



Wisconsin Utility Investors, Inc.

Legislative/Regulatory Update

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WUI Chairman Testifies In Favor of Proposed ATC Transmission Line

At a hearing held on March 24th, Wisconsin Utility Investors Chairman Roger Cole told attendees the American Transmission Company's proposed 345-kilovolt line through Dane County is "very much needed." He said, "If we're going to encourage growth, we must provide the needed infrastructure." The routes proposed for the line have been very contentious. The Public Service Commission of Wisconsin is expected to act on the proposal in June.

Legislature Begins Deliberations on Wisconsin's Budget Proposal

Wisconsin Governor Jim Doyle's proposed \$64.5 billion budget bill, designated Assembly Bill 75, has now begun its journey through the lengthy legislative process. Republicans, who are outnumbered by Democrat majorities in both houses, have been critical of the fact that it will increase taxes and fees by \$1.7 billion over the next two years.

Obama Budget Contains \$646 Billion in Hidden Regressive Taxes

The Federal Budget proposed on February 23rd by President Barak Obama contains a so-called "Cap and Trade" carbon tax which is estimated to raise \$647 billion over the next decade. Some experts believe this estimate could be low by a factor of two or three times. Because it is highly regressive, it will hurt poor, middle class and retired citizens the most. It will penalize lower-income taxpayers because a larger portion of their income goes for basic needs such as electricity and gas to heat their homes. It will also damage all businesses and farmers who use large amounts of energy to produce products and jobs, hindering economic recovery.

Doyle Budget Would Lead to Abusive Lawsuit Conditions

Provisions in Governor Doyle's budget proposal would abolish joint and several liability policies enacted by the Legislature in 1995 and significantly impact the outcomes of civil cases. Under current law, a plaintiff may recover damages only if he or she is not more at fault than the person against whom recovery is sought. Also, a defendant may be jointly and severally liable for all damages only if that person's negligence is 51 percent or more of the total. The new provision would provide that any person whose negligence is equal to or greater than the negligence of the person seeking recovery is jointly and severally liable. This means that a person as little as one percent at fault could be liable for 100 percent of the entire damages. This change could be especially damaging to businesses such as utilities because they are often included in lawsuits because of their supposed "deep-pockets."

PSCW Chairman Appears Somewhat Positive on Nuclear Option

Eric Callisto, Chairman of the Public Service Commission of Wisconsin which regulates the state's utilities, has predicted that the Democratic-controlled Legislature may soon relax a moratorium on construction of nuclear power plants in Wisconsin. Callisto said more nuclear plants, under certain conditions, could be part of the state's larger effort to address global warming and boost energy independence. However, the details of any proposal are unclear at present, and there are fears the conditions may still be so restrictive nuclear would be unlikely to be seriously considered.

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MGE Required to Defer Generator Retirement at Blount Street Plant

Madison Gas and Electric (MGE) has received notification from the Midwest Independent System Operator (MISO) that in order to meet national electric system reliability standards, it will need to keep its Blount Station available at full capacity until MISO declares the power MGE desires to retire is no longer needed for system reliability. The company said this does not affect its plans to stop burning coal at Blount. MGE had announced its intention to retire the oldest, least-efficient part of its Blount Street Power Plant by 2011.

WPL Hopes to Increase Its Wind Power Capacity

Wisconsin Power & Light (WPL), subsidiary of Alliant Energy, is hoping state regulators will approve the company's plan to develop the Bent Tree Wind Farm in southeastern Minnesota. WPL has a tentative agreement with NextEra Energy Resources, a Juno Beach, Florida., subsidiary of FPL Group, to buy power from NextEra's wind farm in Crystal Lake, Iowa. It would provide 100 megawatts a year for 25 years with an additional 100 megawatts from the same location for one year.

★ Mark Your Calendar Now ★

WUI INVESTOR DAY at the CAPITOL

MAY 20, 2009 • 10:00 am - 1:00 pm

Inn on the Park, Madison

Join other WUI members for updates from legislators and key policymakers.

Meet your Senators and Representatives in their offices.

Enjoy lunch and door prizes. Watch for your invitation!

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