



## Wisconsin Legislature Completes Its Summer Action

The Wisconsin Legislature met for floor action during the last two weeks of September. It was the first such meeting since passage of the state budget in early June. The next floor period will begin on October 25. Marking a major change in his administration, Governor Doyle has announced that Department of Administration Secretary Marc Moratta, the Governor's top political appointee, would be leaving after a nearly three year tenure and would be replaced by former State Department of Corrections Secretary and Blue Cross Blue Shield CEO Steve Bablitch. No utility specific legislation was considered during the abbreviated floor period; however, the body did consider a number of socially controversial issues. Issues dealt with thus far in the session include:

**AB 243 - TRANSMISSION SITING** - This legislation requires local governments to grant an easement for fair market value for the siting of high-voltage transmission lines. The Governor signed this measure in late July. As a result, the Douglas County, Wisconsin, Board of Supervisors has now voted to allow the American Transmission Company (ATC) to build on approximately thirteen miles of county property. The ATC 210 mile, \$420 million line will run from Duluth, Minnesota, to Wausau, Wisconsin.

**AB 441 - CLARIFYING PLANT APPROVALS** - This measure, which was signed by the Governor in mid-August, codifies what had been current practice concerning overlapping agency deadlines relating to generating plant approvals. A lawsuit, which was ultimately thrown out by the Wisconsin Supreme Court, had attempted to stop construction of Wisconsin Energy's new Oak Creek power plants.

**SB 79 - FIXED RATE OF RETURN** - This bill creates certainty for utility investors by allowing a fixed rate of return on investment as one means of financing new power plant construction projects. The Wisconsin Public Service Commission has issued draft rules for implementing the measure that contain some items of concern and need to be addressed.

WUI has strongly supported passage of these three bills and is pleased that they have now become law.

## Remaining Legislative and Regulatory Issues

**SB 164 - ID THEFT** - This well-intentioned measure would require that holders of personal information notify a person within 15 days if that information has been accessed by an unauthorized party. Unfortunately, it would create unreasonable and expensive burdens for many companies, including utilities, in situations which would not create harm to the persons concerned. The utilities and WUI believe that the bill should be amended to exempt "encrypted" data, exempt companies that already notify customers of breaches, and to preempt state law if related federal legislation is enacted.

**LEGISLATIVE/REGULATORY  
UPDATE**

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**STRAY VOLTAGE** - A number of approaches to deal with this continuing problem are being considered. One would grant the Public Service Commission the authority to regulate stray voltage and determine what levels are safe or unsafe using sound scientific methods.

**CONSERVATION & RENEWABLES TASK FORCE** - The Task Force has recommended that renewables constitute at least 10% of all electric energy produced by 2015. It also suggests Public Benefits changes that would allow utilities to manage their own programs. The state had diverted \$55 million of Public Benefits funds to help balance its budget.

**MERCURY RULES** - The State of Wisconsin must implement the federal Environmental Protection Agency's mercury rule before September of 2006. It would require reductions of 70% by 2015 for stationary sources of mercury. Ongoing discussions between interested parties and the Department of Natural Resources are attempting to resolve difficult questions relating to the implementation process.

**GOVERNOR'S "CONSERVE WISCONSIN" PACKAGE** - The Governor has presented a series of proposals, including both executive orders and legislation to achieve various environmental goals. While many of the proposals are commendable, Wisconsin Utility Investors does not support the restoration of the Office of Public Intervenor.

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