

Meeting of the **Wisconsin Utility Tax Association** held Wednesday, November 17, 2010 at the Esquire Club – Madison.

Meeting was called to order by Chair Oium at 10:32am.

Present: Town of Neenah                      Town of Carlton (2)              Town of Two Creeks (2)              Town of Lincoln  
Jefferson County                      Town of Genoa (2)              Town of Morrison              Town of Watertown  
City of Alma (2)                      Town of Beloit              Village of Pleasant Prairie              Guest (1)  
Lobbyist Jolene Plautz              Administrative Assistant Marge Pearce

Minutes of the April 21, 2010 Annual meeting were unanimously approved on motion T. Neenah, second T. Carlton.

**Membership and Financial Status Reports** was reviewed and filed. Currently there are thirty-one (31) members. Only member not renewing from prior year was Ozaukee County.

**Legislative Update.** Plautz stated there will be numerous changes in the Capital due to the Republican take-over of the Senate and Assembly. There are many new Legislators who do not fully understand the Legislative structure and are not in a position to take a leadership role in action we need to be taken. Committee appointments have not yet been made. Of major concern to WUTA are the Joint Finance Committee and the Utility Committee.

- The new Governor has indicated a willingness to increase nuclear power in the state. The two plants in operation [in Carlton and Two Creeks] have been sold and are now classified as ‘merchant plants’ which puts them under a different set of rules. Production increases would more than likely come from adding on to the existing plants versus building new.
- Campaign ‘promises’ were made to reduce the state debt but funding sources are limited. The voters said ‘no’ to raiding transportation funds. The only way would be through a reduction in payments to municipalities or to use funds paid by the utilities. Technically the ‘aid to municipalities’ are not shared revenue though commonly identified as such. The only ‘shared revenue funds’ are in the utility pot from which utility aid payments are made to host municipalities. The concern is that the utility funds will be the target as a source of monies to cover the shortfalls or use in new programs. There is a need to have the funds properly identified as ‘Utility Aid’. Motion Town of Two Creeks, second Town of Carlton to instruct Plautz to work with Department of Administration and an as-yet unnamed Legislator to introduce legislation to change the name of the utility shared revenue fund to ‘Utility Aid’. Unanimously approved.

Alice O’Donnell, Executive Assistant to **PSC Commissioner** Mark Meyer, was present to share information about the PSC. She began by highlighting information previously distributed which had been obtained from the PSC Website. Her comments included the status of and some of the provisions of the wind siting rules now under consideration, use of renewable energy, transmission and construction and use of nuclear energy and the role the PSC plays in each. PSC is funded by assessment fees paid by the Utilities. During a question and answer period she responded to comments regarding:

- Setting and approval of rates. Noted the PSC does not have authority over charges imposed by Stormwater Utility Districts
- Utility rates continue to increase because the companies are recovering prior costs and building a reserve for future use.
- Economics and growth determine the need for power. Strategic Energy Report is on the website.
- Windsiting rules have been sent back to committee. Would make no further comment as there is a lawsuit pending
- Windtower setbacks were based on concern for ‘occupied’ structures versus lot lines.
- Windsiting rules came about due to desire for uniformity and would know what must be done regardless of where they are considering the siting of towers.
- Information on the Web and in the media about wind energy. The difficulty is in deciphering fact from fiction. Where can one get unbiased factual information?
- Municipalities cannot recover the cost of wind siting hearings and research through the ‘intervener fund’; it is intended for smaller non-profit organizations. Municipal recovery of costs could be part of the developer agreement.
- Because the nuclear plants have been sold and are classified as ‘merchant plants’ the PSC has no authority. Refer to State Statutes.
- Need for environmental impact studies is based on size of the proposed facility

**Nuclear waste** currently stored in the Village of Genoa is being moved to the Town of Genoa. This move will result in a change in the distribution of the Utility Payments and has created a rift between the two municipalities. Town of Genoa has offered to meet with the Village to discuss the situation but no follow-up action was taken. The Town is seeking legislation which would equalize the payments to both municipalities through an amendment to the formula as spelled out in Wi Stat. 79.04(4)(a). Discussion resulted in motion Town of Neenah, second Jefferson County to support the proposed change in Wi Stat 79.04(4)(a) and authorize Plautz to use her discretion in proceeding with this request. Unanimously approved.

Town of Two Creeks reported there is a meeting scheduled in Denver in December for the purpose of forming a **Dry Cask Storage National Coalition**. Purpose would be to obtain funds which have been paid into the planned Yucca Mountain Nuclear Storage facility by utilities from plants across the country for use by host municipalities; that plan has been scrapped. Representatives of Two Creeks and Carlton will be attending along with representatives from the county boards. Follow-up information will be placed on the February meeting agenda.

Question was raised as to the status of the Wisconsin Towns Association proposal to change the **utility payment formula** currently used to distribute funds to the local municipalities and the county. Question will be addressed to WTA and reported on the February Meeting.

Greg Torres, Jefferson County, is no longer their WUTA delegate and, consequently, is no longer eligible to serve as a **member of the Board of Directors**. Motion Town of Watertown, second Town of Morrison to appoint Jan Roou, Jeffersonson County, to replace Torres on the WUTA Board of Driectors with term to expire in April. Unanimously approved.

**WUTA ByLaws** were written and adopted in 1990. Since then a number of procedural and policy changes have been made by the Board of Directors, but the ByLaws were not amended to reflect the changes. Chair named the Executive Committee [Oium, Pollocoff, and DeKeyser] as ByLaws Review Committee with the task of drafting changes as required. The Committee and Pearce will meet in the Town of Neenah on January 6, 2011, and will bring the matter back to the April 20, 2011 Annual Meeting for discussion and vote.

**Next Meeting** will be held Wednesday, February 23, 2011 at the Esquire in Madison. By that time State Officials will have been named, the Committee appointments made and the State Budget process should be underway. Those matters will be on the agenda for updates as well as status reports on: 1) the proposal regarding correct designation of the Utility Fund, 2) windsiting rules, 3) proposed changes re 79.04(4)(a) from Town of Genoa, 4) report on the meeting in Denver, and the 5) draft ByLaw amendments. Member of the Utility Committee will be invited as the education element of the meeting.

There being no further business the meeting adjourned at 12:25pm

Marge Pearce  
UTC Administrative Assistant

Jan DeKeyser  
Secretary Treasurer

11.24.10