



Public Service Commission of Wisconsin

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PSC Approves Sale of Point Beach Nuclear Power Plant with Conditions

\$1 Billion Sale Brings Rate Stability and Value to Customers

MADISON – The Public Service Commission of Wisconsin (PSC) today approved the sale of the Point Beach Nuclear Power Plant from Wisconsin Electric Power Company (WEPCO) to Florida Power and Light Energy (FPL Energy). The Commission found that the transaction provides significant economic value to ratepayers, that it transfers operational risks away from WEPCO customers, and that it ensures Wisconsin will continue to have a voice in the operation of the facility in the future.

“The transfer of Point Beach to FPL Energy brings substantial immediate and long-term economic value to ratepayers and will ensure that the plant continues to run safely and at high efficiency for WEPCO customers,” said Chairperson Dan Ebert. “The nuclear industry is consolidating. The record in this case demonstrates that there are significant economies of scale brought by fleet operators running these complex units. FPL Energy will bring such expertise and value to the operation of this critical baseload facility.”

Today’s decision approving the sale of the 2 unit, 1,036-megawatt plant in Two Rivers for approximately \$1 billion provides a number of benefits for Wisconsin citizens.

The majority of the commissioners deciding today’s case estimate that Wisconsin ratepayers will pay approximately \$118 million less as a result of the decision to transfer operational authority to FPL Energy and to authorize the use of long-term contracts for WEPCO to continue to purchase the plant’s output through 2033. Additionally, WEPCO customers will see the return of approximately \$440 million from excess monies in the decommissioning funds. The funds remain adequately capitalized to ensure that resources are available to decommission the plant at the end of its useful life.

The Commission made substantial changes to the transaction that improved its value to ratepayers, and solidified the state’s ongoing role in important subsequent decisions related to the plant. The PSC improved the potential value of carbon dioxide credits, restricted nuclear waste storage and ensured future decommissioning of the plant meets strict environmental guidelines. Additionally, the parties agreed to the Commission’s ongoing role in important future decisions at the plant, including any potential sale to other companies and the decommissioning of the facility.

“These changes to the initial agreement were important to my conclusion that the transaction is in the public interest,” said Commissioner Meyer. “I am confident that, as approved by the Commission, this transaction brings tremendous value to the ratepayers.”

The Commission will issue an order outlining today’s oral decision at a later date.

Documents associated with this case can be viewed on the PSC’s Electronic Regulatory Filing System at <http://psc.wi.gov>. Type case number 6630-EI-113 into the boxes provided on the PSC homepage, or click on the Electronic Regulatory Filing System button.

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