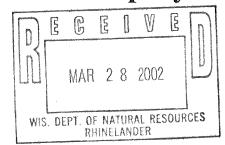


Superior Water Light & Power Company

March 25, 2002

Ms. Danielle Lancour Remediation and Redevelopment Program Wisconsin Department of Natural Resources Rhinelander, WI 54501



RE: Superior Manufactured Gas Plant - WDNR BRRTS # 02-16-275446

Dear Ms. Lancour:

This letter is to acknowledge receipt of the Responsible Party letter sent to Superior Water, Light and Power Company (SWL&P) by the Wisconsin Department of Natural Resources (WDNR) on February 21, 2002.

SWL&P has been voluntarily investigating this site since June 2001. The WDNR contact that SWL&P has been working with on this project is Mr. Jamie Dunn, the Northern Division hydrologist located in the Spooner office. I contacted Mr. Dunn to discuss the requirements of this letter and, at his suggestion, I am chronologically providing the history of the progress made on this project. The project history is as follows:

- May 30, 2001 A letter was sent by the WDNR informing SWL&P that sediment samples containing contaminants were found near the property once used for the production of manufactured gas by SWL&P.
- June 26, 2001 A meeting was held with representatives of the WDNR, SWL&P and the City of Superior. SWL&P conducted an investigation of historical records regarding the ownership, location and operation of the manufactured gas plant. Results were sent to the WDNR on August 1, 2001.
- August 10, 2001 A second meeting was held with the WDNR to discuss the scope
 of further investigation. It was agreed that SWL&P would voluntarily conduct a
 Phase I environmental study of the former gas plant site. ENSR International of St.
 Louis Park, MN was hired to provide consulting services and prepare the
 environmental study of the former MGP property.
- October 5, 2001 The Phase I environmental assessment report was sent to the WDNR. The Phase I evaluation performed by ENSR was conducted in accordance with the American Society for Testing and Materials Practice E1527-00.

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- November 2, 2001 SWL&P submitted a work plan to the WDNR for the Phase II investigation of the former MGP site. The field work for the Phase II study began approximately one week later. The Phase II fieldwork consisted of soil borings, test trenches, and installation of monitoring wells. The first round of groundwater samples was taken during the week of November 19th.
- January 18, 2002 The Phase II Investigative Report was sent to the WDNR. The report summarized that no MGP wastes such as coal tar residues, coal ash or gas purification wastes were discovered during the subsurface investigation. The lack of cyanide, the neutral soil pH and groundwater samples support the conclusion that gas purification wastes are not located at the site. The investigation did find the presence of PAH and BTEX in various locations. The source of the BTEX and the full extent of the impact are not known.
- January 30, 2002 The results of the Phase II report were discussed with Mr. Jamie Dunn of the WDNR via conference call. Because of the elevated levels of BTEX along with the PAH's discovered near well MW7, additional investigation is warranted.
- February 11, 2002 A second round of groundwater sampling was taken from the monitoring wells. The samples were sent to a laboratory for analysis. The results of the analysis are expected by the end of March 2002. A report on the results of the samples will be submitted to the WDNR in April.
- February 21, 2002 The WDNR sent a responsible party letter to SWL&P and assigned the project as WDNR BRRTS # 02-16-275446.

All correspondence with the WDNR to date has been with Mr. Jamie Dunn of the Spooner office. Copies of all of the reports outlined in this letter were sent to Mr. Dunn's office. Please notify me if you require copies of any of the previously submitted materials to be sent to your office.

If you have any questions or would like any additional information regarding this matter, please contact me at (715) 395-6288.

Thank you.

Sincerely,

William S. Bombich
General Manager

cc: Jamie Dunn, WDNR-Spooner, WI William Gregg, ENSR International