

NEWS RELEASE

//For Immediate Release//

CLOVERLAND ELECTRIC SIGNS AGREEMENT TO ACQUIRE EDISON SAULT ELECTRIC
If approved by members and regulators, Edison Sault customers will become member-owners
of the not-for-profit cooperative

SAULT STE. MARIE, Mich. (Oct. 29, 2009) – Cloverland Electric Cooperative today announced that it has reached a definitive agreement to acquire Edison Sault Electric Company from Wisconsin Energy Corporation (NYSE:WEC). The transaction is contingent upon member and regulatory approval. Assuming the acquisition is approved by both members and regulators, it is expected to close by mid-year 2010.

The combined utility would serve approximately 42,000 accounts, roughly doubling the size of the not-for-profit, consumer-owned electric cooperative. The acquisition would improve Cloverland Electric's operational efficiency and preserve local control of energy resources, including the Edison Sault hydroelectric plant in Sault Ste. Marie. Presently, the service territories of Cloverland Electric and Edison Sault Electric overlap, respectively serving rural and urban areas in the eastern portion of Michigan's Upper Peninsula (*see attached map*).

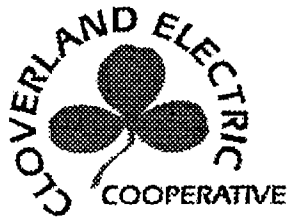
"Cloverland Electric has served the Upper Peninsula for more than 70 years, and for much of that time we have worked closely with Edison Sault Electric for the mutual benefit of our consumers through our combined wholesale power purchases," said Cloverland Executive Vice President and General Manager Dan Dasho. "This is a unique opportunity to bring the best of both worlds to the energy consumers in our region. They'll continue to enjoy safe and reliable service from a local company that they own, while realizing improvements in service and efficiency that come from being part of a larger organization."

Dasho said the biggest consumer benefit of this transaction will be helping to control rate increases over time.

"Prices for electricity will go up over time due to inflation and other factors beyond our control, including the climate change legislation currently under consideration in Washington," Dasho said. "While we can't stop these increases, we can take actions to ease their effects. This acquisition will give us new efficiencies that will encourage long-term rate stability for all energy consumers in our region."

That sentiment was echoed by Gale Klappa, chairman, president and chief executive officer of Wisconsin Energy.

"Without this transaction – given that Edison Sault has not filed for a base rate increase in almost 25 years – Edison Sault would have needed to request higher retail rates in the not too distant future," Klappa said. "The combination of the two utility operations should allow these increases to be mitigated."



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Dasho said combining the talents of personnel at both companies would build a stronger workforce and improve customer service.

“Both Cloverland Electric and Edison Sault Electric are very efficiently staffed organizations,” Dasho said. “We’ll need the skills and experience of the people at both companies to deliver the high-quality service our members and customers expect. We look forward to welcoming the employees of Edison Sault Electric into the Cloverland Electric family.”

The International Brotherhood of Electrical Workers, which represents Cloverland Electric employees, and the United Steelworkers, which represents Edison Sault Electric employees, will continue to represent their respective bargaining units upon completion of the acquisition.

Cloverland Electric will conduct a special member meeting to explain the transaction, discuss its benefits, and hold a member vote on Thursday, Nov. 12, 2009, at the Dafter Township Hall. Registration will start at 6 p.m., and the business session will begin at 7 p.m. Members will receive an official notice and additional information by mail prior to the meeting.

For the acquisition to be approved by members, it must receive a simple majority of all votes cast at the meeting. Votes will be counted and certified by the cooperative's legal counsel, and the results will be announced on Cloverland Electric's Web site and in a news release.

Should the transaction receive all requisite approvals, Edison Sault Electric customers will become member-owners of Cloverland Electric and enjoy the benefits of cooperative ownership, including voting rights, board representation and the opportunity for patronage capital refunds – the margins of a cooperative that are returned to members over time. This year Cloverland Electric will disburse approximately \$1 million in capital credit refunds to its members – its largest capital credit retirement to date.

Established in 1938, Cloverland Electric Cooperative is a not-for-profit utility located in Michigan's Upper Peninsula delivering safe, reliable and affordable electricity to approximately 19,500 homes and businesses in Chippewa, Mackinac, Luce, and Schoolcraft counties. The cooperative is headquartered in Dafter and maintains district offices in DeTour and Newberry. In addition to its principal electric business, Cloverland Electric operates Lighthouse.Net, a wholly-owned subsidiary providing broadband service to the Upper Peninsula. For more information, visit www.cloverland.com.

Wisconsin Energy Corporation (NYSE: WEC), based in Milwaukee, is one of the nation's premier energy companies, serving more than 1.1 million electric customers in Wisconsin and Michigan's Upper Peninsula and more than 1 million natural gas customers in Wisconsin. The company's principal utilities are We Energies and Edison Sault Electric. The company's other major subsidiary, We Power, designs, builds and owns electric generating plants. For more information, visit www.wisconsinenergy.com.

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