiently, cross-train our employees, and provide customers with better information.

Q: How did the task force accomplish its goals?
A: We met five times in seven months. During that time we created a best practices manual and the concept for a workshop, which staff from WPPI Energy, members and other municipal utilities attended.

Q: How does this kind of effort make your utility stronger?
A: The manual is a tremendous resource, made even more useful when used with the workshops and educational videos. Our members shared their knowledge and expertise, and together we developed a resource that would have been very difficult for any one member utility to achieve on its own.
Together, we are 50 individual municipal utilities and one electric cooperative – but we’re more than that. We’re the fifth-largest electric utility in Wisconsin, with total assets of $688 million and total operating revenues of $475 million at year-end 2012. (See Financial Highlights, page 14.)

Through joint action, these 51 locally owned, not-for-profit utilities can achieve what otherwise may be too time-intensive and expensive to do individually. Our members work together to make joint power purchases and own generation resources – but the benefits go beyond power supply.

Members also gain access to many services to support cost-effective operations in a changing industry. Examples of these services include:

**JOINT PURCHASING.** WPPI Energy offers members a well-established system for bidding on and purchasing distribution system materials that saves time and money.

**DISTRIBUTION SERVICES.** This service includes support for delivery points, management needs, operational and technical assistance, construction and design recommendations. WPPI Energy professionals also assist with 24-hour emergency coordination, metering, review of consultant reports and member projects.

**RATE SERVICES AND FINANCIAL MODELING.** Members may request WPPI Energy staff assistance with the development of applications to the applicable governing body to adjust retail electric rates. Applications typically include development of a revenue requirement, cost-of-service analysis and rate design.

**UTILITY BILLING, ACCOUNTING AND CUSTOMER INFORMATION SOFTWARE (CIS) SERVICE.** WPPI Energy coordinates the joint purchase of software, services and support on behalf of members; manages business partner relationships; and acts as a liaison between vendor staff and members for training and support, lowering the cost of ownership for each utility.

Employing economies of scale and sharing resources also allows member utilities to offer more services to retail customers. Examples of shared WPPI Energy customer programs include:

**RESIDENTIAL ENERGY-EFFICIENCY INCENTIVES.** When households use energy more efficiently, customers save and communities benefit. WPPI Energy and our members maintain strong commitments to residential programs, designed to reduce waste and keep costs down.

In addition to programs offered directly through each utility, all 41 of our Wisconsin members participate in

**READY TO HELP:** Nine WPPI Energy member utilities sent volunteers and trucks to help crews on the east coast restore power to millions of customers after Hurricane Sandy hit the region in late October. Municipal Electric Utilities of Wisconsin (MEUW) coordinated the mutual aid effort.
Focus on Energy, which offers incentives, rebates and more.

In 2012 our Michigan municipals – Baraga, L’Anse, Crystal Falls, Gladstone, Negaunee and Norway – joined with Efficiency United, a program comprised of 20 Michigan utilities that collaboratively offer energy conservation and optimization services. Alger Delta Cooperative Electric Association participates in Energy Optimization, a program to provide energy-efficiency services to customers of 12 Michigan cooperative and municipal utilities.

Iowa members – Independence, Maquoketa and Preston – provide similar services on a local level.

IN ALL, OUR MEMBERS’ CUSTOMERS SAVED 80,209,745 KILOWATT-HOURS OF ELECTRICITY – WORTH A TOTAL OF $6.4 MILLION – IN 2012 THROUGH ENERGY-EFFICIENCY PROGRAMS. THE AMOUNT OF ENERGY SAVED WOULD POWER 8,680 HOMES.

COMMERCIAL AND INDUSTRIAL ENERGY-EFFICIENCY PROGRAMS. Member utilities and WPPI Energy collaborate to help businesses improve their energy efficiency and to help communities in their economic development efforts.

Support from WPPI Energy field staff allows utilities to expand their outreach. Utilities work with a key account manager and energy services representatives (ESRs), who have a positive, measurable impact on customer service. A 2012 survey found that 100% of member business customers are satisfied with their ESR from WPPI Energy. Nine out of 10 respondents said that the local ESR adds value to their companies.

Continued on next page.

ON PACE WITH INDUSTRY CHANGES

ADVANCED METERING INFRASTRUCTURE (AMI). With input from a member task force, the WPPI Energy Board of Directors adopted an AMI strategy that supports members in adopting the technology at their own direction and within their own timeline. One member utility has fully implemented the technology; five utilities are in the process of installing, testing or implementing new AMI meters; and several more are in the planning phase.

Members have made a substantial joint investment into the required customer information systems and meter data management system. Without the ability to share this upfront and ongoing expense, AMI technology would be cost-prohibitive for many. WPPI Energy also provides information technology and metering staff support.

OUTSOURCED RETAIL BILLING. Eleven utilities – with three more in implementation – are working through WPPI Energy and an outside vendor to produce customer bills, saving staff time and operational expenses. Graphs and customized messages provide more information to customers about energy efficiency, local programs and more.

METERING AND BILLING BEST PRACTICES. In early 2012, WPPI Energy’s Executive Committee established a diverse member task force to share their knowledge and document the ideas that became the WPPI Energy Electric Metering and Billing Best Practices Manual. As a next step, WPPI Energy developed a workshop, to be offered in several locations in 2013. (Read the Customer Service Resources Q&A, page 8.)
Together, member utility and WPPI Energy staff inform business customers about energy efficiency benefits and opportunities, conduct energy-use assessments, and assist with the design and financing of energy-saving improvement projects.

These projects can pay for themselves in a relatively short time, accruing significant savings for a company over the long term. And the benefits extend beyond the business by reducing overall power demand and extending our capacity, lowering system costs.

To emphasize the idea that public power communities are great places in which to do business, WPPI Energy and utility staff get involved in and contribute to local economic development groups; host breakfasts, tours and other events; and meet individually with existing and potential commercial customers. Together in 2012, members created a list of best practices for use of Economic Development Partnership Funds and sponsored “The Power of Partnership” Economic Development Conference.

SINCE 2001, CUSTOMERS IN WPPI ENERGY COMMUNITIES HAVE PURCHASED 716 MILLION KILOWATT-HOURS OF RENEWABLE ENERGY.

RENEWABLE ENERGY. Residential and business customers in many member communities appreciate the option to offset some, or all, of their electric use through the Renewable Energy and Green Power for Business programs. Customers’ voluntary purchases help fund additional investments in alternative energy projects. Total renewable energy sales for 2012 totaled 52 million kilowatt-hours.

In 2012 WPPI Energy launched www.WhyPublicPower.org to emphasize locally owned utilities’ affordable rates, support for the community and sustainability practices. Two videos on the site, “Public Power Defined” and “Public Power Benefits,” explain these benefits in more detail. WPPI Energy member utilities, utility commissions, city governments and chambers of commerce can use the videos as an educational tool in their communities.
STRONGER ADVOCACY AND LEADERSHIP
Together, we speak with a stronger voice.

Working together, utility managers and local leaders can better educate elected officials about the value of public power. That, in turn, helps us better advocate for more responsible energy policies that directly affect customers.

In March 2012, 38 WPPI Energy member community representatives, including 12 mayors, from 23 WPPI Energy member communities met with members of Congress during the American Public Power Association’s Legislative Rally in Washington, D.C.

WPPI Energy members also formed a new, nine-person group – the Policy and Communications Leadership Council (PCLC) – whose mission is to provide guidance on policy issues and increase grass-tops outreach on legislative and regulatory issues.

Throughout the year, utility staff and local officials found opportunities to meet with their elected state and federal lawmakers to discuss several key topics, including:
- Maintaining the privacy of customer information;
- Managing the cost and reliability impacts associated with environmental regulations;
- Preserving the ability of public power utilities to finance municipal electric infrastructure with tax-exempt bonds; and
- Ensuring the cyber-security of the nation’s electric grid.

WPPI Energy staff and members also take an active role in industry issues, participating in state and national trade groups, including the American Public Power Association (APPA), Municipal Electric Utilities of Wisconsin (MEUW), Michigan Municipal Electric Association (MMEA) and the Iowa Association of Municipal Utilities (IAMU). The Transmission Access Policy Study Group (TAPS) is another organization in which WPPI Energy serves as an advocate for utilities and their customers.

WPPI Energy members also formed a new, nine-person group – the Policy and Communications Leadership Council (PCLC) – whose mission is to provide guidance on policy issues and increase grass-tops outreach on legislative and regulatory issues.

A VOICE AT THE CAPITOL: Each year, elected leaders and utility managers from WPPI Energy communities travel to Washington, D.C., to talk with lawmakers about issues that impact municipal electric utilities and their customers. Pictured, from left, are: John Moore, member, Kaukauna Utilities Commission; Gary Henke, mayor of New London; Steve Thompson, general manager, New London Utilities; Gene Rosin, mayor of Kaukauna; Lee Meyerhofer, member, Kaukauna Utilities Commission; and Bob Friberg, general manager, Florence Utilities.
BOARD MEMBERS

Board of Directors
Alger Delta Cooperative Electric Association · Tom Harrell
Algoma Utilities · Richard Riederer
Baraga Electric Utility · Roy Kemppainen
Black River Falls Municipal Utilities · Jerry Ewert 1
Boscobel Utilities · Mike Reynolds 1,2
Brodhead Water & Light · Jeff Peterson
Cedarburg Light & Water Utility · Dale Lythjohan 1
Columbus Water & Light · Jack Sanderson
Crystal Falls Electric Department · Dorothea Olson
Cuba City Light & Water · Gary Droessler
Eagle River Light & Water Utility · Pat Weber
Evansville Water & Light · Jim Brooks
Florence Utilities · Robert Friberg 1
Gladstone Power & Light · Thomas White
Hartford Electric · Brian Rhodes
Hustisford Utilities · Todd Tessmann
Independence Light & Power,
Telecommunications · Chuck Ward
Jefferson Utilities · Bruce Follochtech
Juneau Utilities · Jerome Stolzman
Kaukauna Utilities · Jeff Feldt 1,2
L’Anse Electric Utility · Robert LaFave
Lake Mills Light & Water · Steven Wilke
Lodi Utilities · Paul Fisk
Maquoketa Municipal Electric Utility · Mike Nickeson 1
Menasha Utilities · Melanie Krause
Mount Horeb Utilities · David Herfel
Muscoda Utilities · Cinda Johnson
Negaunee Electric Department · Jeff Thornton
New Glarus Utilities · Scott Jelle
New Holstein Utilities · Randy Jaeckels 1
New London Utilities · Steve Thompson
New Richmond Utilities · Mike Darrow
Norway Power & Light · Joe Pickart 1
Oconomowoc Utilities · Dennis Bednarski
Oconto Falls Municipal Utilities · Lisa Christensen
Plymouth Utilities · Brian Yerges
Prairie du Sac Utilities · Pat Drone
Preston Municipal Electric Utility · Chad Gruver
Reedsburg Utility Commission · Brett Schuppner
City Utilities of Richland Center · Dale Bender
River Falls Municipal Utilities · Kevin Westhuis
Slinger Utilities · Jessi Balcom
Stoughton Utilities · Robert Kardasz
Sturgeon Bay Utilities · Jim Stawicki 1,2
Sun Prairie Utilities · Rick Wicklund
Two Rivers Water & Light · Tom Bushman
Waterloo Utilities · Eugene Weihert
Waunakee Utilities · Tim Herlitzka 1,2
Waupun Utilities · Vacant
Westby Utilities · Gregg Hanson
Whitehall Electric Utility · Tina Sass

1 Executive Committee   2 Board Officer

Executive Officers
President and CEO ................................................................. Mike Peters
Senior Vice President – Power Supply ........................................ Pat Connors
Senior Vice President – Member & Customer Services ............ Tom Paque
Senior Vice President – Government Relations & External Affairs ...... Dan Ebert
Chief Financial Officer .......................................................... Marty Dreischmeier
General Counsel ................................................................... Tom Hanrahan
### Summary Statements of Net Position

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<th>2012</th>
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<td><strong>Assets</strong></td>
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<td>Non-current assets</td>
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<td><strong>Total assets</strong></td>
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| **Liabilities and Net Position** |                     |                     |
| Current liabilities     | $62,775,705         | $58,615,555         |
| Deferred credits and other liabilities | 58,038,206 | 65,599,669 |
| Long-term debt          | 369,657,475         | 384,516,038         |
| **Total liabilities**   | 490,471,386         | 508,731,262         |
| Net position            | 197,614,690         | 186,779,035         |
| **Total liabilities and net position** | $688,086,076 | $695,510,297 |

### Summary Statements of Revenue, Expenses and Changes in Net Position

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<thead>
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<th>2012</th>
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<tr>
<td>Operating revenues*</td>
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<td>$452,616,692</td>
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<td>Operating expenses*</td>
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<td>Non-operating revenues (expenses)</td>
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<td>Net position, end of year</td>
<td>$197,614,690</td>
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*Some 2011 totals have been reclassified to conform to the 2012 presentation.*
**ABOUT US**

WPPI Energy is a regional, not-for-profit power company serving 51 locally owned electric utilities. Through WPPI Energy, these public power utilities share resources and own generation facilities to provide reliable, affordable electricity to 200,000 homes and businesses in Wisconsin, Upper Michigan and Iowa.

**MISSION**

WPPI Energy’s mission is to secure and maintain a diverse and reliable power supply portfolio to meet the long-term electric needs of members and their customers, and to help member utilities provide excellent service to customers at competitive rates.

**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
- Muscoda
- 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