

WISCONSIN COUNTIES UTILITY TAX ASSOCIATION

Two East Mifflin Street, Suite 600, Madison, Wisconsin 53703
Phone: (608) 255-8891

MINUTES OF THE MEETING HELD October 22, 2010

2010-2011 Officers

President
JOHN H. TRAMBURG
(920) 484-3534
Columbia County

Vice President
LAWRENCE WILLKOM
(715) 723-5804
Chippewa County

Secretary
PAUL TITTL
(920) 682-6203
Manitowoc County

Treasurer
LINDA SINKULA
(920) 388-3251
Kewaunee County

Executive Director
ALICE O'CONNOR
Direct(608) 252-9391
aoc@dewittross.com

Member Counties

ASHLAND
BUFFALO
CHIPPEWA
COLUMBIA
DOUGLAS
DUNN
GRANT
JEFFERSON
KENOSHA
KEWAUNEE
LA CROSSE
MANITOWOC
MARATHON
MARINETTE
OZAUKEE
ROCK
SHEBOYGAN
VERNON
WASHINGTON

DeWitt Ross & Stevens S.C. **Madison, Wisconsin**

The Wisconsin County Utility Tax Association meeting was called to order at 10:40 a.m. by WCUTA Chair John Tramburg. The following members were present:

Chippewa County	Lawrence Willkom	(715) 723-5804
Columbia County	John H. Tramburg	(920) 484-3534
Dunn County	Steven Rasmussen	
Jefferson County	Jan Rouu	(262) 490-1734
Kewaunee County	Edward Dornier	(920) 388-2654
Kewaunee County	Linda Sinkula	(920) 388-3251
Kewaunee County	Kaye Shillin	
LaCrosse County	Jim Ehram	(608) 784-6538
Manitowoc County	Paul Tittl	(920) 682-6203
Marinette County	Vilas Schroeder	
Rock County	Phil Boutwell	(608) 757-5506
Rock County	Richard Ott	(608) 756-2443
Sheboygan County	William C. Goehring	(920) 994-4749
Vernon County	Tom Spenner	(608) 489-2302
Washington County	Doug Johnson	
Washington County	Herb Tennes	

Excused:

Ashland County Peg Kurilla

By phone:

Buffalo County	Del Twidt	(608) 687-8549
Ozaukee County	Thomas Meaux	
Sheboygan County	Michael Vandersteen	

Staff present: Alice O'Connor, Executive Director of WCUTA, of DeWitt Ross & Stevens S.C., David Callender, Wisconsin Counties Association.

Invited speaker Public Service Commission (PSC) Chair Eric Callisto addressed our board and made the following comments:

- The three PSC commissioners are appointed by the Governor with six-year staggered terms; confirmed by the Senate.

- Commissioner Meyer's term ends March 2011.
- Commissioner Azar has two and a half more years.
- Commissioner Callisto's has four more years with his Chairmanship expiring March 1, 2011.
- The Governor has the opportunity to pick a new Chair every three years.
- There is very little staff turnover at the PSC. Utilities like the predictability of the PSC and that the agency avoids partisan policies.
- **Wind Siting Issue** – One of the most contentious issues the PSC has dealt with in the last 10 years.
- New statewide standard eliminates the hodge podge of local ordinances determining the viability of small wind projects.
- The PSC's rules create uniformity of siting standards while siting remains a local decision.
- PSC has set the "ceilings" for local standards that can't be exceeded.
- PSC rulemaking on wind siting recommendations started seven months ago after a 15-member wind siting council met 20 times, reviewed 2000 public comments and accepted testimony at three public hearings.
- Key elements of the proposed rule are under legislative review.
- Controversy remains over the setback. The setback must be 1.1 times the height of the turbine in case a turbine falls.
- 3.1 times the highest swing of the blade is the setback for nonparticipating residents.
- Some of the biggest issues are noise and shadow flicker.
 - Night time limit is 45 decibels; daytime limit is 50 decibels.
 - Shadow flicker standards:
 - no more than 30 hours per year
 - mitigation at 20 hours
- Property owners other than the landowner with wind turbine receive some compensation. Chair Callisto said he insisted developers make "good neighbor payments" to nearby property owners who don't receive rent for wind turbines on their property per se, but they are still inconvenienced. Local governments can still require utilities to pay a non-participation turbine landowner up to 25% of what a property owner receiving a payment from a wind turbine receives, if it is within a half a mile radius of the turbine. Developers don't like this.
- Chair Callisto wanted science to drive modeling or setback regulations so some blades could be closer than ultimately adopted. In some cases, the blades would have to be farther away from different buildings or roadways. He said he believes if developers have to do

setbacks so far they can't make money, it is a disincentive to develop wind turbines.

- Setback provision will likely be sent back to PSC for further revisions after legislative review is done.
- After a 20-75 year use, decommissioning funds will be used to return the land to its predevelopment condition.
- The Senate Utility Committee already had a nine hour hearing.
- Technology is improving rapidly so eventually he sees wind turbines being more dispatchable.
- **Enforcement for Violation of Standards:** Local panels will be set up for resolution with a desired goal of always resolving differences. In the rule there are specifics about who can serve on a local panel.
- The rule also provides funds for local government to hire their own experts (outside lawyers) to cross check what utilities and developers are saying as part of the application process.
- WEPCO has a new wind turbine project near Glacier Hills that will have the capacity to generate up to 200 megawatts of energy.
- PSC has approved a Wisconsin Power & Light project in Minnesota because there is better capacity for them in Minnesota but they will authority to transport across state lines.
- **Nuclear:** 68% of our energy in Wisconsin currently comes from coal; 17-18% comes from nuclear.
- Wisconsin has two primary out-of-state nuclear merchant operators who are currently required to provide energy to Wisconsin ratepayers but they could eventually ship it out-of-state:
 - Florida Power & Light
 - Dominion
- Cost remains the primary hurdle to building more nuclear power plants. It is \$6-7 million per megawatt so estimates are that it would be \$7 billion to build a new plant.
- Wisconsin has five investor owned utilities; lots of cooperation.
- Wisconsin has excess capacity through 2016 so we don't need new power plants now.
- **Renewable Portfolio Standard (RPS); Clean Energy:**
 - Wisconsin needs to build this up gradually so ratepayers are not burdened.
 - RPS does not include nuclear in Wisconsin Statutes.
 - RPS – 10% by 2015. Wisconsin is already at 6% in 2009 so this should be achievable.
 - Utilities will ask for rate increases to service their current needs to build more

transmission lines. The PSC almost never approves the full rate request made by utilities.

- WEPCO has a remaining need for renewable electricity. They have proposed a steam cogeneration boiler using biomass. There are many local concerns including trucking. This issue will be taken up early January 2011.
- Wisconsin is on the verge of being a net exporter. We need to keep building transmission lines.
- Congress is discussing a federal clean energy standard.
- **Cap X 2020 Project** Excel Energy has proposed to build a transmission line from the Twin Cities to Wisconsin. They will come through Alma, then La Crosse. Groups like the Dairyland Cooperative in Western Wisconsin will be involved. Minnesota PSC has already approved.
 - There is tremendous sensitivity to marshland around the Mississippi River and where the lines will be placed.
- **Yucca Mountain** – The federal government needs to honor its 20-year promise to store spent nuclear energy at Yucca Mountain. WEPCO won a \$50 million lawsuit against the federal government failing to take nuclear waste. (It's unusual to sue the federal government and win!)
- The Nuclear Regulatory Commission is in a battle with a solution years away. Spent waste is currently being safely being disposed of in cask storage containment facilities.
- **Conservation** is playing a big role because it's cheap. The PSC approved \$90 million per year on "Focus on Energy" to teach ratepayers how to use less. It is working.
- PSC intends to do pilots to get customers to change behaviors. On a utility bill a ratepayer will see how they are doing compared to a year ago and how they are doing compared to the most efficient neighbors in their immediate area. These pilots will be a high priority for the PSC in 2011.
- **Cap and Trade**: Congress likely won't take up. There may be a push for a blended nuclear portfolio standard. Maybe something like 15% by 2025.
- Orion light tubes are a good product.

This concluded his comments. Members thanked him and requested he return in the spring.

Minutes: Minutes from the May 17, 2010 meeting were approved on a motion from Supervisor Rouu, seconded by Supervisor Spenner.

President's Report: Supervisor Tramburg led off his report by asking for a discussion about the 2011 dues. Supervisor Tittl said he wants to reduce dues to .018 of the 2010 Department of Revenue estimated utility tax payment. Supervisor Tittl made a motion to reduce the dues to .0019 but it died for lack of a second. Due to concerns about the need for additional resources during the budget bill cycle in 2011, it was decided to keep the 2011 dues at .020 and revisit dues for 2012 in October 2011. This motion was offered by Representative Ott and Supervisor Rouu and passed unanimously.

Brown County: Supervisor Tittl said he had had some discussions with Brown County Board Chair Hins and he needed to do additional follow up. He asked that this remain an agenda item for our next meeting.

Audit Committee Report: Supervisor Rasmussen reported that the Association's books for fiscal year May 1, 2009 to April 30, 2010 were in order with a beginning balance of \$26,133.32 and an ending balance of \$45,513.68. On a motion by Supervisor Tittl, seconded by Supervisor Roou, the Audit Report was accepted.

Treasurer's Report: Supervisor Linda Sinkula reported the beginning balance for the Association as of February 1, 2010 through April 30, 2010 was \$45,973.93 with expenses February through April totaling \$6,237.25 This includes a park bank CD (#7341276) and interest income of \$88.39 for a total of \$15,163.69 and a Local Government Pool balance with interest of \$611.72.

The Treasurer's Report was accepted on a motion by Representative Ott, seconded by Supervisor Roou. On a motion by Supervisor Tittl, seconded by Supervisor Rasmussen, Alice was directed to close the local government pool account and place funds in checking.

Executive Director Report: Alice O'Connor reported after November 2nd members would have a better sense of how we will need to approach our strategy to preserve our county utility tax and that email would continue to be the primary vehicle for frequent communication with members. Snail mail individuals will continue to receive correspondence in as timely a fashion as possible.

WCA Report: David Callender reported WCA is watching 8 special Legislative Council Study Committees, including the one on voluntary consolidation of services by local governments. He said WCA is looking into possible conflict in state statutes related to 66.03(07) and the power of local governments to exercise consolidation and cooperation and current statutes make practical application of this action very difficult.

Old Business: At the May meeting, since there was no final motion approving the slate of officers for 2010-2011, Supervisor Tramburg said a formal motion was in order for the slate of officers as presented. They are:

John Tramburg – President
Lawrence Willkom – Vice President
Paul Tittl – Secretary
Linda Sinkula – Treasurer

On a motion from Supervisor Rasmussen, seconded by Supervisor Goehring, the slate of officers was accepted.

New Business: There was no new business.

Next Meeting: The next meeting date was set for March 4, 2011, beginning at 10:30 a.m. at the DeWitt Ross & Stevens office.

A motion to adjourn was made by Supervisor Spenner and seconded by Supervisor Rasmussen to adjourn the meeting at 12:50 p.m.

Respectfully submitted,

Alice O'Connor, Executive Director

