

MEMBER DIVIDEND REPORT FOR 2015

Unity of purpose – that’s what all WPPI Energy members have in common. And it’s our common goal to ensure that members’ investments in WPPI Energy yield strong returns. In this report, we highlight some of the many system-wide “dividends” returned to members and their customers in 2015.

Governance

As a joint action agency, WPPI Energy was organized so that all members have the opportunity to participate fully in decision-making regarding the organization.

144

Individuals from member communities who serve on the Board of Directors and/or on committees and advisory groups

Joint-Action Anniversary

WPPI Energy was formed in 1980 by a group of locally owned utilities seeking shared strength and local control over their communities’ energy future. Today, the 51 member utilities of WPPI Energy have that and more, with a diverse, flexible generation portfolio, best-in-class support services and programs for customers, and an effective voice for advocacy.



35 years

WPPI Energy members celebrated this milestone anniversary for our joint-action agency at their 2015 Annual Meeting



Power Supply

WPPI Energy members rely upon a steady supply of reliable, affordable electricity each day. A diverse, up-to-date fleet of owned generation assets and our purchased power resources positions WPPI Energy and members well to address proposed environmental regulations in a cost-effective manner.

3.7

Percentage by which WPPI Energy’s 2015 wholesale costs were under budget for the year

117

Megawatts of generation we own at Boswell Energy Center Unit 4, which officially re-entered service on Dec. 31, 2015 following an environmental retrofit to dramatically reduce emissions

35+

Percentage of our power supply that is carbon free, from renewable and nuclear resources

\$3.1 million

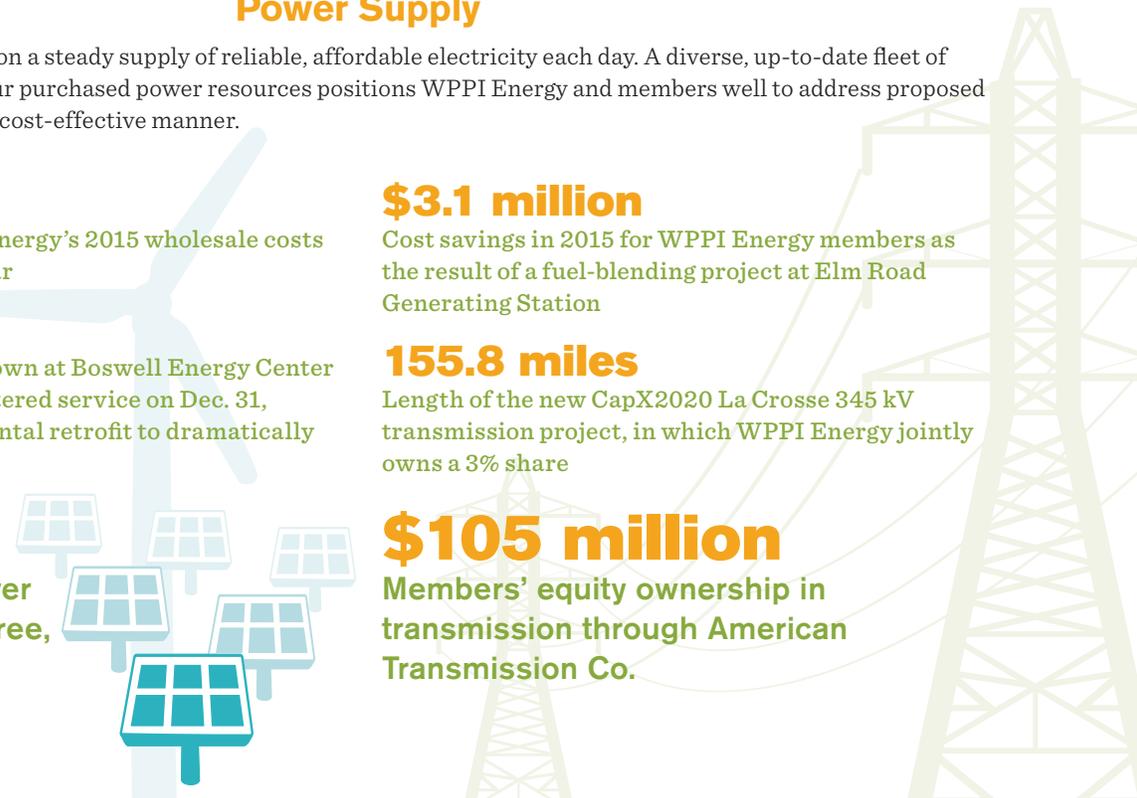
Cost savings in 2015 for WPPI Energy members as the result of a fuel-blending project at Elm Road Generating Station

155.8 miles

Length of the new CapX2020 La Crosse 345 kV transmission project, in which WPPI Energy jointly owns a 3% share

\$105 million

Members’ equity ownership in transmission through American Transmission Co.



Promoting and Protecting Public Power

Advocacy for member interests continues to grow in importance as the utility industry faces increasing challenges. Through joint action, members have a stronger voice with policy makers.

35

Individuals from member communities who advocated on behalf of public power customers at the APPA Legislative Rally in Washington, D.C. Many members also participated in the Wisconsin Municipal Utilities Legislative Day in Madison and meetings with individual legislators in Michigan, Iowa and Wisconsin

EPA regulations

WPPI Energy's staff and member leaders advocated with policy makers at the state and federal levels regarding the U.S. Environmental Protection Agency's Clean Power Plan. The U.S. Supreme Court's unprecedented stay of the CPP creates new planning challenges for the industry. It is uncertain whether the requirements will stand and, if so, how the compliance deadlines might shift. Ultimately, if federal regulation of carbon dioxide comes in the form of the CPP or another regulatory approach, the details will matter greatly in terms of their impact on WPPI Energy member utilities and their customers. We remain actively engaged.

Member Support Services

WPPI Energy makes available an array of services aimed at helping members continue to operate successfully in a changing industry and to enhance the value of member utilities in their communities.

7,400

Requests for technical support or assistance fulfilled by WPPI Energy's Business & Technology Services staff

17

WPPI Energy staff members working in member communities to support customer services

1,200

Items for distribution systems available in the WPPI Energy joint purchasing catalog

51

Members using the joint purchasing catalog, with access to the Request for Quote (RFQ) module

15

Members participating in the Network Assessment and Monitoring Service

43

Members using one of two WPPI Energy partner billing systems

60,000

Number of members' retail meters for which data is read and stored using WPPI Energy's Meter Data Collection & Management Service

15

Members using shared meter data management (MDM) services for advanced metering

24

Members using the Outsourced Retail Billing Service to efficiently provide members with more detailed energy usage information to help them save energy and money

10

Number of WPPI Energy scholarships available for member employees to attend various American Public Power Association (APPA) conferences for training and professional development



Rate Design & Financial Modeling

Driven by the need to help members keep retail rates competitive, WPPI Energy offers support in the development of revenue requirement studies, cost-of-service analyses and innovative rate designs.

13

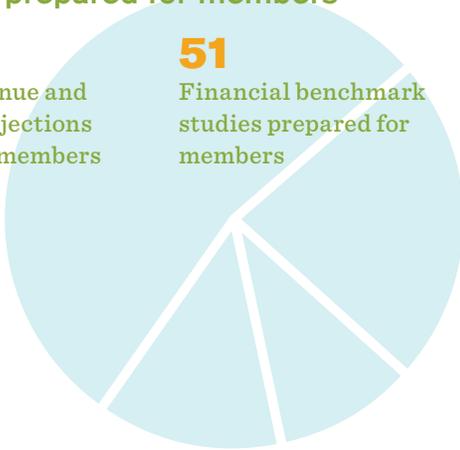
Rate cases prepared for members

41

Five-year revenue and power cost projections completed for members

51

Financial benchmark studies prepared for members



Customer Programs

Retail customer programs provide the technical support and financial incentives to members and their customers to make energy efficiency projects accessible to all homes and businesses. When combined with incentives from other programs such as Focus on Energy (Wisconsin), Efficiency UNITED and Energy Optimization (Michigan), these programs help residential customers reduce their electricity bills, local businesses stay competitive, reduce overall demand on the WPPI Energy system and drive down future costs.

\$5.75 million

Dollars returned to members' customers for investments in energy efficiency

\$5.6 million

Dollars in electricity costs collectively saved by members' customers through their energy efficiency efforts in 2015, money that remained within local economies

Education & Outreach

A strong network of support maintains an important connection between members and their communities and showcases the value of public power.

\$240,000

Dollars members received from WPPI Energy's Community Relations Funds that they used to fund college scholarships, economic development, contributions to local charities and public power events in their communities

200+

Customer education pieces such as bill inserts and ads available to members, customized with logos and photos

154

News articles about member utilities and/or WPPI Energy in community newspapers

Renewable Energy

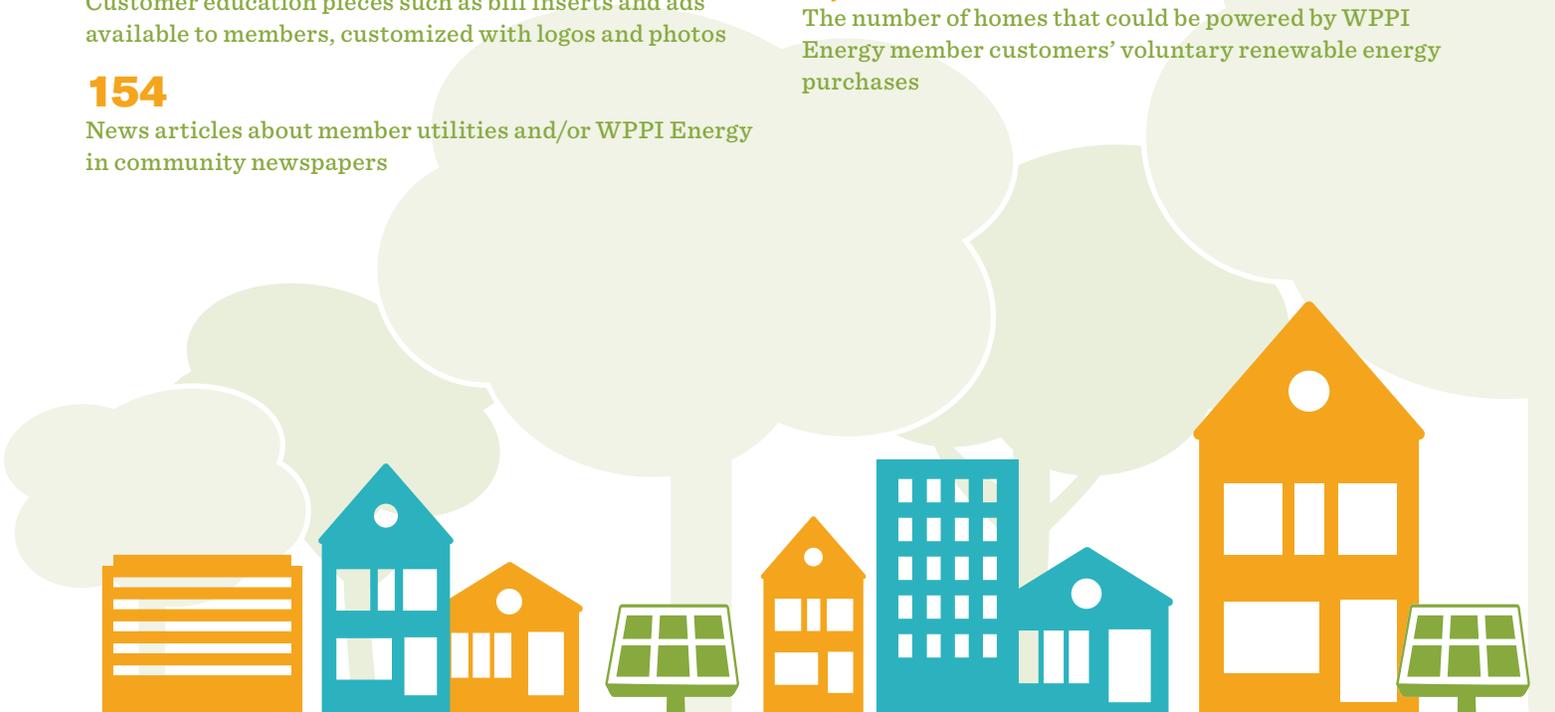
Year after year, WPPI Energy member utilities demonstrate their longstanding commitment to providing quality programs that reflect customers' desire for renewable energy options.

500

Kilowatts of generating capacity from the WPPI Energy membership's two new community solar garden pilot projects

5,400

The number of homes that could be powered by WPPI Energy member customers' voluntary renewable energy purchases



Vision

To be the joint action agency of choice for locally owned utilities in the upper Midwest.

Mission

To provide reliable, low-cost wholesale electricity, superior services and advocacy that support our member utilities and the customers they serve.

Guiding Principles

Integrity • Competence • Credibility • Cooperation
Public Service Focus • Environmental Stewardship • Diversity

Our Members

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



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