

**Response of  
Wisconsin Power and Light Company  
to  
The Public Service Commission of Wisconsin  
Initial Data Request No. IDR-18**

Docket Number: 6680-UR-117 2011 Fuel Reconciliation  
Date of Request: February 2, 2012  
Information Requested By: Mike Ritsema  
Date Responded: February 24, 2012  
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Witness: (If other than Author)

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**Data Request No. IDR-18:**

Please identify all coal-fired plants (as presented in your monthly fuel reports) that show variances in actual annual cost per MWh of 5 percent or more in either direction from authorized. Please explain these variances.

**Response:**

Unit	2011 Authorized \$/MWh	2011 Actual \$/MWh	Variance
Edgewater 3	\$ 27.52	\$ 31.62	14.9%
Edgewater 4	\$ 23.95	\$ 25.68	7.2%
Edgewater 5	\$ 24.05	\$ 25.84	7.4%
Nelson Dewey 1	\$ 33.57	\$ 29.65	-11.7%

Actual delivered coal costs per ton for Edgewater 3 and 4 exceeded the assumed cost included in 2011 monitored rates by 4.6%. For Edgewater 5, actual delivered coal costs were 4.8% higher per ton than the values included in the monitored rates. A new rail contract went into effect in 2011 with a rate higher than the assumption included in the 2011 authorized rates.

In addition to the higher delivered coal costs, Edgewater 3 burned a much larger quantity of diesel fuel than planned in order to support low output operations during 2011.

At Nelson Dewey 1, total expenditures for biomass fuel were lower by approximately \$3.0 M due to a 40,000 ton reduction in the volume of fuel. The reduction in biomass fuel burn was driven by constrained supply combined with a significant runup in prices.

The reduced biomass fuel was replaced by relatively lower priced coal and pet coke. The impact on 2011 fuel expenses due to test burning biomass in place of the coal and pet coke blend was an increase of \$1.6 million.