



Madison Gas and Electric Company
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your community energy company

February 19, 2009

Mr. Jack Price
Economic Development Coordinator
Economic Development Administration (EDA)
Chicago Regional Office, Suite 855
111 North Canal Street
Chicago, Illinois 60606

Subject: Support for Midwest BioLink Commercialization and Business Center

Dear Mr. Price:

Madison Gas and Electric Company (MGE) is pleased to support the City of Madison's proposal for the Midwest BioLink Commercialization and Business Center (BioLink). To build on our local assets and help grow the emerging bioagriculture economy, MGE has been working with the City of Madison in their planning, positioning, and creation of the BioLink facility and BioAg Gateway Campus. We believe the BioLink will provide the infrastructure to support the development of bioagriculture-based business and has the potential to become a major economic development catalyst for the region.

MGE is an enthusiastic supporter of technology transfer initiatives and commits time and resources to meeting the needs of biotechnology companies. For example, the MGE Innovation Center is a technology incubator offering unique amenities for start-up companies primarily for life science companies in the University of Wisconsin-Madison Research Park. Since it was established in 1989, the MGE Innovation Center has helped more than 70 early-stage companies grow. Many of these companies have outgrown the incubator and constructed their own facilities.

Based on our experience, we have confidence in the potential for the BioLink facility to be a catalyst for growth in the bioagriculture sector of our economy.

The technology being developed in bioagriculture-related fields, including biopharmaceutical, bioenergy, bioplastics, and biomanufacturing, requires a specialized environment. MGE offers a variety of innovative economic development and energy-related assistance to support the needs of these facilities and businesses. We recognize electric reliability and appropriate energy management systems are major issues for technology-based enterprises, and we are experienced in meeting their unique needs.

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Energy Design and Planning Assistance

As a technology-based facility, BioLink will want an energy system to complement its state-of-the-art design. MGE will work closely to create unique solutions specifically structured and designed to meet the development needs of this project. An MGE technical consultant can work with the project staff, architects, and engineers to design an energy plan to best meet their needs. In addition to making recommendations on the electrical system and energy management issues, we offer our professional expertise and experience in incorporating new technologies, green architecture, and alternative energy options on the project.

MGE Financial Participation

Development of the BioLink facility includes potential participation in the Shared Savings finance program. Shared Savings is a loan that can be used to finance energy- and money-saving improvements to the BioLink facility. Benefits from participation in the Shared Savings program include improved cash flow, reduced maintenance costs, increased property value, environmental benefits, and preserved capital. Terms of the loan and a repayment schedule would be tailored to assist this development and backed by a loan guarantor.

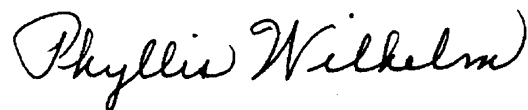
In addition, to demonstrate our commitment and accelerate establishment of the BioLink Commercialization and Business Center, MGE has agreed to contribute \$20,000 toward predevelopment costs.

Collaboration

We want to help make this community project successful and enhance its ability to become a catalyst for economic development. In that spirit, MGE will collaborate with the public and private sectors wherever possible to create new businesses and a strong bioagriculture economy.

We would be happy to discuss this unique development opportunity. Please contact me at (608) 252-5647 or by e-mail at pwilhelm@mge.com.

Sincerely,



Phyllis E. Wilhelm
Director - Economic Development

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cc: Mayor Dave Cieslewicz, City of Madison