

The End of an Alliance

It's not easy to sum up the history behind a 36 year relationship in a few pages. So please remain seated while we take a quick ride on this historical roller coaster.

The Need for Independence

In April of 1976, (coincidentally the same year our nation was celebrating 200 years since declaring independence from Great Britain) 33 municipal utilities banded together to begin the formation of their very own joint action power supply company. Faced with large, pancaked, wholesale rate increases filed by Wisconsin private utilities, the small, municipally owned utilities wanted to gain power supply independence and control of costs. That group of utilities formed a company known as Wisconsin Public Power Inc. Later on, as utilities from Iowa and Michigan became members, the name was changed to [WPPI Energy](#).



WPPI is Born



Forming the corporation was the easy part. Becoming an actual power supply company presented many obstacles. First, legislation needed to be written and passed by the Wisconsin State Assembly and Senate which would allow for the legal existence of the municipal joint action agency. This was accomplished on November 9, 1977 when Governor Martin Schreiber signed Wisconsin Statute 66.073 into law. WPPI commissioned a power supply study in 1978, hired its first employee in 1979 and moved into its first official office space in 1980.

WPPI Begins Supplying Power

Next, the fledgling company needed to acquire power supply resources in order to serve its original 23 member utilities which included Algoma, Barron, Black River Falls, Boscobel, Cedarburg, Cuba City, Deerfield, Elkhorn, Hartford, Jefferson, Kaukauna, Marshfield, Medford, New Holstein, New Richmond, Oconomowoc, River Falls, Sturgeon Bay, Two Rivers, Waterloo, Waupun, Whitehall and Wisconsin Rapids. Having no power generation plants of its own, WPPI negotiated new five-year power supply agreements with private utilities. On November 2, 1981, WPPI began supplying power to 22 of its members and, almost overnight, became the largest single customer of Wisconsin Power & Light Co., Wisconsin Electric Power Co. and Wisconsin Public Service Corp.



Power Plant Ownership



By 1988 WPPI had increased its power supply agreements to eight and its membership to 27, yet it still had no ownership in a power generation plant. In 1989 WPPI began negotiations with Minnesota Power and Light Co. for the purchase of an interest in the 535 megawatt (MW) Boswell Unit 4 coal-fired generating station. In order to support the purchase of the Boswell plant, WPPI members signed new 35-year, all-requirements power supply contracts, the revenues of

which would be pledged for future financings. WPPI also entered into contracts to purchase the output of member generation at Kaukauna, Menasha and River Falls so that all members would take all-

requirements service from WPPI. Beginning with the purchase of the Boswell plant in 1990, WPPI added three power plants to its power supply portfolio during the 1990's, including two through an agreement with Wisconsin Power & Light Co.

Change in Transmission Ownership

In 1999, as a result of the widespread power grid reliability issues experienced over the previous few years, legislation was passed, with the help of WPPI, which divested several private utilities of their transmission infrastructure to a new transmission company known as American Transmission Company (ATC). The formation of ATC and the ensuing improvements to transmission facilities throughout the state made it possible for WPPI to expand its power supply portfolio through ownership in



generation plants and long and short term power supply contracts. WPPI was also able to plan for impending carbon rules and meet state mandated renewable energy goals by investing in or purchasing power from wind, solar and nuclear generation facilities in Wisconsin and neighboring states.

End of an Era

Today, nearly half of WPPI Energy's power supply portfolio includes capacity resources that are owned with the remainder being purchased power contracts. In June of 2017, the purchase power contract with Alliant Energy Corporation (formerly known as Wisconsin Power & Light Co.) expired. This marks



the first time in nearly 36 years that WPPI has not purchased power from Alliant. In 1982, its first full year of operation, WPPI had a staff of less than 10 employees, 35 member utilities and a peak system demand of 250 megawatts (MW). As of 2017, WPPI has a staff of nearly 100 people, 51 members and peak system demand of 946 MW and is the fifth largest power company in the state.

Still Going Strong

37 years later, WPPI Energy continues to help members achieve through joint action what would be costly and difficult to do alone. Together members own generation resources and transmission assets, offer cost-effective programs and services for customers, share technology resources, and advocate on behalf of customers. As a result, WPPI Energy members are better equipped to operate successfully in today's rapidly changing environment and will be ready to face the challenges of the future.