



ALLIANT ENERGY™

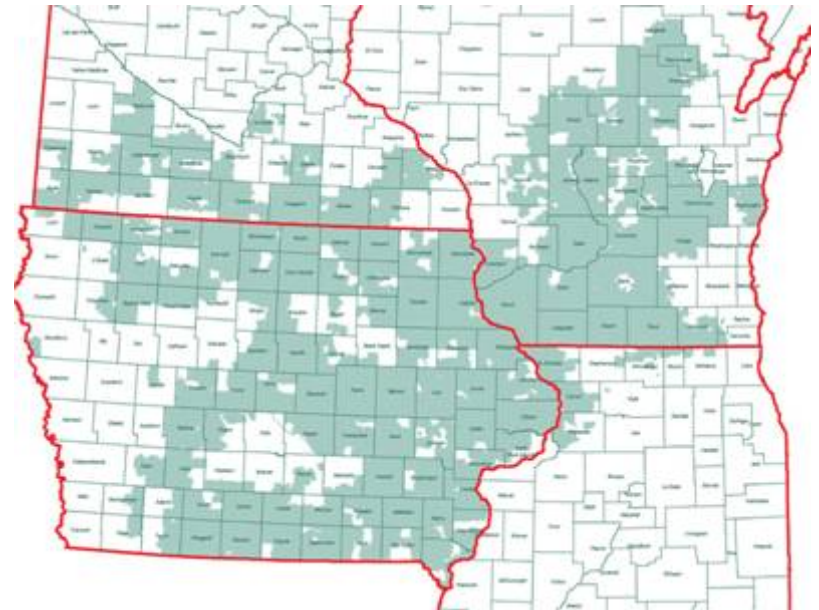
Energy Management

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January 18, 2006

Alliant Energy

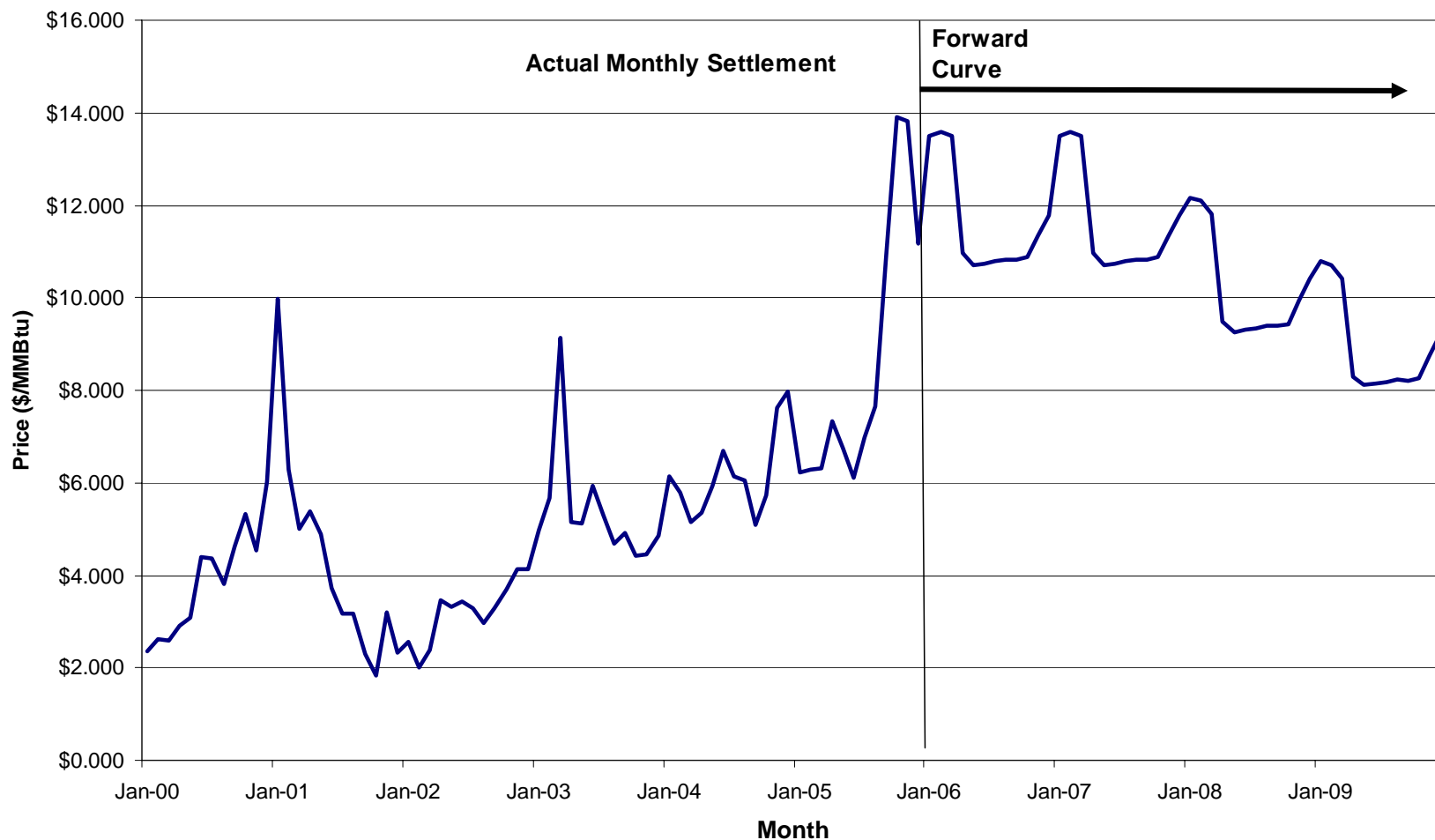
- Serve approximately 53,000 farm customers in a four-state territory
- Energy costs should not become economic barrier for rural economic development
- History of assisting with farm energy technology development





Natural Gas

Monthly NYMEX Gas Settlement Prices



2006 Natural Gas Market

- Supply/Demand
- As of Dec. 29, 19.5% of daily gas production remained shut-in (16% of platforms evacuated)
 - Residential demand expected to rise by 2.4 %
 - Industrial demand expected to rise by 4.6 %
 - LNG imports about 50% higher (1000 Bcf)
 - EIA expects total gas demand to increase by 1%
 - EIA expects production to increase by 4.8%
- Hub Gas Prices
 - Expected average of \$9.30/mcf in 2006
 - Up from expected average of \$8.88/mcf in 2005



Crude

2006 Crude Oil Market

■ Supply/Demand

- 2006 demand 2.3% higher than 2005 demand
- As of Dec 29th, 27.4% of daily crude production remained shut-in in the Gulf.

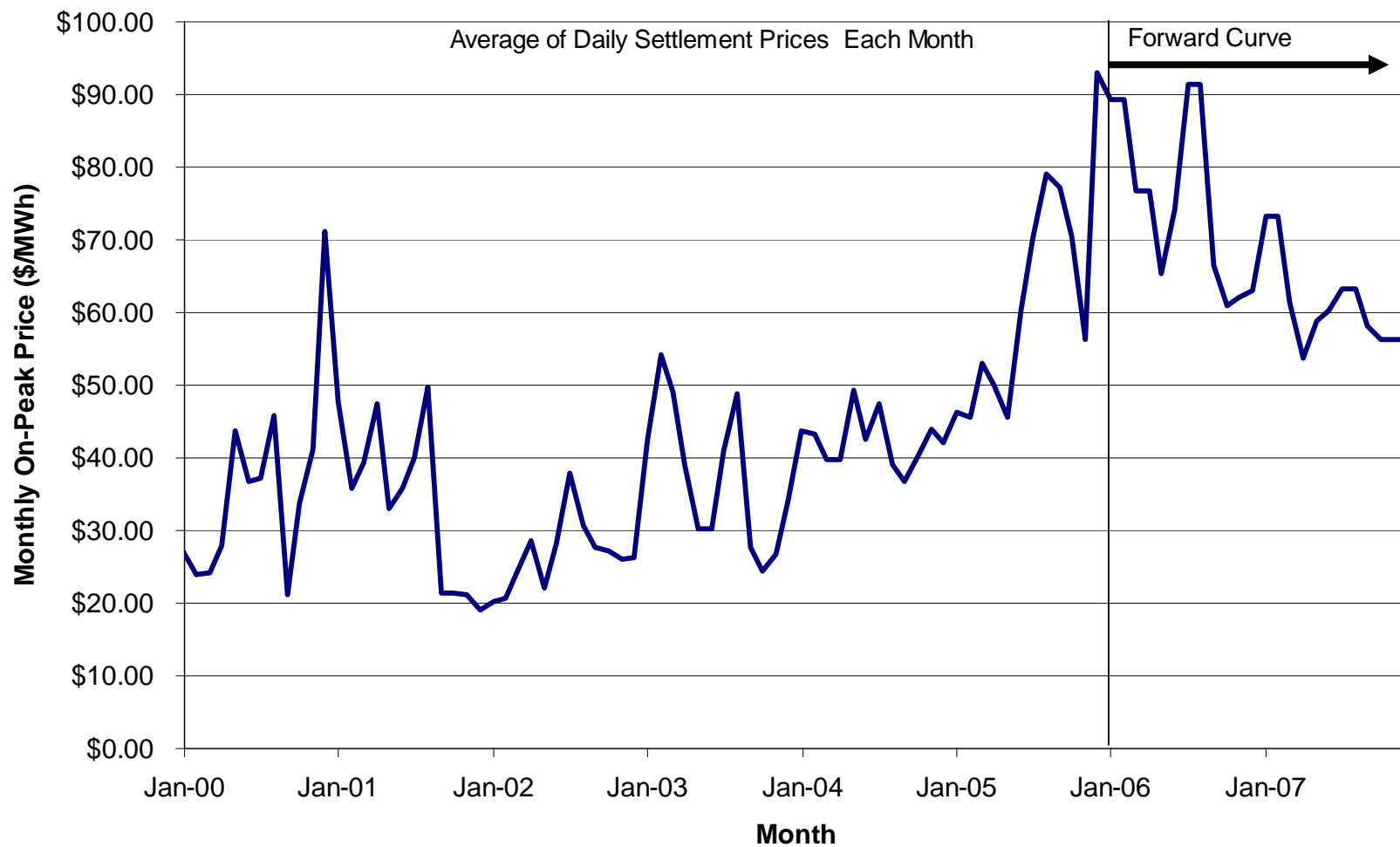
■ Crude Oil Prices

- West Texas Intermediate (WTI) crude oil is projected to average \$63 per barrel
- Current price is \$63 (1/4/2006)
- Up from 2005 average price of \$57 barrel



Electricity

Monthly On-Peak Northern Illinois Electricity Price



2006 Electricity Market

■ US Supply/Demand

- Expected to increase by 1.2% in 2006
- Rail disruptions expected to end

■ Fuel Prices

- Coal delivery cost from Wyoming's Power River Basin, WY rail cost up 60%, CO/UT 250%>
- Coal prices
 - Price up ~50% since 2004
- Natural gas and oil prices remain high

■ On-Peak Northern IL Electricity Prices

- \$60.71 /MWh in 2005
- \$75.56 /MWh in 2006



Energy Management Tools

Use Technology

- Energy management tools, monitor usage to manage rate structure
- Energy efficient equipment: VSD motors, heat reclaimers, pre-coolers, off peak ice banks...
- Increased through-put and productivity: auto-take-off's, extended daylight lighting, higher speed processing (return on inputs)

Rate Structure

- **Measure and manage**
- **Price signals to customers-Summer rate**
- **Off Peak use, Time of Day**
- **Demand rates**
- **Gas, seasonal grain drying rates**

Energy Conservation

- **Eliminate electrical usage**
 - **Open Sided Barns vs. Forced Ventilation**
 - **Bunk Feeders vs. Augers**
 - **Gravity vs. Augers**
- **Reduce energy usage**
 - **Modernized grain handling & drying systems**
 - **Vertical vs. Batch Dryers**

Increased Throughput

- **Extended daylight lighting**
- **Automatic take-off's**
- **Ventilation fans**
- **Higher speed and more accurate processing equipment**

Equipment Maintenance

- **Clean refrigeration coils**
- **Clean and adjust fans**
- **Clean lamp covers**
- **Clean motors**
- **Replace burned out lamps**

Other Savings Opportunities

- Turn down winter thermostats
- Building weatherization
- Check for extra loads (ex.) milk house heaters, engine block heaters, livestock waterer thermostats
- Delayed grain drying
- Work management



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