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(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2009-10

(session year)

Assembly

(Assembly, Senate or Joint)

Special Committee on Clean Energy Jobs...

COMMITTEE NOTICES ...

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INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

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- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
(**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

* Contents organized for archiving by: Stefanie Rose (LRB) (December 2012)

Clean Energy Jobs Act

Assembly Bill 649

Senate Bill 450

Memo Detailing Proposed Renewable Portfolio Standards Revision

February 15, 2010

Northwestern Wisconsin Electric Company, North Central Power Co., Inc, and Dahlberg Light and Power Company (the Companies) respectfully request the Renewable Portfolio Standards as defined in current law and as proposed in the Clean Energy Jobs Act be changed. The Companies request that electric providers that had a "Baseline Renewable Percentage" (BRP) above the statewide average of 4% would not be required to increase their "Renewable Energy Percentage" (REP) beyond the 25% requirement and those electric providers with a BRP below the statewide average of 4% would be required to increase their REP by 21% as proposed. This would mean that electric providers that have been proactive in establishing and maintaining a renewable energy portfolio before the creation of the RPS standards would not be unfairly required to purchase more renewable energy than their counterparts and at the same time would not alter the recommendations of the Governor's Task Force to require a statewide REP of 25% by 2025.

The following is a recap of the current law and the proposals outlined in the Act.

Under current law, the RPS includes deadlines that apply to an electric provider's "renewable energy percentage" (REP). In general, an electric provider's REP for a particular year is the percentage resulting from the proportion in which the denominator is the total amount of electricity that the electric provider sold to customers or members in the year and the numerator is the sum of the following: 1) the amount of electricity derived from renewable resources that the electric provider sold to its customers or members in the year; and 2) the amount of any renewable resource credits (RRCs) that the electric provider elects to use in the year. Current law generally prohibits an electric provider from decreasing its REP in 2009 below the electric provider's "baseline renewable percentage" (BRP). Current law defines BRP as the average of an electric provider's REP for 2001, 2002, and 2003.

With certain exceptions, current law does the following: 1) in 2010, requires an electric provider to increase its REP at least 2 percentage points above its BRP; 2) in 2011 to 2014, prohibits an electric provider from decreasing its REP below the percentage required in 2010; 3) in 2015, requires an electric provider to increase its REP at least 6 percentage points above its BRP; and 4) in each year after 2015, prohibits an electric provider from decreasing its REP below the percentage required in 2015.

The bill changes the foregoing deadlines as follows: 1) in 2013, rather than in 2015, an electric provider must increase its REP at least 6 percentage points above its BRP; 2) in 2014 to 2019, an electric provider may not decrease its REP below the percentage required in 2013; 3) in 2020, an electric provider must increase its REP at least 16 percentage points above its BRP; 4) in 2021 to 2024, an electric provider may not decrease its REP below the percentage required in 2020; 5) in 2025, an electric provider must increase its REP at least 21 percentage points above

its BRP; and 6) in each year after 2025, an electric provider may not decrease its REP below the percentage required in 2025.

In addition, the bill imposes requirements for an electric provider's "in-state percentage" (ISP), which is defined as the percentage of an electric provider's REP that is derived from in-state renewable resources. In 2020, an electric provider's ISP may not be less than 30 percent of the electric provider's REP; and in 2021 to 2024, an electric provider's ISP may not be less than that required in 2020. In 2025, an electric provider's ISP may not be less than 40 percent of the electric provider's REP; and in each year after 2025, an electric provider's ISP may not be less than that required in 2025.

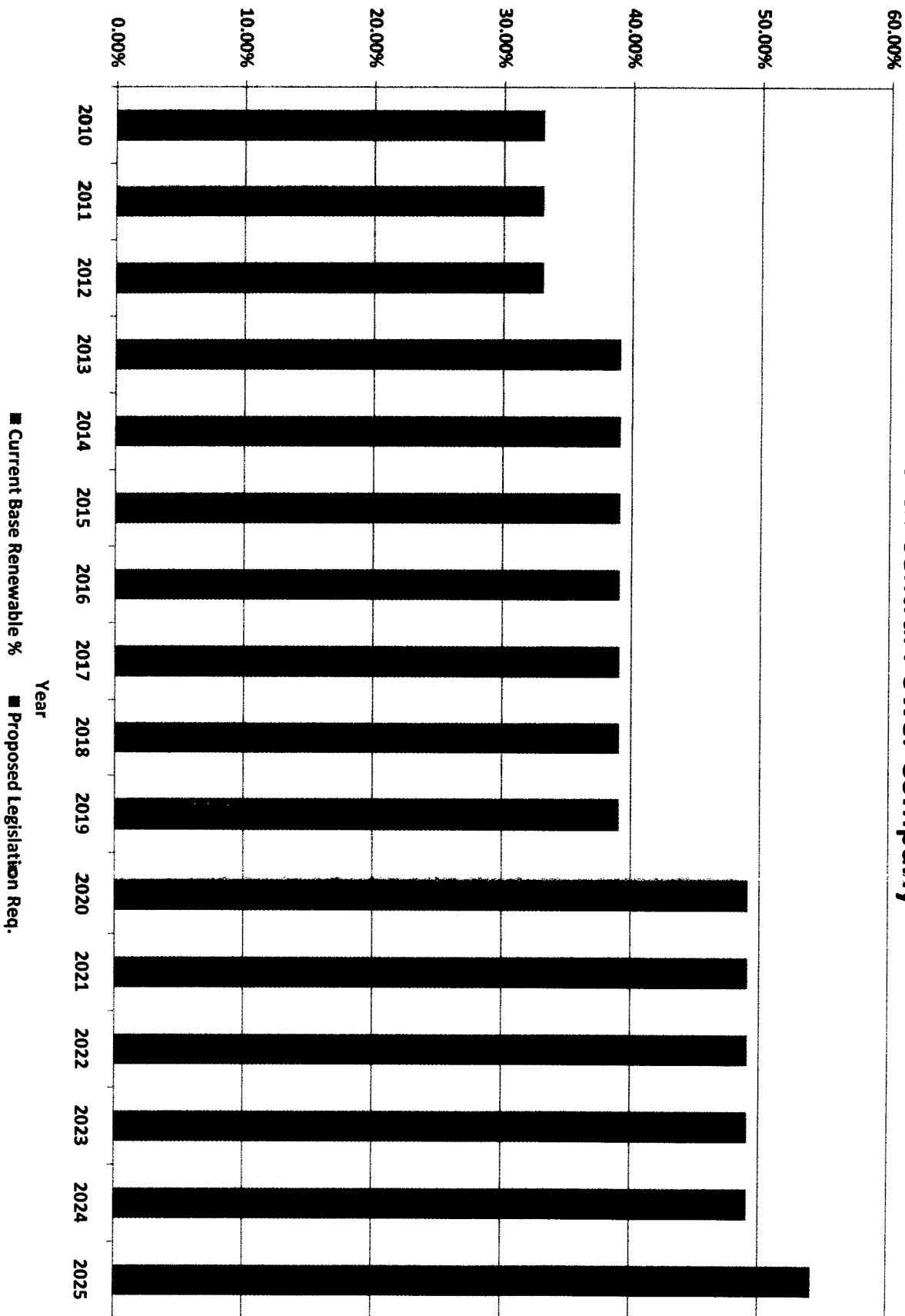
The Companies request that the bill be left as proposed with the addition that any electric provider that has reached a 25 percent REP be exempt from any further requirements to increase its REP above that level. The requirement that the ISP must ultimately be at least 40% of the electric provider's REP should remain as well.

Thank you for your consideration.

Respectfully,

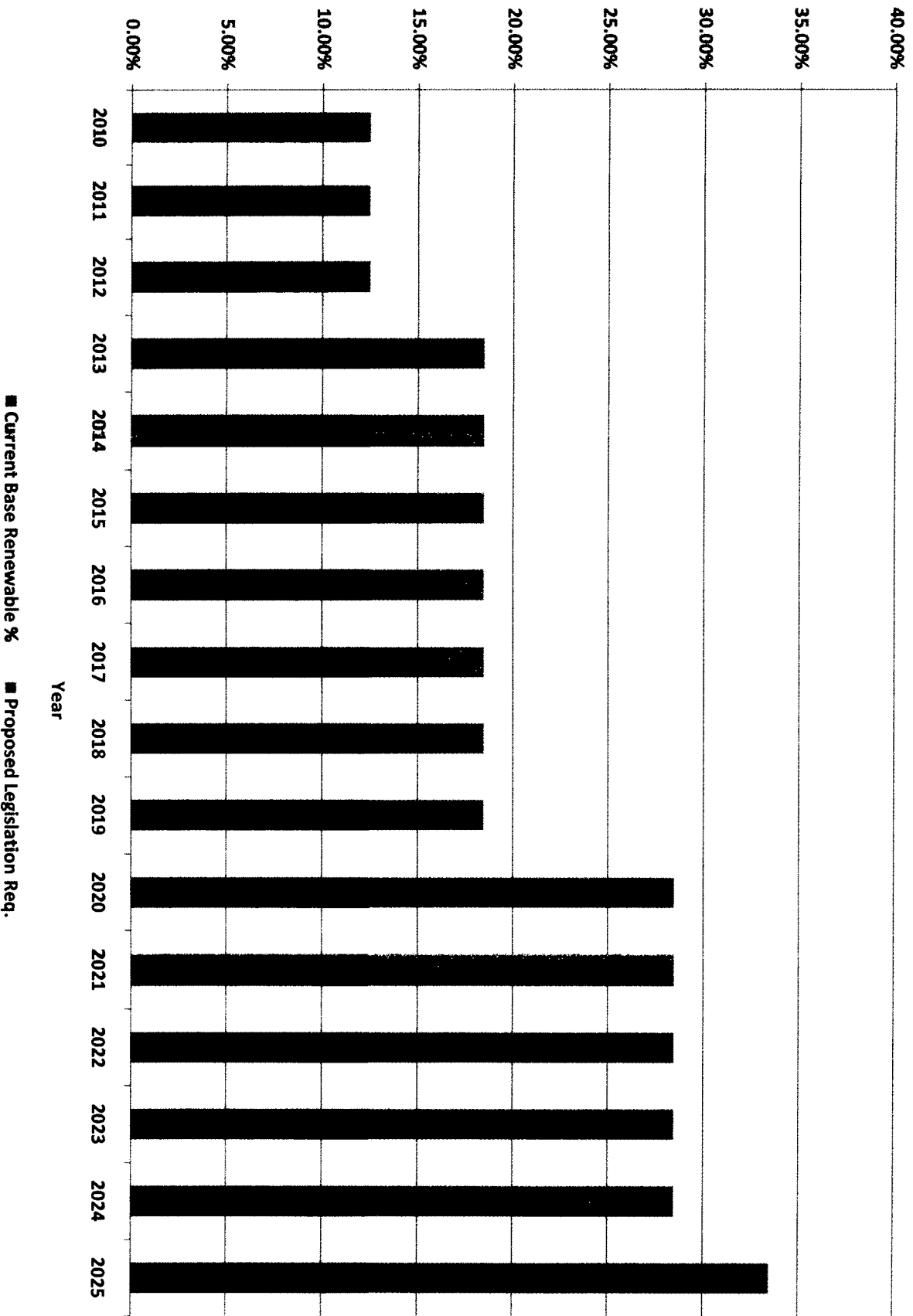
David M. Dahlberg
President, Dahlberg Light and Power Company
Vice President, North Central Power Co., Inc.
Vice President, Northwestern Wisconsin Electric Company

Proposed Climate Change Legislation Renewable Requirement North Central Power Company

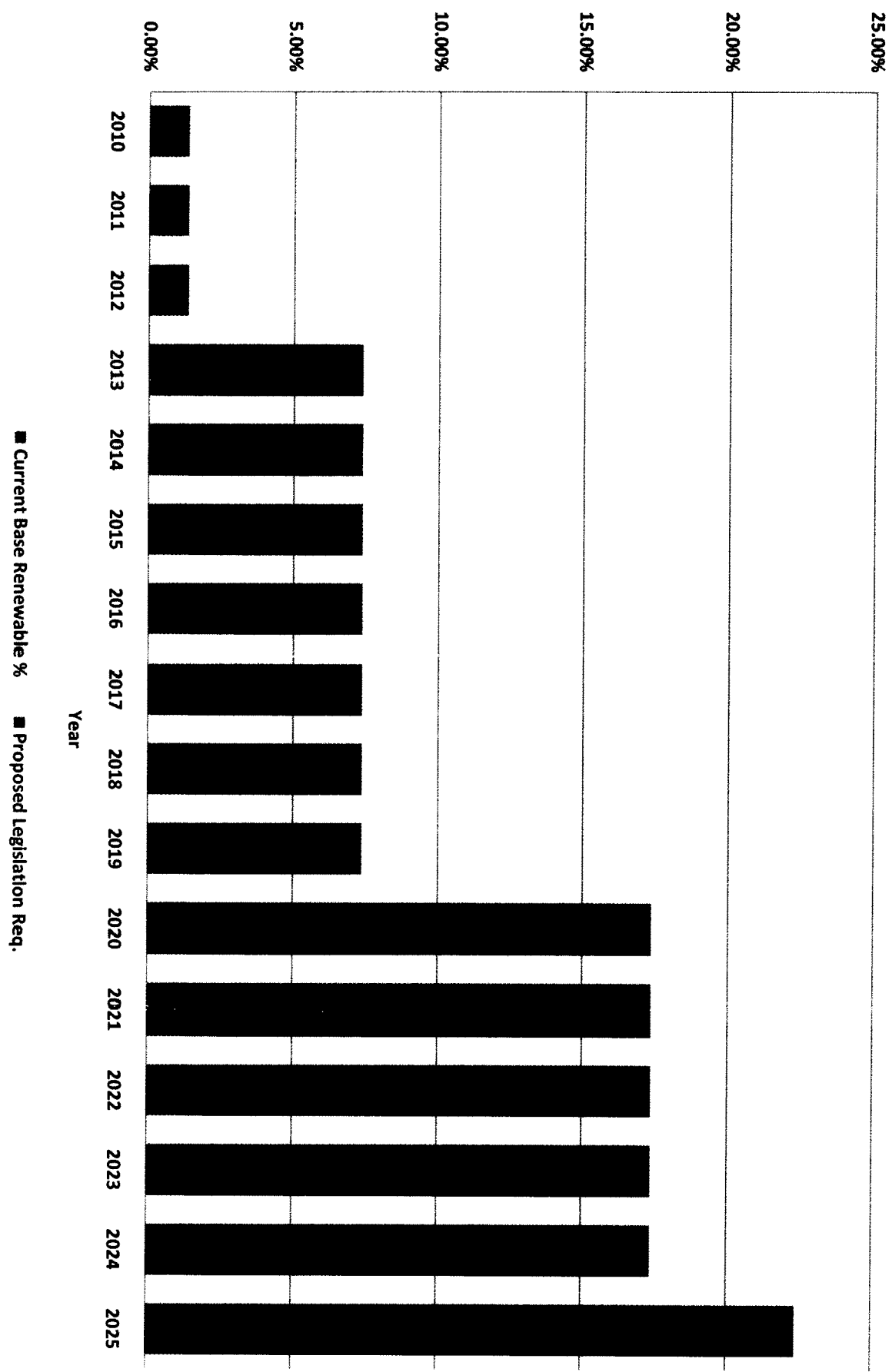


Proposed Climate Change Legislation Renewable Requirement

Northwestern Wisconsin Electric



Proposed Climate Change Legislation Renewable Requirement Dahlberg Light & Power



Northwest Wisconsin Unemployment and Per Capital Personal Income Data

February 22, 2010

County	Electric Provider (1)	Unemployment - Dec. 2009		Income - 2007 (3)	
		Rate	Rank (2)	PCPI	Rank (2)
Ashland	NSP	9.4%	32	\$28,512	52
Barron	NCP, NSP	8.7%	41	\$29,003	47
Bayfield	DLP, NSP	10.8%	11	\$28,604	51
Burnett	NWE	11.2%	8	\$27,404	58
Douglas	DLP	8.0%	51	\$27,889	56
Polk	NSP, NWE	10.2%	22	\$28,674	50
Rusk	NCP, NSP	11.8%	3	\$23,843	71
Sawyer	NCP	10.7%	13	\$30,381	46
Washburn	DLP, NSP	10.1%	25	\$26,006	67

(1) DLP - Dahlberg Light and Power Company
 NCP - North Central Power Co., Inc.
 NSP - Northern States Power Company
 NWE - Northwestern Wisconsin Electric Company

(2) Rank is by County, 1 is highest

(3) Source is US Dept of Commerce and Census Bureau



2/15/10

Dear members of the Special Committee on Clean Energy Jobs:

My name is Rebecca Derenne and I am registering in favor of AB 649. While I think this bill could go even further to make Wisconsin and surrounding areas more healthy and sustainable, I am pleased that there is a move to finally address real energy and environmental issues.

To the critics that say this bill does not provide enough jobs, I say, "In an economic downturn even some additional jobs are helpful." I have lost my job due to the economy, and I know that right now many people see little hope for a new job with comparable pay and benefits. There could be plenty of new jobs and opportunities by investing in renewable and energy efficient programs and processes, and by investing in more recycling-related programs and products. Ultimately, if we destroy this planet or make it unfit for human life, will it really matter if we were able to keep the status quo?

Efforts like this bill make sense, common sense, and dollars and cents. We cannot afford to wait longer to be more energy efficient, and we need to move to an economy that is more sustainable, vibrant and diverse.

Let's be leaders in Wisconsin, and show that other states besides California 'get it.'

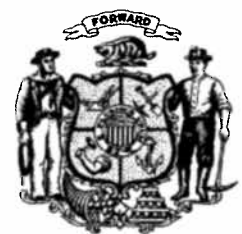
Sincerely,

A handwritten signature in cursive script that reads "Rebecca Derenne".

Rebecca Derenne
817 N Chestnut Ave
Green Bay, WI 54303



WISCONSIN STATE LEGISLATURE





State Governmental Affairs
St. Paul Office

MARATHON PETROLEUM COMPANY LLC

400 Robert Street North, Suite 1560
St. Paul, MN 55101
Telephone 651 / 310-0600
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Testimony on Assembly Bill 649

Presented by Richard S. Kadansky

Manager, State Governmental Affairs - Minnesota, Wisconsin, Illinois

Assembly Special Committee on Clean Energy Jobs

February 15, 2010

Representative Black and Representative Soletski, members of the committee, my name is Richard Kadansky, Manager of State Governmental Affairs for Marathon Petroleum Company covering the states of Wisconsin, Minnesota and Illinois. Thank you for this opportunity to comment on Assembly Bill 649.

Marathon Petroleum is heavily invested in the refining, transportation and marketing of petroleum products for the state of Wisconsin and throughout the Midwest and Southeast states. Specific to Wisconsin, we operate an oil refinery and terminal facility in St. Paul Park, Minnesota (about twenty miles over the border) that services western Wisconsin, and three other product terminals that provide fuels for the state in Milwaukee, Green Bay and Rockford, Illinois. Marathon has interests in pipeline operations throughout the Wisconsin, and also supplies approximately 90 independently-owned Marathon gas stations retailing under the Marathon brand, and owns and operates 69 Speedway and SuperAmerica stations throughout the state. Overall, our company employs nearly 1,000 people in Wisconsin.

Marathon is proud of its support of renewable fuels and is one of the largest blenders of ethanol and biodiesel in the nation. Last year in Wisconsin alone we sold approximately 237 million gallons of ethanol-blended gasoline through our two terminals, and sold 30 million gallons of biodiesel-blended fuel from outside the state for transportation into Wisconsin. Marathon has invested millions of dollars into upgrading our Wisconsin, Minnesota and Illinois terminal infrastructure to accommodate the marketing of renewables over the past few years. We also have interests in ethanol plants in Ohio and Indiana, as well as a partnership with Mascoma Corporation, a leading biofuels development firm specializing in cellulosic ethanol production.

Though the goals of AB 649 are commendable, after our considered review I am appearing today to voice Marathon's opposition of the Low Carbon Fuel Standard contained within the proposal.

Marathon's primary concern centers on the practical aspect of manufacturing a low carbon fuel. At present, there is no technological or practical way in the manufacturing process to reduce the carbon intensity of our fuel. In simplified terms, carbon is the element that puts the "spark" in the gasoline. The intensity *can* be lowered by blending with biofuels – as we are doing – but cannot be lowered or eliminated via the manufacturing process itself. Also, there is great uncertainty as to when technology may develop that will allow our industry to meet any types of carbon intensity reductions as part of the production phase. *If* and when such technology develops, I would anticipate both significant time and financial commitment would be needed to allow for proper infrastructure development. The economic viability of producing and selling such a fuel would no doubt be a key driver in any decision to do so.

A major flaw in a Low Carbon Fuel Standard is that it only reduces greenhouse gas emissions in the geographic area where it is applied. Other states' emissions will no doubt negate any progress Wisconsin intends to make and, on a global basis, places with growing emission levels such as China and India *will* still have an effect on North America. The global environment does not recognize Wisconsin's borders.

Also of significant concern, a Low Carbon Fuel Standard in essence discourages the use of crudes from Canada which would no doubt be problematic for Wisconsin, since the state now gets approximately half of the oil it uses from this North America trading partner. Should this type of standard be enacted, the state would inevitably prohibit the use of these feedstocks and be almost totally reliant on crude oil from other areas including foreign sources. Let me also state that Marathon's Minnesota refinery, which services much of Wisconsin, currently uses about 80% Canadian crude.

We also share the belief that a Low Carbon Fuel Standard has the potential to unnecessarily complicate fuel distribution in Wisconsin, and seriously threaten an effective response to supply disruptions. We contend that this legislation will undoubtedly result in increased consumer costs with the creation of boutique fuels specific only to Wisconsin. It is anticipated that it will significantly reduce the flexibility of the petroleum infrastructure and therefore new costs may eventually surface for consumers at the pump.

Marathon feels it is important for Wisconsin to recognize that Congress has already acted with respect to setting fuel standards by including a Renewable Fuel Standard (RFS) through 2005's Energy Policy Act and the Energy Independence and Security Act of 2007. At this time, we oppose any state-specific Low Carbon Fuel Standard that would further complicate the existing Federal RFS. Proper time should be taken to assess the results of the Federal RFS, as well as California's LCFS program.

Our recommendation for both Wisconsin and the Midwest in general is to avoid creating a patchwork of fuels in the region, as the Midwest is already at times product-short and does not need to exacerbate this situation. Creating a fuel such as a low carbon fuel is not in the best interest of consumers and can negatively impact both Wisconsin's petroleum product supply and consumer economics surrounding these products.

Thank you for your attention and the opportunity to comment on Assembly Bill 649.



February 15, 2010

TO: Members of the Assembly Special Committee on Clean Energy

FROM: Jeff Lyon, Director, Governmental Relations

RE: Opposition to AB 649 – The Clean Energy Jobs Act

On behalf of the Wisconsin Farm Bureau Federation, I want to thank you for the opportunity to comment on AB 649, the Clean Energy Jobs Act. 2010 WFBF policy adopted by delegates at our December 2009 annual meeting “opposes climate change legislation at the state level that would increase costs to production agriculture.” Further, our members believe that the climate change issue needs to be addressed at the national and international levels. They are extremely concerned that passage of this bill will make Wisconsin a regulatory island and negatively affect our farms, processing industry and job creation.

As you know, the Clean Energy Jobs Act is based on some of the recommendations from Governor Doyle’s Task Force on Global Warming. The bill sets goals for state GHG emission reductions, energy conservation, the generation of electricity from renewable sources, and new building energy use. There is no cap and trade program.

While WFBF opposes AB 649, we believe farmers can play an integral part in moving Wisconsin and the U.S. toward greater energy independence, but, we are concerned that the majority of provisions in AB 649 if implemented will lead to higher fuel, fertilizer and electricity costs. Unlike other businesses farmers cannot just relocate to another state. We need land and nearby processing facilities.

The Energy Crop Reserve Program, which allows DATCP to enter into contracts with farmers to receive payments for the establishment and production of eligible energy crops, could have some potential benefits. The ECRP could increase farmer income, become another cropping alternative and assist in energy independence. Still, we have several concerns and questions.

- 1) The program is not funded and no source of funding has been identified. To my knowledge no program cost estimates have been made by DATCP. The program will have to compete against other crops. Is this a \$1 million program or a \$20 million program? Will funding come from GPR or will ratepayers be assessed to fund the program?
- 2) The market for biomass is relatively nonexistent. Growing biomass is just one aspect of the process. Aggregation, storage and delivery systems for biomass need to be developed. How much biomass from farmland will be needed? How will increased acres going into biomass affect our dairy and livestock farmers and the amount of corn for ethanol plants? Why would farmers make capital investments in machinery and other equipment to receive a subsidy payment when they don’t know how long the program will be in

existence? Why not use the Charter Street project as a pilot program to see if there is a future?

- 3) To grow biomass such as switch grass, farmers, to be profitable, will have to manage the crop like any other which means applying nutrients to the crop. Will farmers be able to apply nitrogen and phosphorus at levels that will allow for maximum yields and production and still meet nutrient management standards? Some studies say yes while others say no.

The Renewable "Feed In" Tariff provisions sometimes known as Advanced Renewable Tariffs (ART), which require electric utilities to purchase electricity generated from a renewable resource under standard, predefined purchase terms and conditions could benefit a few farmers that have methane digesters or wind turbines and could encourage more renewable electricity generation.

Obviously, if electric utilities have to pay more for renewable electricity generation, other ratepayers will foot the bill. What will the additional costs be to ratepayers? WFBF believes ARTs need to be more fully analyzed.

When reviewing an all encompassing bill like AB 649, WFBF weighed the provisions that could be good for production agriculture against the negatives. At this time there are too many unknowns and we are opposed to the bill.

No fiscal estimate with costs to the state has been completed. No detailed analysis of costs to businesses and individuals has been completed. Further, there has not been a detailed government analysis or estimates of GHG reductions versus the cost to achieve them. The Public Service Commission is basically given taxing power in the form of increased rates to meet the bill's stated goals.

With respect to jobs lost versus jobs created, it is interesting that the state Office of Energy Independence reports that 15,000 green jobs will be created by 2025, while a study commissioned by the Wisconsin Policy Research Institute indicates that 43,000 jobs will be lost. Before passing a comprehensive bill like AB 649, state citizens need more certainty with respect to jobs especially during the recession we are now experiencing.

As I mentioned before, WFBF believes climate change is an issue both national and international in scope and should be dealt with accordingly. Wisconsin cannot become a regulatory island.

The reasons for our opposition to AB 649 mirror the reasons we oppose the climate change legislation at the federal level. The major reason national climate change legislation has stalled is because Senators from both parties from states that rely heavily on coal for electricity generation have seen the adverse economic impact that bill will have on their states and constituents. This isn't surprising since the bill was crafted by legislators from the East and West Coasts which rely less on coal for electricity generation and stand to benefit.

According to the U.S. Department of Energy, energy costs, under the federal climate change bill, could grow by \$1,870 per household. Combined with higher costs for food, the additional yearly hit on families would total about \$2,300 per household.

With nearly 70 percent of electrical generation in Wisconsin coming from the use of inexpensive coal, we are concerned that the emission reduction goals in AB 649 will require utilities to find other sources of more expensive energy to "fill in the gap" without any realistic alternatives to meet the bill's goals by the target dates.

Farmers are generally price takers and have limited ability to pass increased production costs on to consumers. We are concerned that increased fuel, fertilizer and energy costs will shrink Wisconsin's nearly \$60 billion agriculture industry.

Other issues that cause concern for WFBF include the adoption of a low carbon fuel standard (LCFS) and California vehicle emission standards.

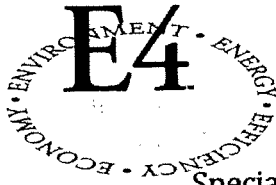
Under a low carbon fuel standard GHG emissions are determined for all steps in the production, distribution and use of the fuel (a life cycle analysis). The LCFS would be set by an advisory group established by the Midwest Governor's Association.

The LCFS could potentially be a disadvantage to Canadian crude because it could have a higher carbon-intensity than conventional crude from the Middle East or Venezuela which would result in higher prices since more than half of Wisconsin motor fuels are refined from Canadian crude. Further, the LCFS could also adversely affect biofuels production if a full cycle analysis (which includes land use changes) is used in calculations.

The California vehicle emission standards are more restrictive than federal laws and Wisconsin would be delegating authority to California to determine our emission standards. Further, the California standards treat ethanol unfavorably.

Again thank you for the opportunity to comment on AB 649. With all the unknown costs and limited benefits to business and the environment, the WFBF respectfully requests that you oppose AB 649.





E4, Inc.
Special Committee on Clean Energy Jobs
February 15, 2010
Assembly Bill 649

I appreciate the opportunity to address the Committee about the environmental and economic implications of this important bill. My name is Elizabeth Rich. I am an officer and director of E4, a nonprofit 501(c)3 organization established in Wisconsin in 2003. Our four "E's" stand for Energy Efficiency, Environment and Economy. We seek to advance economic growth and environmental stewardship through the implementation of innovative, practical, sustainable, economically viable and profitable energy solutions. I am also an attorney who has practiced environmental law in many parts of Wisconsin for 25 years.

Underlying Assembly Bill 649 are many initiatives and goals that E4 supports: reductions in greenhouse gas emissions, construction of zero net energy buildings, and promotion of energy efficiency and renewable energy. At this point in time, however, we have registered as neutral on the bill due to reservations about the exclusion of direct use renewable energy technologies from provisions of the bill applicable to other renewable energy technologies.

Direct use renewables have environmental and economic benefits that traditional renewables do not. There is no more efficient use of the sun for solar energy than light pipes, solar water heaters and other direct use renewables. Such technologies eliminate the need for expensive distribution and transmission systems and create jobs for Wisconsin workers. Direct use renewable energy will create green manufacturing jobs in

E4, Inc.

Plymouth Gateway Plaza • 637 Walton Drive – Suite 1 • Plymouth, WI 53073 • Tel/Fax: 866-432-7226 • e4energy.org
Strengthening the Economy and Improving the Environment through Energy Efficiency™

our state and put hundreds of Wisconsin construction workers, roofers, plumbers and electricians to work installing direct use renewable energy systems across the state.

For all of these reasons, we cannot afford to exclude direct use energy technology from the renewable energy portfolio. There is no good reason for doing so, nor should one-year "renewable certificates" be issued for megawatt hours displaced by direct use renewables. Rather, direct use renewables should generate Renewable Energy Credits in the same way as photovoltaic and other renewable technologies do.

Respectfully submitted,

E4, INC.

Elizabeth Gamsky Rich





*Clean Wisconsin
Customers First! Coalition
League of Women Voters of Wisconsin Education Fund
Municipal Electric Utilities of Wisconsin
Wisconsin Community Action Program Association
Wisconsin Environment*

February 15, 2010

Dear Member of the State Legislature:

To ensure that residential ratepayers are represented in utility cases before the Public Service Commission of Wisconsin, the undersigned organizations urge you to support AB 689 and SB 479, which would provide the Citizens Utility Board with public funding through assessments on utilities in the amount of \$300,000 annually.

Created in 1979 by an act of legislation, then reorganized independent of state law in 1986, CUB is the only organization that regularly participates in proceedings before the Public Service Commission on behalf of residential ratepayers.

Every year, CUB saves ratepayers millions of dollars on their utility bills. With three full-time staff, CUB saves ratepayers more than \$100 for every dollar spent by CUB representing residential ratepayers. CUB has likely saved utility ratepayers more than \$1 billion during its 30-year history.

Unlike most states, Wisconsin relies on CUB—a nonprofit organization—to represent residential ratepayers. Most states have ratepayer or state-funded agencies to represent utility ratepayers.

CUB relies on a combination of sources for its funding. CUB applies for and receives grants from the “intervenor compensation fund” (196.31 Wis. Stats.), most of which is used to pay for attorneys and witnesses hired on a case-by-case basis for regulatory proceedings. CUB also receives contributions from members and grants from foundations, but the recession has made it even more difficult to obtain contributions and foundation grants.

AB 689 and SB 479 would increase the amount of the intervenor compensation fund from \$750,000 annually to \$1,050,000 annually, and the legislation would require that \$300,000 be granted to an organization “that has a history of advocating on behalf of residential ratepayers for affordable rates.” The funds would be “program revenue” collected from utilities, which would likely pass the cost onto ratepayers. For comparison, the costs of the Public Service Commission

(over)

February 15, 2010

Page 2 of 2

are also covered by program revenue collected from the utilities, so this legislation would not raise taxes.

Unless it secures more stable funding, CUB could lose its ability to represent residential ratepayers and provide a vital service for your constituents. Please support AB 689 and SB 479.

Sincerely,

Mark Redsten
Executive Director
Clean Wisconsin

Matt Bromley
Executive Director
Customers First! Coalition

Andrea Kaminski
Executive Director
League of Women Voters of Wisconsin
Education Fund

David Benforado
Executive Director
Municipal Electric Utilities of Wisconsin

Richard Schlimm
Executive Director
Wisconsin Community Action Program
Association

Dan Kohler
Executive Director
Wisconsin Environment



**Assembly Hearing on AB 649
Clean Energy Jobs
Testimony of Glen R. Schwalbach, P.E.
February 15, 2010**

My name is Glen R. Schwalbach. I am a Professional Engineer licensed in the State of Wisconsin. I can lose my license if I don't practice engineering ethically. It also means I must draw conclusions from the best technical and scientific research available and not succumb to any political motivations. I mention this so you know my comments will be made in this context. I retired from a utility after 38 years and have been in the energy consulting business for the past four years. My comments herein are only my own.

AB 649 and SB 450 are huge bills. Probably they're too big to succeed but definitely big enough to have very negative affects upon Wisconsin's economy and environment.

It is always proper to conserve energy and protect the environment in the best cost-benefit manner. But, in the past, we have many examples of legislation with good intentions ignoring good engineering. The natural gas shortages of the 1970's resulted in legislation for vent dampers on furnaces and boilers against the advice of heating equipment design engineers and testing labs. The results were injuries and deaths from carbon monoxide poisonings some of which I had to investigate. Current mandated efficiency requirements for refrigerators have resulted in appliances with life spans that are one-fourth of ones built thirty years ago. Has anyone considered the waste of energy to have to manufacture four times as many refrigerators per household since government efficiency mandates? There are dozens of such examples.

Just as we don't hear the refrigerator manufacturers complain about government-mandated obsolescence, utilities in general have found it too difficult to fight the political winds. They seem to rationalize that, if the legislature or the Public Service Commission mandates wasteful policy and expenditures, they, the utilities, have nothing to gain in fighting it. And, for some with more focus on shareholders than customers, the added rate base means more earnings. I have heard that at least one state utility has a gag order on its employees, which includes their engineers, to stick to the company's official political positions. I assume that means they can't talk about how expensive renewables really are and how more of them will affect service reliability.

The biggest problem with this bill is that its basic premise is flawed. Many of its provisions resulted from the work of the Governor's Task Force on Global Warming--a task force which was instructed to not question the premise that the earth was warming and that it was due to greenhouse gases such as carbon dioxide. Some members were uncomfortable with that but again they saw no benefit to fight the government's instruction. Thus, the work product is not credible.

The premise of man-made warming stems from the United Nations-sponsored Intergovernmental Panel on Climate Change (IPCC). But consider these facts as follows:

- In a report to the U.S. Senate in December 2007, about four hundred scientists and climatologists each testified that they did not agree with the IPCC and those who were on the IPCC had their research papers or other reports ignored. In an update report in December 2008, about 600 of such experts reconfirmed that position.
- The work of the Nongovernmental International Panel on Climate Change (NIPCC) is significant to study and consider. This panel was formed in 2007 by scientists and climate experts, who have a conscience, when it was observed that the initial drafts of the reports from the IPCC had errors and outright falsehoods. The members of the NIPCC have no financial or political self-interest as the IPCC has proven to have. They studied the IPCC methodology and conclusions and reported the results in their report entitled "Nature, Not Human Activity, Rules the Climate", published in April 2008. Their findings were that the IPCC conclusion that the reported warming is very likely caused by the human emission

of greenhouse gases is false. "In other words", they said, "increasing carbon dioxide is not responsible for current warming. Policies adopted and called for in the name of 'fighting global warming' are unnecessary." They continued "It is an embarrassment to science that hype has replaced reason in the global debate over so important an issue."

- A significant study is a report entitled "Is the U.S. Temperature Record Reliable?". This study, which was reported in 2009, is an audit of 860 climate-monitoring stations of the National Weather Service. Eighty-nine percent of the stations failed to meet the siting requirements and were reading higher than actual temperatures because of artificial heating or radiating/reflecting heat sources nearby.
- A report entitled "Environmental Effects of Increased Atmospheric Carbon Dioxide" published in the Journal of American Physicians and Surgeons in 2007 concluded earth temperature changes, up and down, correlate to solar activity and not to any change in greenhouse gases. It states there is no reason to limit human production of carbon dioxide and such other minor greenhouse gases.
- Many reports of warming which use satellite readings of earth surface temperatures did not know or acknowledge that NASA made an adjustment to their computer algorithm to cause satellite temperature recorders to give higher readings to correlate to the actual temperatures taken at ground level. These reports often mistakenly point to the jump in earth temperature readings as proof that the situation is getting critical.

Many more studies debunking the certainty of man-made climate change and its effects are available and are proving to be more credible than those of the IPCC and others supported by certain governments around the world. Much of this bill would result in billions of wasted dollars. Some day when the mistake is realized, it will be no comfort that the federal government or other states may have taken the same path. For a similar reason, the provision in this bill to adopt California environmental standards seems to defy the common sense of lessons learned.

The levels for increased renewables in utility portfolios are unreasonable and very expensive. Just the basic fact that a utility can add most renewable generation to its portfolio only when it already has adequate or surplus generation should make it obvious that most renewables are not cost-effective for the grid. This doesn't even include such hidden costs as utility dispatching complexities and land devaluations.

A few parts of this bill have potential for positive results. The re-awakening to the benefits of nuclear energy is essential. By the way, new technology shows a real advantage is coming for any owners of spent fuel. The spent fuel will become a source for new energy production.

Many energy conservation incentives are not as effective as designed, i.e. junking old refrigerators for ones with much less life spans. But if incentives are mandated, these incentives should include oil and propane users as drafted in the bill. All incentives should be based upon life cycle cost-benefit studies.

In conclusion, this bill should be focus on opening the door to nuclear plant development and some energy conservation incentives. To help ensure real benefits where technology is involved, the bill should require analysis by licensed Professional Engineers with expertise in the subject area. They are accountable to put the public's health and welfare ahead of their own benefit.

One last comment—I heard Dixie Lee Ray, who at the time was head of the Atomic Energy Commission, respond to a question as to why we don't use more wind or solar instead of nuclear energy. She asked if you have a load of grain to move would you hook up a team of two horses in a harness that you can control and get to pull together in the right direction or would you attempt to harness billions of fleas and hope you can control them to move your load in the direction that you need to go. She said that is the difference between nuclear and wind or solar.



**Wisconsin Transportation Builders Association
Associated General Contractors of Wisconsin
American Lung Association in WI
Associated Builders & Contractors of Wisconsin
Wisconsin Grocers Association
Owner-Operator Independent Drivers Assn., Inc.
WI Engine Manufacturers and Distributors Alliance
Miller-Bradford & Risberg, Inc.
Wisconsin Kenworth Madison**

**Wisconsin Motor Carriers
Dane County
Inland Power Group
Brooks Tractor Inc.
Antigo Construction
Capitol Underground Inc.
Transport Refrigeration Inc.
Leonardo Academy**

February 15, 2010

Dear Co-chairs Black and Soletsky, members of the Assembly Clean Energy Jobs Committee:

Thank you for your work. As you continue your work on the Clean Energy Jobs Act, we would like to call your attention to one important provision designed to reduce diesel idling.

We, the undersigned, as members of the Wisconsin Clean Diesel Coalition (WCDC), are writing to urge you to rework this language by substituting provisions agreed to by our members and attached to this letter. We believe that this approach would be far more effective, and avoid some of the problems and shortfalls of the provision included in the Clean Energy Jobs Act.

Idling reduction is one of the most cost-effective ways to reduce ozone, particulate and greenhouse air emissions in a way that saves money and jobs.

Unnecessary vehicle idling creates air pollution that wastes fuel, causes air pollution, and increases our reliance on foreign oil. The idling of diesel vehicles, especially, is a source of particulate matter pollution, and contributes to portions of the state not meeting Environmental Protection Agency' Clean Air standards. Reducing avoidable idling is an attainable goal and has an immediate, positive impact on air quality and fuel consumption. This is why the WCDC strongly encourages the adoption of language that targets *all* commercial vehicles, which is the most effective way to reduce idling.

Many local governments and businesses have taken action to decrease vehicle idling. For example, Dane County and Madison limit idling of government vehicles and on city and county property. The City of Milwaukee has also enforced idling restrictions on all of their vehicles and conducts idling training for their equipment operators. Many school bus, trucking and other fleets have also established policies and/or created incentives to reducing idling among their equipment operators. The Clean Diesel Coalition has worked with all types of diesel fleets across the state to successfully reduce idling, clean up engines, and use cleaner fuels like ultra low sulfur diesel and bio-diesel.

A statewide approach provides a level playing field for businesses associated with the transportation and construction industry, while providing the benefits of decreased pollution

throughout the state. A statewide regulatory framework will prevent the creation of islands of idling regulations across the state that could cause possible confusion.

Twenty other states, including Illinois, California, and Arizona regulate idling with exceptions based on weather, sleeping and rest, reasonable operation, and for emergency vehicles.

Wisconsin is also a leader in clean diesel technology with Cummins Emissions Solutions, Universal Silencer, Combustion Catalytic, Idle Free Systems and many other makers of clean diesel and idling reduction technologies based here. The Clean Air Task Force estimates that idling reduction and other clean diesel measures could save 100,000 lives over the next 21 years.

The language was negotiated with an involved process of key stakeholders including local officials, trucking, construction, school bus, transit, clean air, Departments of Natural Resources, Commerce and Transportation representatives.

We feel this language is better than the current bill language and Global Warming Taskforce language in several ways:

1. Covers commercial gasoline and diesel engines, both large sources of emissions;
2. Covers commercial on-road and off-road vehicles, both large sources;
3. Has fair exemptions to protect the health and safety of drivers and operators; and
4. Was created by the industries that will be impacted, ensuring higher compliance.

For all these reasons, we urge you to include this language in your final bill or make it a separate bill that can be passed in this session.

Thank you,

Brett Hulsey, Dane County Supervisor
Tom Walker, Wisconsin Transportation Builders Association
Tom Howells, Wisconsin Motor Carriers
Jim Boullion, Associated General Contractors of Wisconsin
Dona Wininsky, American Lung Association in WI
Steve Stone, Associated Builders & Contractors of Wisconsin
Brandon Scholz, Wisconsin Grocers Association
Joe Rajkovic, Owner-Operator Independent Drivers Assn., Inc.
Myron Birschbach, Inland Power Group
Patrick R. George, Wisconsin Kenworth Madison
Mark Bentley, WI Engine Manufacturers and Distributors Alliance
Tom Gorst, Miller-Bradford & Risberg, Inc.
John Talbert, Antigo Construction
Doug Myers, Transport Refrigeration Inc.
John Rodgers, Leonardo Academy Inc.
Dennis Olson, Capitol Underground Inc.
Mary Kay Brooks, Brooks Tractor Inc.
Patrick Mackey, ESW Group

An Act to Conserve Fuel and Preserve Clean Air

Be it enacted by the People of the State of Wisconsin as follows:

Idling requirements for motor vehicles used for commercial purposes

1. **Applicability.** This section applies to:

A. All motor vehicles used for commercial purposes on roads and for off-road activities, excluding vehicles operated completely by electric power;

B. Locations where commercial motor vehicles load or unload.

2. **General requirement for loading and unloading locations.** A person who owns a location where a motor vehicle used for commercial purposes that is not subject to an exemption under subsection 4 loads or unloads may not cause a driver of that vehicle to idle for a period longer than 30 minutes by requesting that the vehicle continue running while waiting to load or unload at that location. To the maximum extent practical, a person subject to this subsection shall minimize delays in loading and unloading operations in order to reduce idling times.

3. **General requirement for vehicles.** An owner or operator of an on-road motor vehicle used for commercial purposes may not cause or permit such a vehicle to idle for more than 5 minutes in any 60-minute period except as provided in subsection 4.

An owner or operator of an off-road motor vehicle/equipment used for commercial purposes may not cause or permit such a vehicle/equipment to idle for more than 5 consecutive minutes when the equipment is not in use except as provided in subsection 4.

No idling shall be permitted by any motor vehicle used for commercial purposes within 100 feet of schools, daycares, elderly housing and hospitals that are clearly marked with signage visible from the roadway. For construction activity that involves off-road motor vehicles, the project manager has the responsibility to clearly mark the above-listed sensitive receptors on the plan documents with a 100 foot border delineated.

4. **Exemptions.** Subsection 3 does not apply for the period(s) when:

A. Remains motionless because of traffic or an official traffic control device or signal or at the direction of a law enforcement official;

B. Operating a defroster, heater, air conditioner, emergency lighting or installing equipment solely to prevent a safety or health emergency and not as part of a rest period;

C. A police, fire, ambulance, public safety, military or other emergency or law enforcement vehicle idles while being used in the course of official business;

- D. The primary propulsion engine idles for maintenance, servicing, repair or diagnostic purposes if idling is required for such an activity;
- E. Part of a state or federal inspection to verify that all equipment is in good working order if idling is required as part of the inspection;
- F. Idling of the primary propulsion engine is necessary to power work-related mechanical or electrical operations other than propulsion, including, but not limited to, mixing, dumping or processing cargo; operating a lift, generator, crane, pump, drill, hoist, or other auxillary mechanical equipment; straight truck refrigeration, utility service restoration or to protect prescription or over-the-counter drug products. This exemption does not apply when idling for cabin comfort or to operate nonessential on-board equipment;
- G. Off-road equipment or transit buses are in immediate stand-by mode for passenger loading/unloading, project and/or worker safety, for readiness of an upcoming phase of a specific project element, or is needed for a stop-and-go project element.
- H. An armored vehicle idles when a person remains inside the vehicle to guard the contents or the vehicle is being loaded or unloaded;
- I. An occupied motor vehicle with a sleeper berth compartment idles for purposes of air conditioning or heating during a rest or sleep period;
- J. Necessary for regeneration of exhaust emission control devices or to recharge batteries on a hybrid vehicle;
- K. A passenger bus idles a maximum of 15 minutes in any 60-minute period to maintain passenger comfort while non-driver passengers are on board;
- L. Idling due to mechanical difficulties over which the operator has no control if the vehicle owner submits the repair paperwork or product receipt by mail within 30 days to the appropriate authority verifying that the mechanical problem has been fixed. If no repair paperwork is submitted within 30 days, the vehicle owner is subject to penalties as provided in subsection 5;
- M. Warming up to the manufacturer's recommended operating temperature;
- N. An on-road motor vehicle idles for not more than fifteen (15) consecutive minutes per

hour when the outside temperature is above 75 degrees F or below 40 degrees F. No time limit for off-road equipment when temperatures are outside of these ranges.

O. The outside temperature is below 10 degrees F the restrictions of this law will not apply.

5. Penalties. Any owner and/or operator of a motor vehicle used commercially and/or owner of a load/unload location who violates this section is subject to a forfeiture of \$150.00 for each violation.

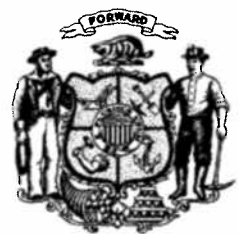
6. Preemption. This act shall preempt and supersede a local ordinance or rule concerning the subject matter of this act.

COMPARISON OF IDLING REDUCTION PROVISIONS

SB 450/AB 649	WI Clean Diesel Coalition
SIMILARITIES	
Duration: 5 min allowed per 60 minutes	SAME
Exemptions: AB 649 language includes exemptions for traffic conditions, temperature, work-related mechanical operations, regeneration of emission controls, maintenance procedures.	Includes exemptions similar to AB 649, but WCDC has additional exemptions beyond the current language since so many types of vehicles would be impacted. The additional exemptions include: operating defroster, lighting and other controls during work (not rest) for safety and health; emergency and law enforcement vehicles; state and federal inspections; stand-by modes for transit and construction; armored vehicles; trucks with sleeper berths while on rest periods; mechanical difficulties with proof of issue; warm up.
DIFFERENCES	
Applicability: Current language only affects trucks	WCDC version is for all commercial equipment and load/unload locations
Penalties: Current language indicates \$20-\$1,000 depending on number of offenses	WCDC indicates \$150 for each violation
Temperature: Current language for temperature is for below 10 degrees F and above 90 degrees F.	WCDC completely exempts below 10 degrees F and allows for 15 minutes per 60 minutes when below 40 degrees F or above 75 degrees F.



WISCONSIN STATE LEGISLATURE





**Hispanic Business and Professionals Association
P.O. Box 081644, Racine, WI 53408**

February 16, 2010

Rep Soletski

Re: SB-469

Dear Utility Committee Members,

The Hispanic Business and Professionals Association, Inc. is a recognized 501 (C)(3) non-profit organization established in 1999. Our organization strives to provide assistance and encouragement to those individuals that aspire to start their own business and also with existing business owners and professionals. Knowing the challenges that face businesses in Wisconsin, we need to do everything possible to create an environment of innovation and competition in our state that is why we are asking for your support of Senate Bill 469.

Wisconsin can improve its ability to attract new business and hold on to existing members of the business community but the current regulatory environment creates an obvious disadvantage for Wisconsin businesses and residents. Telecommunication is a basic building block for many new businesses in the Racine area and it is time to level the playing field for telecom carriers to keep rates competitive and continue to support innovation in the marketplace.

We ask that you change this outdated and unfair regulation and vote in support of Senate Bill 469. Thank you

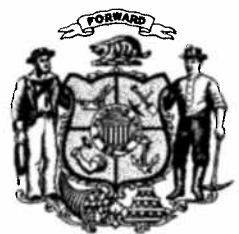
Sincerely,

Dolores Hernandez

Dolores Hernandez
HBPA President



WISCONSIN STATE LEGISLATURE





Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

February 16, 2010

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Assembly Bill 689: Public Service Commission Intervenor Grants

Assembly Bill 689 would require the Public Service Commission (PSC) to provide \$300,000 annually in grants to certain nonprofit groups through the intervenor financing program. AB 689 was introduced on January 25, 2010, and was referred to the Joint Committee on Finance.

CURRENT LAW

The PSC's intervenor financing appropriation provides financial assistance for organizations and individuals who participate in PSC rate cases. To receive funding, an organization or individual must first request and be granted intervenor status in a specific case. As a party to the case, the intervenor is required to appear at technical hearings on the case and be available for cross-examination by other parties to the case. In addition, the intervenor may offer testimony and evidence. Compensation is limited to expenses related to participation in the rate case and includes:

- attorney fees;
- expert witness fees;
- cost of clerical services;
- preparation of studies, displays, and exhibits;
- travel and subsistence costs; and
- other costs that are incurred and are associated with the intervention.

Intervenors must submit claims for compensation, including an itemized statement of expenses, to the PSC within 90 days of completing their participation in the proceeding. The PSC may audit and examine any books, documents, papers, and records of an intervenor related to a claim. Intervenor financing is funded through assessments against the utility subject to the rate

proceeding under the PSC's "direct assessment" authorization [s. 196.85(1) of the statutes]. In addition, the PSC may assess other utilities for costs under the "remainder assessment" authorization [s. 196.85(2) of the statutes] if the Commission determines that the information provided by an intervenor relates to a general issue of utility regulation. The intervenor compensation program was created by the Legislature in 1983.

Last year, 2009 Wisconsin Act 28, the 2009-11 biennial budget act, set the intervenor financing appropriation at \$742,500 in each year of the 2009-11 biennium. That amount reflects annual reductions of \$7,500 relative to 2008-09 under a 1% across-the-board reduction recommended by the Governor and adopted by the Legislature.

SUMMARY OF BILL

The bill would change the authorization and appropriation for the intervenor financing program. The program's authorization would be amended by the bill to require the PSC to make an annual grant to a corporation that has a history of advocating on behalf of residential ratepayers for affordable rates and that is organized on a nonstock, nonprofit basis, as described under section 501 (c) (3) of the Internal Revenue Code. The grant could be used to offset the general expenses of the corporation, including salary, benefits, rent, and utility expenses. The bill establishes \$300,000 as the grant amount.

The bill would increase the intervenor financing appropriation by \$300,000 annually and change the appropriation from an annual appropriation to a biennial appropriation. As a result, unused appropriation authority could be carried-over from one year to the next within the same biennium.

Through item veto, the Governor removed a similar provision from Act 28.

FISCAL EFFECT

The bill would increase expenditures under the intervenor financing appropriation by \$300,000 PR annually. Those increases would be funded with additional revenues raised through PSC assessments on public utilities. For the five-year period from 2004-05 through 2008-09, \$750,000 annually was authorized for expenditure under intervenor financing, and actual expenditures ranged from \$517,251 in 2006-07 to \$750,000 in 2008-09. The Commission underspent the appropriation in four of the five years. Through January 5th of the 2009-10 fiscal year, the PSC has approved expenditures of \$339,966, and budget authority of \$402,534 remains.

Since 2004-05, the PSC has distributed \$3.5 million through the intervenor financing program. Of the 11 organizations receiving payments, the Citizens Utility Board (CUB) has received more payments (\$2.6 million) than any other organization, and CUB is the only organization that has received payments in each of the six years. The following table reports the program's distribution history since 2004-05.

**Distributions Under the Intervenor Financing Program,
2004-05 through 2009-10***

<u>Organization</u>	<u>Amount</u>	<u>Percent</u>
Citizens Utility Board	\$2,604,646	74.1%
Clean Wisconsin	332,385	9.5
Sierra Club	315,669	9.0
RENEW Wisconsin	61,016	1.7
HMS Advocates	59,825	1.7
Protect Our Rural Landscape	36,000	1.0
Audubon Society	32,194	0.9
Citizens for Responsible Energy	30,000	0.9
Other Organizations (3)	<u>42,775</u>	<u>1.2</u>
Total	\$3,514,510	100.0%

* As of January 5, 2010.

While many or all of the preceding organizations could qualify for the grant under the bill, the bill would limit the grant to a single organization, and the PSC would have no discretion over the payment amount.

Prepared by: Rick Olin



February 17, 2010

Orion Energy Systems
866.526.4920
www.oesx.com
NASDAQ: OESX

Dear Special Committee Co-Chair Representative Soletski:

Orion is proud to have a technology included in the Green Energy Jobs Act as a qualifying renewable that can be counted toward achieving our State's Renewable Portfolio Standard.

The Apollo® Solar Light Pipe harvests the direct energy of the sun to illuminate a building's interior cavity, oftentimes taking a facility's lighting load completely off the grid. This technology is already employed in facilities in the control of such notables as Coca Cola, Miller-Coors, Polo Lauren, Apple (computer), Sysco and US Foods.

In order to create additional jobs and put Wisconsin's unemployed back to work, Orion respectfully requests the following changes be made to SB450 and AB649.

First, replace the term "non-electric energy" currently used throughout the bill to describe "direct-use renewables" with the term "renewable non-electric resources". The latter term is more consistent with other "renewable" terms in the bill and will help define appropriate rule promulgation by the Public Service Commission.

Second, replace the bill's existing language regarding "renewable non-electric resources" (non-electric energy) with the language from 2009 SB 273 | AB 401.

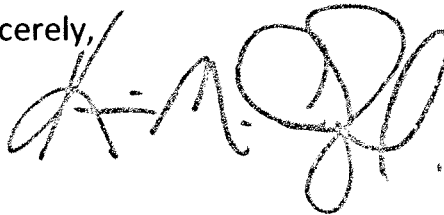
SB 450 and AB 649 as drafted create one year Renewable Certificates for the megawatt hours displaced by "direct-use renewables". These certificates are unlike Renewable Energy Credits generated currently under state law, making it impossible to trade them regionally, thus dramatically reducing their value.

Light pipe technology, a solar renewable non-electric resource, should generate Renewable Energy Credits in exactly the same way as those credits generated by photovoltaic technologies. The substitution of the language from 2009 SB 273 | AB 401 will make this happen.

Orion metrics indicate that if these changes are made to the legislation, more than 1.4 million hours of work will be generated in Wisconsin's construction industry alone for the purpose of the installation of the technology. New jobs would also be developed in the areas of sales, distribution and manufacturing.

Thank you for your consideration of this issue of importance to Orion Energy Systems and the workforce of Wisconsin.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. Crawford', written in a cursive style.

Kevin Crawford | Senior Vice President
Governmental Affairs & Corporate Communications

Attachments

Companion Bills SB 273 | AB 401
SB 273 | AB 401 Authors, Co-Sponsors and Supporting Organizations
Light Pipe Metrics

cc: Authors & Co-Sponsors of SB 273 | AB 401 and Supporting Organizations

LEGISLATORS

Authors

- Sen. Jeff Plale (D)
- Rep. Ted Zigmunt (D)
- Sen. Robert Cowles (R)
- Sen. Joe Leibham (R)
- Rep. Jim Soletski (D)

Co-Sponsors

SENATORS

- Sen Fred Risser (D)
- Sen. Alan Lasee (R)
- Sen. Randy Hopper (R)
- Sen. Alberta Darling (R)
- Sen. Jim Holperin (D)
- Sen. Dale Schultz (R)
- Sen. Luther Olsen (R)
- Sen. Dan Kapanke (R)
- Sen. Dave Hansen (D)
- Sen. Jim Sullivan (D)
- Sen. Lena Taylor (D)
- Sen. Julie Lassa (D)
- Sen. Mary Lazich (R)

REPRESENTATIVES

- Majority Leader Rep. Thomas Nelson (D)
- Rep. Steve Kestell (R)
- Rep. Gunderson (R)
- Rep. Tamara Grigsby (D)
- Rep. Nick Milroy (D)
- Rep. Terese Berceau (D)
- Rep. Robert Turner (D)
- Rep. Terry VanAkkeren (D)
- Rep. Phil Montgomery (R)
- Rep. Kim Hixson (D)
- Rep. Josh Zepnick (D)
- Rep. Mark Honadel (R)
- Rep. Chris Danou (D)
- Rep. Rich Zipperer (R)
- Rep. Bob Ziegelbauer (D)
- Rep. Karl Van Roy (R)
- Rep. Keith Ripp (R)

- Rep. Chuck Benedict (D)
- Rep. Richard Spanbauer (R)
- Rep. Brett Davis (R)
- Rep. Kristen Dexter (D)
- Rep. Al Ott (R)
- Rep. Penny Bernard Schaber (D)
- Rep. Michael Huebsch (R)
- Rep. John Nygren (R)
- Rep. Scott Suder (R)
- Rep. John Townsend (R)
- Rep. Mark Gottlieb (R)

ORGANIZATIONS

- E4
- CREWE
Clean, Responsible Energy for Wisconsin's Economy
- WI State Council of Carpenters
- WI Business Council
- WIEG
Wisconsin Industrial Energy Group
- Operating Engineers
- Economic Development Corporation of Manitowoc County (EDCMC)
- Artha Sustainable Living Center
- Milwaukee Riverkeeper
- IBEW – State Council, International Brotherhood of Electrical Workers
- Green Bay Electrical Workers
- WI Alliance of Cities
- City of Manitowoc
- City of Two Rivers
- City of Kiel
- City of Plymouth
- League of WI Municipalities

Orion Energy Systems

Apollo[®] Solar Light Pipe

GREEN JOBS LEGISLATION • SB450 and AB649

Creating Jobs | Reducing GHG | Achieving Energy Independence

1.4 million

The estimated number of **WORK HOURS** created by passage of the bills for the installation alone of light pipes.



146,000

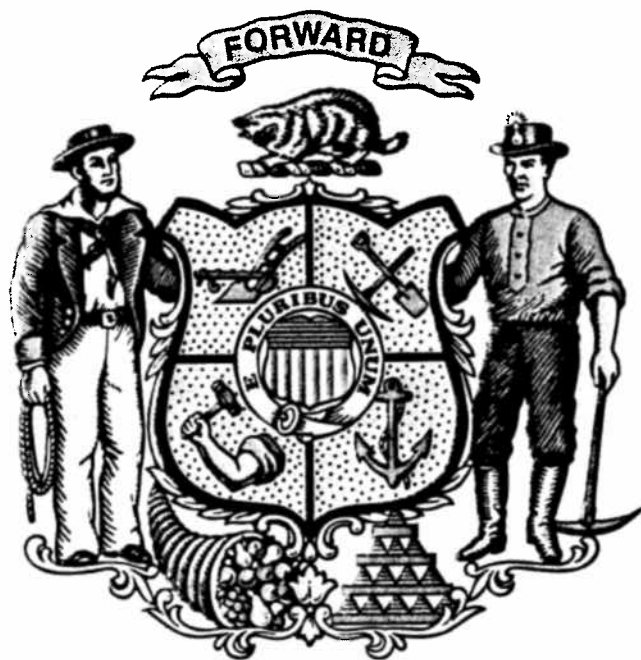
The number of **TONS** of **CO₂** avoided in Wisconsin by the installation of light pipes stimulated by passage of the bills.

100

The **PERCENT** of Orion products manufactured in the state of Wisconsin.



MADE IN USA





Clean, Responsible Energy for Wisconsin's Economy

Feb. 17, 2010

Dear Legislator,

Monday's announcement of Spain-based energy firm Ingeteam choosing Milwaukee for its wind turbine generators and power converter plant that will create 270 manufacturing jobs is a prime example of what the state can expect to see with the passing of the Clean Energy Jobs Act.

Not only is this a coup for Wisconsin, but it also shows the state is moving in the right direction in being a leader in green energy. We're confident other companies will choose to have operations in Wisconsin because of the positive moves state leaders like yourself are making.

Please remember that AB 659 will not only fight global warming, but it also will strengthen our manufacturing industry, create thousands of jobs and boost our economy.

Sincerely,

A handwritten signature in black ink, appearing to read "Thad Nation", with a long horizontal flourish extending to the right.

Thad Nation
Executive Director
Clean, Responsible Energy for Wisconsin's Economy (CREWE)

ENERGY FIRM PICKS MILWAUKEE FOR PLANT

Officials line up to applaud Spanish company's decision

Tuesday, Feb. 16, 2010

Larry Sandler

Politicians and business leaders were quick to celebrate - and claim credit for - Monday's announcement that a Spanish company will bring hundreds of new jobs to Milwaukee.

Wisconsin's current governor, two candidates to succeed him, and not one but two regional economic development alliances all lined up to score points from a new Menomonee Valley plant for Ingeteam, a Spanish manufacturer of wind-turbine generators.

About 270 manufacturing jobs will be created by the plant, said Greater Milwaukee Committee President Julia Taylor. Building the plant will bring construction jobs as well, said Patrick Curley, chief of staff to Milwaukee Mayor Tom Barrett.

It will be Ingeteam's first North American factory, said Gale Klappa, co-chairman of the Milwaukee 7 economic development coalition.

Ingeteam chose the valley because of its proximity to workers, I-94 and Spanish-speaking neighborhoods, as well as Milwaukee's "great reputation for manufacturing," said Barrett, also a Milwaukee 7 co-chairman.

The plant will be built near the western end of the valley, Barrett said. The exact site will be announced Tuesday, Curley said.

Barrett called on Klappa, the chief executive officer of We Energies, to make the announcement during the mayor's "state of the city" address at the downtown headquarters of Manpower. He also introduced five Ingeteam executives, who he said had just flown in from Spain for the announcement.

In January, President Barack Obama's administration announced that Ingeteam had been awarded \$1.66 million in clean-tech manufacturing tax credits to make wind turbine generators as well as power converter and control systems in Milwaukee. Further indications surfaced last week that the company had picked Milwaukee.

Ingeteam is a privately held, diversified manufacturer based in Zamudio, Spain, a suburb of Bilbao, the city visited last fall by state Commerce Secretary Richard Leinenkugel, City Development Commissioner Rocky Marcoux and Milwaukee 7 representatives. Outside Spain, the company has operations in seven countries, including an office in Mequon.

No one in the Mequon office returned a call seeking comment Monday.

While Monday's announcement drew praise from all sides, it also offered an occasion for a bit of political spin on who deserved the credit for landing the plant.

Barrett worked the announcement into his speech's theme of job creation, which has been a continuing focus of his mayoral campaigns and his current campaign as a Democratic candidate for governor. He typically delivers the annual address at a site that illustrates city economic development efforts - including Manpower, which relocated its international headquarters from Glendale to a new \$78 million building just north of downtown Milwaukee in 2007, with the aid of a city tax incremental financing district.

Uncharacteristically, Barrett upstaged a planned Tuesday news conference with the incumbent governor, fellow Democrat Jim Doyle. Barrett, Doyle and Klappa will join Aitor Sotes, chief executive officer of Ingeteam's U.S. operations, and Ambassador Javier Ruperez, Spain's consul general in Chicago, for that news conference.

But Barrett said Monday's announcement was timed to welcome the Ingeteam executives, not to boost his gubernatorial campaign.

"I would be doing this in any year as mayor," Barrett said. "Any mayor in America would be proud to announce several hundred new jobs in this economy."

Doyle spokesman Adam Collins called the announcement "another success story of Gov. Doyle's efforts to create good jobs in Wisconsin."

Milwaukee County Executive Scott Walker, a Republican gubernatorial candidate, called the announcement "obviously good news on the job front" and said he didn't see the timing as political.

But Walker also said state tax credits played a major role in bringing Ingeteam to Milwaukee, which he said reinforced his position against tax increases and for expanding tax breaks for businesses and homeowners.

"If you lower the overall tax burden, it makes it easier for employers to come here," Walker said.

Barrett acknowledged the role of tax credits, but said that bolstered his own stand that tax incentives should be tied directly to job creation.

Collins declined to comment on the size of the state tax credits for Ingeteam.

Meanwhile, Klappa said, "Without a doubt, this is a victory for the M-7," as well as a great accomplishment for Barrett.

The seven-county economic development organization was short on high-profile announcements until recently, leading to questions about its effectiveness. But in the past few months, the M-7 scored with the November announcement that Republic Airways would double its Milwaukee-area workforce, adding 800 maintenance and call center jobs, after its purchase of Midwest Airlines, and the January announcement that C&D Technologies Inc. would add 150 Milwaukee jobs after landing a \$19 million U.S. Army contract.

In his speech, Barrett pointed to the Republic and C&D expansions and played up the role of the M-7, saying the group's founders had to overcome "parochial distrust and a bit of partisan angst" to establish "a new model for job creation in the region."

Taylor called the Ingeteam announcement "a pretty big home run for Milwaukee," and added, "It shows what we can do when we put on the regional muscle."

Tim Sheehy, president of the Metropolitan Milwaukee Association of Commerce, said the M-7 coordinates city, state and private-sector development efforts, adding, "Five years ago, there was no entity called M-7, and my experience was that we wouldn't have likely won a deal like this without that collaboration."

Even N.E.W. North got into the act. The economic development consortium for northeastern Wisconsin has been marketing that region as a center for the wind power industry, and state and M-7 representatives used the N.E.W. North directory of Wisconsin wind power component suppliers to help convince Ingeteam that Milwaukee would be a viable location for the company's plant, N.E.W. North spokesman Josh Morby said.

WHAT IS INGETEAM?

This privately held, diversified manufacturer is based in Zamudio, Spain, a suburb of Bilbao, the city visited last fall by state Commerce Secretary Richard Leinenkugel, City Development Commissioner Rocky Marcoux and Milwaukee 7 representatives. Outside Spain, the company has operations in seven countries, including an office in Mequon.

Don Walker of the Journal Sentinel staff contributed to this report.





WISCONSIN LEGISLATURE

P. O. Box 7882 Madison, WI 53707-7882

February 18, 2010
For Immediate Release

Contact: Senator Mark Miller, 608-266-9170
Senator Jeff Plale, 608-266-7505
Representative Spencer Black, 608-266-7521
Representative Jim Soletski, 608-266-0485

Statement on Clean Energy Jobs Act

Mark Miller, Jeff Plale, Spencer Black, Jim Soletski

Madison – As the drafters of the Clean Energy Jobs Act, we are thankful for the many comments and suggestions we have received on this important legislation. More than 30 hours of public testimony in the Senate and Assembly have resulted in many suggestions for improvement. These recommendations will be carefully considered as the bill moves through our committees.

Our focus is on solutions, not problems. We embrace the suggestions offered as solutions to better develop this important public policy to intelligently move Wisconsin into the green economy. We are determined to produce a bill that makes sense for Wisconsin now and in the future.

-End-