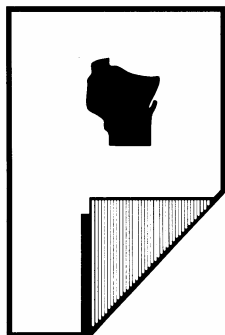


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NEWS RELEASE

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WISCONSIN PAPER COUNCIL OPPOSES ELECTRIC RATE HIKE Paper Companies to Voice Opposition at PSC Hearing

NEENAH – The Wisconsin Paper Council is opposing proposed increases in Wisconsin Public Service electric and natural gas rates.

Several paper companies are expected to participate in a public hearing on Wisconsin Public Service's electric and natural gas rates Tuesday in Green Bay. The companies are concerned that a rate design proposal – developed by the state's Public Service Commission – will boost their electric rates at least 12 percent and, in some cases, more than 18 percent.

"We are gravely concerned with the potential impact of industrial electric rate increases of 12.3 percent to more than 18 percent," said Pat Schillinger, President of the Wisconsin Paper Council. "Occurring at a time of exceedingly difficult economic challenges for Wisconsin's paper industry, it is no overstatement to say they have stunned and dismayed energy personnel and senior management in the paper industry. We do not believe such extraordinary and potentially damaging increases are justifiable – regardless of whether they are considered from a technical, economic or fairness perspective," he said.

The paper companies appearing at the Green Bay hearing are lending their voices in support of the Paper Council's objection.

"Energy costs are one of the top three costs to a paper mill, and the current high rates are having a detrimental effect on our mills' bottom lines," Schillinger said. "Until we can get energy costs in line, our mills will not be able to compete in the world marketplace," he said.

The Wisconsin Paper Council is the trade association of the pulp and paper industry.

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