



Wisconsin Utility Investors, Inc.

LEGISLATIVE / REGULATORY UPDATE

Issue 4

August 2004

2004 WUI Annual Meeting to be Held at Lambeau Field in Green Bay

Mark your calendar now for the 2004 Wisconsin Utility Investors Annual Meeting of Members to be held on Wednesday, September 22nd, at Lambeau Field, home of the Green Bay Packers. Registration materials will be mailed next week. Reserve your place early to learn important information about your utility investments and to have an opportunity to visit and view the newly renovated facility.

Don't Raid the State's Public Benefits Fund Again

by Senator Robert Cowles

Hold on to your wallet - a state energy efficiency and conservation program may soon be on the chopping block again. The program, known as Public Benefits or Focus on Energy, has suffered major setbacks in recent years. State electric ratepayers, not taxpayers, pay for the program with a small fee on each utility bill. The Legislature and the governor approved a \$47 million cut in the Public Benefits program and then transferred that money into the state's general fund. This means we balanced the budget by raiding ratepayer dollars, which is in reality a hidden tax increase on Wisconsin residents. This \$47 million cut reduces the program by a third, and it will certainly harm conservation efforts that reduce our energy demand.

The Governor's Task Force on Energy Efficiency and Renewables has been deliberating over the past year. The task force is currently building consensus on final recommendations to submit to the governor to implement within the next state budget.

In balancing the next budget, the Legislature will need to reduce funding for many good programs. However, electric ratepayers collect Public Benefits funds for a very specific purpose -- energy efficiency efforts and encouraging renewable power. Further diversions of energy funds would cripple or abolish this program just as we need it most.

Wisconsin is now entering a phase of billions in new energy infrastructure construction. Now more than ever, it is important to protect cost-effective energy conservation and efficiency efforts. The Public Benefits program can improve reliability and provide quick relief. It has been estimated that the program has created thousands of good-paying jobs as well as obvious environmental benefits.

Last year, the Senate Committee on Energy and Utilities, which I chair, heard from dozens of representatives from state manufacturers, distributors, retailers, homebuilders and other businesses that have worked with and benefited

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UPDATE**

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from Public Benefits. Also represented were utilities, labor unions, environmental groups, schools, colleges and non-profit groups. There was unanimous agreement from these varied groups that the Public Benefits program is highly effective and has already saved significant amounts of energy -- and can do so even more cheaply than energy can be produced.

It is critical that this next state budget be balanced legitimately, without the use of ratepayer dollars as filler and without destroying this important program.

Senator Cowles, R-Green Bay, is the chairman of the Senate Energy and Utilities Committee.

WUI Agrees! Don't Tax Ratepayers Under False Pretenses

This sometimes controversial and little known "tax" amounting to over \$100 million per year is hidden on Wisconsin consumers' utility bills and collected by the state's utilities. It was intended for low-income energy assistance, energy efficiency and conservation purposes and should not be pilfered to help balance the state's general-purpose budget. Let the Governor and your legislators know of your feelings on this matter.

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