

Coal Addiction: MGE's Real Problem

MGE: 70% coal today and for decades to come

With a proposed billing scheme that hurts our pocketbooks while keeping us reliant on dirty coal, it's time for Madison Gas & Electric (MGE) to repower our future and support options for rapid expansion of renewable energy & energy savings!



Elm Road Coal Plant, 2010

- ☛ MGE's 325-megawatt ownership stake in the Columbia and Elm Road coal plants means that the utility is committed to 70% coal power.
- ☛ MGE intends to run Columbia until 2038 and Elm Road until 2050!
- ☛ Both plants are plagued with reliability and economic problems, but MGE expects the ratepayers to pay for the plants AND costs for replacement power.
- ☛ Over the last three years, the Public Service Commission has approved over \$1 billion to cover cost overruns and retrofits at the plants.

For further analysis, visit
www.repowermadison.org

Electrical utilities in Wisconsin are supposed to be regulated by the Public Service Commission of Wisconsin to ensure that monopoly utilities do not take advantage of captive customers when they build or retrofit coal power plants. RePower Madison, a grassroots organization formed to promote sustainability in MGE's service territory, recently convened energy experts to research and analyze publicly available construction applications for the Columbia and Elm Road coal plants to help the public understand the truth about MGE's coal problem.

The results are startling

MGE's ownership shares of the recently "upgraded" 40-year-old Columbia coal plant and the brand-new Elm Road coal plant supply a full 70% of the electricity to the Madison area when operated as projected. *But both plants are plagued with reliability problems leading to massive cost overruns.*

Limiting carbon pollution from electric generation, as the EPA is now proposing, will make these plants an even greater financial liability for MGE's customers. **With these investments, MGE has locked us into coal power for decades to come, and the resulting high carbon footprint.**

What does this have to do with the current MGE rate proposal?

MGE's billing scheme ensures that ratepayers will pay for the ballooning coal costs and protect a large and guaranteed profit for shareholders. The proposed increase in fixed charges and decrease in electricity rates will discourage energy efficiency and energy independence, helping to ensure that customers use coal power and pay for MGE's bad investment choices.

The near-term question is simple: Is it fair that MGE continue to insist on a billing scheme that rewards waste and penalizes efficiency and solar? Is it fair for MGE to, in essence, "double down" on its coal investments, shifting the risk to customers and away from shareholders?

MGE should withdraw its proposal and communicate openly and fairly with the community about how Madison can move away from coal.



REPOWER MADISON

Expanding Clean Energy
Options In Our Community