

Watt's Up

A View of the Electric Utility Industry

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CLEAN ENERGY JOBS ACT

Otherwise known as Climate Change Legislation

The Wisconsin Utility Investors, Inc. begins their March newsletter, *The Investor's Voice*, with this statement, "Because most people understand global warming legislation kills jobs for no good reason, the governor's global warming legislation has been renamed the 'Clean Energy Jobs Act'."

The Clean Energy Jobs Act will affect every single person in Wisconsin – some believe it will be good for Wisconsin, some believe it will not.

After months of public hearings and deliberation in committee it seems that there will be three main elements to this bill: an advanced renewable tariff, language loosening Wisconsin's moratorium on new nuclear generation and an enhanced renewable portfolio standard (RPS).

- Advance Renewable Tariff – Utilities would be required to buy renewable energy from local, customer-owned facilities at a price exceeding the utility's own retail rates. In essence it means utilities will have to purchase power at a higher cost than they can sell it. The purpose is to ensure cost recovery and profitability for generation owners. The added expense of this power will go right back to the rate payers.
- Nuclear Plants – Wisconsin's prohibition would be modified to ease restrictions on regulatory approval for new nuclear plants. New restrictions appear however,

including a requirement that a plant's entire output must be used in-state. Beyond practical, operational questions, this raises constitutional issues that may nullify this portion of the bill.

- Enhanced Renewable Portfolio Standard – Wisconsin law requires electric utilities to obtain 10 percent of their power from renewable sources by 2015. The new proposal accelerates the timeline to 10 percent by 2013 and increases to 25 percent by 2025. The latest news from the committee is that the percentage in 2025 may be 20 percent instead of 25 percent. Renewable energy costs more to produce than standard forms of generation, causing the cost of power to increase.

Proponents of this bill say it will create 15,000 jobs in Wisconsin in the renewable energy field and will be good for the environment. Wisconsin Manufacturers and Commerce, the state's largest lobbying group sent Governor Doyle and lawmakers a letter in January stating the proposed legislation will result in a loss of 43,000 jobs and will cost billions of dollars.

Farm groups also differ on the whether the bill is good for Wisconsin. The Wisconsin Farmers Union testified during a senate hearing that they



support the bill saying it creates new markets for farmers to sell crops that can be used in power generation.

At the same time the Wisconsin Farm Bureau Federation (WFBF) says the measure poses more questions than it answers. While it does open new markets, the WFBF is concerned that this bill will also lead to higher fuel, fertilizer and electricity costs for farmers.

Oconto Electric Cooperative, CEO Byron Nolde has this to say about the bill, "Ask yourself if you can afford the increased cost of power, fuels and everything else this bill will affect. If you believe it is worth the price, then you should tell your legislators to support it. If not, then you should tell them to vote against it. Just be sure you are informed about the issue and then get involved."

Information contained in this article came from the Wisconsin Electric Cooperative Association, Action Committee for Rural Electrification, and Cooperative Network.

EPA Wants Control of Carbon Dioxide Emissions

Although climate change legislation passed through the House of Representatives, it stalled in the Senate as health care reform took the forefront. At the same time, the Environmental Protection Agency (EPA) released findings that concluded “greenhouse gas emissions (GHGs) threaten the public health and welfare of the American people.” This is known as public endangerment and places carbon dioxide emissions under the control of the EPA through the Clean Air Act.

NRECA (National Rural Electric Cooperative Association) has said in comments to the EPA, the Clean Air Act is designed to control air pollution that is a local and regional scale problem while GHG emissions have global scale consequences and are emitted from sources around the world. Regulation of GHGs using the Clean Air Act is fundamentally unworkable.

As the EPA moves forward, NRECA and electric cooperatives across the country are raising concerns that EPA regulation of greenhouse gases under the Clean Air Act (CAA) could result in a “glorious mess,” in the words of Rep. John Dingell (D-MI). Co-ops are urging Congress to find a responsible solution to the challenge of reducing carbon emissions.

Congress Rally’s Against EPA

On March 4, 2010, two bills were introduced to suspend the ability of the Environmental Protection Agency (EPA) to use the Clean Air

Act to regulate greenhouse gases from stationary sources for two years.

“We are pleased that Senator Jay Rockefeller and Representatives Rick Boucher, Nick Rahall and Alan Mollohan have introduced legislation to provide for this important time-out,” said Glenn English, CEO of NRECA.

“The Clean Air Act is the wrong tool to regulate carbon from stationary sources. We urge Congress to pass legislation to prevent that outcome as soon as possible” states English. “It is the responsibility of Congress to decide this issue, not the Environmental Protection Agency.”

“Today’s legislative action is a big step in the right direction on this matter, ensuring that this issue is decided by the people’s elected officials.”

English says electric cooperatives are encouraged by the introduction of a number of bills in the House and Senate which will prevent such regulation until Congress has resolved the issue. We understand additional proposals are under development as

well, he noted.

“Electric cooperatives are focused on the affordability of the electric bills of our members as well as all other consumers” English said.

Can You Trust the Data?

Internal EPA emails written last March show that before the agency invited public input on the issue, the EPA hierarchy was already committed to a carbon dioxide endangerment finding and was moving to suppress questions from an EPA staff economist who prepared an internal report saying carbon dioxide-driven global warming fails “the ultimate scientific test – conformance with real-world data.”

The emails confirm that 35-year EPA veteran Alan Carlin, a Cal Tech trained physicist, was muzzled and reassigned after he warned that the agency should not “rush into decisions based on a scientific hypothesis that does not appear to explain much of the available data.” ■

Many of you have used this website to start a dialog with your legislators...



...it's time to continue the dialog. Go to www.ourenergy.coop to tell your legislators that they should make the decisions concerning greenhouse gas emissions - not the EPA.

Oconto Falls Area Chamber of Commerce Holds Legislative Breakfast



Wisconsin Representatives John Nygren (left) and Gary Tauchen answer questions from the audience.

On Friday, March 26, the Oconto Falls Area Chamber of Commerce hosted a legislative breakfast. State Representatives Gary Tauchen and John Nygren both attended. There was an opportunity for attendees to speak with Tauchen and Nygren one-on-one during the breakfast hour and then after breakfast the two addressed the group by answering questions that had been submitted by chamber members prior to the event.

Topics that came up included highway signage for Oconto Falls, the federal Health Care Reform Bill, nuclear power and the Clean Energy Jobs Act.

Both men discussed the incredible spending that is occurring at the state level. The 2009-11 state biennial budget increased spending over 6 percent. They also stated that the

stimulus money Wisconsin received to create more jobs was used to fill in gaps in the budget – a one-time fix for an ongoing problem.

When the Clean Energy Jobs Act was brought up, both men stated that so far all they have heard is that there are many changes to the original bill. This bill is currently being revised in committee however, everything is being done behind closed doors. Neither has seen anything except the original bill which Nygren and Tauchen both stated they would have voted against.

Both representatives encourage the people in their districts to contact them with comments, questions or concerns they have. ■

Contact Your Legislators

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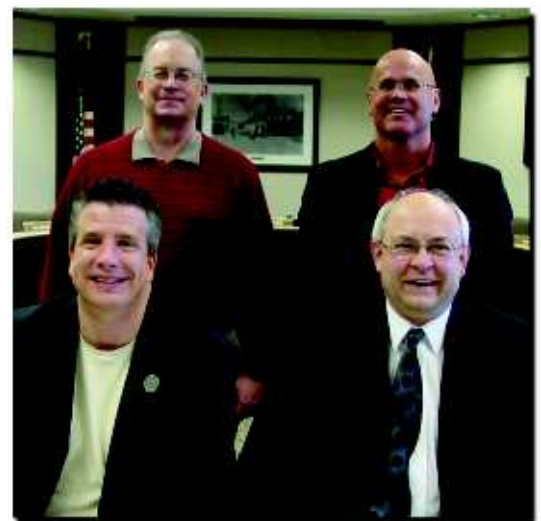
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Front row, left to right: John Nygren and Gary Tauchen. Back row, left to right: Oconto Falls Area Chamber of Commerce President Ken O'Dierno and Oconto Electric Cooperative CEO Byron Nolde.

Maybe the Dog Ate the Data...

The scientist most prominently associated with the “Climategate” email scandal has told British media he can’t find the data supporting the notorious “hockey stick” temperature graph and may have lost it.

The hockey stick is the reconstruction of Earth’s temperature history over the past thousand years relied upon by the United Nations Intergovernmental Panel on Climate Change (IPCC). The shape of the graph resembled a hockey stick, indicating unprecedented warming in the late 20th century.

The graph has been largely discredited because it fails to reflect the well-documented Mediaeval Warm Period and because analysis by



skeptics has demonstrated that the computer algorithms used by the authors will produce similarly shaped graphs regardless of the input data.

The Daily Mail reported that Professor Phil Jones of the University of East Anglia admitted to having difficulty “keeping track” of the information.

Earlier, in response to questions submitted by a BBC interviewer, Jones conceded there has been no statistically significant warming since 1995.

Jones also distanced himself from claims that scientific debate on the causes of climate change is “over”.

Ed note: Regarding the last sentence, proponents of human-induced causes of climate change have unequivocally stated that it is proven humans are causing climate change and the debate is over.

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About This Publication...

If you don’t want to receive the Watt’s Up quarterly publication, or if you know someone who would like to receive it, contact: Pam Langlay, Oconto Electric Cooperative, PO Box 168, Oconto Falls WI 54154. Or you can email Pam at planglay@ocontoelectric.com.

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