



FOR IMMEDIATE RELEASE

Contact:

Donald Merkes, Mayor

City of Menasha

140 Main Street

Menasha, WI 54952

Phone: 920-967-3600

[dmerkes@ci.menasha.wi.us](mailto:dmerkes@ci.menasha.wi.us)

Melanie Krause, Co-General Manager

Dick Sturm, Co-General Manager

Menasha Utilities

321 Milwaukee Street

Menasha, WI 54952

Phone: 920-967-3400

[mkrause@wppienergy.org](mailto:mkrause@wppienergy.org)

[dsturm@wppienergy.org](mailto:dsturm@wppienergy.org)

## **MENASHA STEAM UTILITY WORKOUT PLAN INCLUDES WPPI ENERGY OFFER**

MENASHA, WI – September 28, 2009. The City of Menasha continues to make good faith efforts to resolve matters with bondholders of Steam Utility Revenue Bond Anticipation Notes. On September 18, 2009, the WPPI Energy Board of Directors approved a proposal by which WPPI Energy, subject to certain conditions, will offer to purchase the distribution assets of the Menasha electric utility and lease them back to Menasha to operate, together with a purchase of Menasha Utilities shares in the American Transmission Company. The WPPI Energy offer, if implemented, would infuse a substantial amount of cash towards a workout plan with bondholders.

Among other requirements, the WPPI Energy offer is conditioned upon use of the proceeds by Menasha as part of a global settlement of all of the outstanding issues relating to its steam utility and the steam revenue anticipation notes. Going forward, the offer would leave the City's electric utility in good operating condition to continue providing the same quality services to its customers. This structure would also allow Menasha to retain the payment in lieu of taxes currently made by Menasha Utilities to the city, where an outright sale would not. The city receives approximately \$1.2 million annually as a payment in lieu of taxes from the combined utilities.

Operations of the electric utility will remain under the direction of the city and utility commission. The current employees will continue to be employed by Menasha Utilities. The services provided and the people who provide them at the electric utility will not change with this offer from WPPI Energy.