

CITIZENS ENERGY FORUM

WHITE PAPER

ISSUED DECEMBER 9, 2002

PROBLEMS IDENTIFIED BY THE FORUM

- Conservation
- Education
- Incentives
- Environment
- Renewables
- Pollution
- Stray Voltage
- Deregulation
- Night Lighting
- Generation
- Efficiency
- Recycling
- Eminent Domain
- Municipal Control (or lack thereof)
- Fossil Fuel Dependency
- Lack of Citizen Involvement

PROPOSED ENERGY FORUM SOLUTIONS

- DSM Management
- Education of responsible use of energy
- Incentives by government for industry to be energy efficient
- Environmental responsibility of resources
- Perpetuation or renewables
- Concentration on Pollution Reduction with increasing State and Federal regulations
- Stray Voltage and Ground Current Elimination by current technology solutions
- Deregulation to encourage statewide energy policies of self-sufficiency and not federal governmental control
- Night lighting to be directed downward with efficient lighting sources
- Generation should be local load
- Efficiency should concentrate on new technology with local generation, transportation, home and business. New sources of energy should no longer rely on an oil based economy.
- Recycling should be utilized to the maximum, whenever possible to avoid landfill problems.
- Eminent domain rules should be changed to reflect public policy and not corporation interests.
- Municipal control should dictate the local people's wishes, above any other agency that has other interests for that area.
- Distributed Generation should be utilized to what extent possible to avoid line loss, terrorist activity, stable local load service, and less reliance on fossil fuels.
- Require adherence of a vote by citizen advisory committees on local, municipal, county and state governments issues proposed by each and any governmental or corporate agencies.

WHITE PAPER SUMMARY

OBJECTIVE:

The Citizen's Energy Forum was held September 13 and 14, at the Westwood Center, Wausau, Wisconsin. Participation was open all and a diverse group assembled.

Environmentalists, utility planners, legislators, all held a four hour discussion session where a series of questions attempted to be answered. The conversation was directed to discovering what would be considered to create an energy policy for the state of Wisconsin that would reflect the needs of all citizens. Groups of eight to ten people assembled, divided not by philosophy, but by random selection to keep the conversation well balanced. Each group had a member who recorded comments. The comments were compiled by a third party, and posted on an internet discussion group for three months. After participant discussion, this white paper was compiled from the comments.

NEEDS FOR BETTER USE OF ELECTRIC ENERGY IN WISCONSIN:

Conservation and increased efficiency of products used are paramount as a starting point. Education, starting with school age children would be foremost. Programs, public service announcements, etc. could be used to further information to the general population. Additionally, savings could be met with decreased billboard lighting, parking lot lighting, and large office buildings which stay lighted all day and night, regardless of occupancy. Air conditioners in both homes and stores could be turned up. A model such as California's 20/20 model was suggested, meaning 20% less usage means 20% less on the electric bill. Rewards and incentives, that were used during "energy crisis" times should be mandated. DSM programs that were popular a decade ago should be reinstated. Net-metering could contribute to greater efficiency. Focus on Energy grants are viewed as a step in the right direction. Utility rate structure could also provide rewards based on both the size and efficiency of the home or business.

Our current electrical system is not considered innovative. Self-sufficiency, with a sustainable energy economy was viewed as the lead direction. Wisconsin is rich in materials for biomass generation facilities, this coupled with the current DNR non-point pollution regulations was viewed as a win-win situation. Additionally, methane burning at landfills would promote efficient uses for undesirable waste products. In our current world, central station generation with large transmission interconnections are viewed as vulnerable to possible terrorist attacks. Local distributed generation is seen as the best alternative. This is also an alternative to fossil fuel reliance; moving away from these fuels was seen as positive. Solar and wind are both viewed as important resources, micro-turbines and other generators that operate as individual power stations are seen as positive for both state and the communities. Sharing the cost of microturbine installation should be looked at on a community basis. Fuel cell technology is looked forward to with great promise. Utilities that either utilize or promote renewable should receive tax credits. The decisions we make today should also be evaluated to consider what these decisions may mean twenty years later.

The use of eminent domain for siting facilities needs to be reevaluated. Gone are the days of the electric co-ops bringing the first electricity to the land, and ushered in are the

days of bulk electrical trading. Citizens feel compromised by the laws, and utilities understand that building both power plants and infrastructure can take years due to both opposition and litigation. Compensation for the landowner needs to change to reflect today's standards. Large transmission or generation projects may reflect the bulk transfer of energy to be sold to the highest markets in the United States, Mexico and Canada. Landowners should be compensated with a portion of the profits, as this is no longer a local load serving issue. Currently, there is no perception of fair compensation from either the landowners or the utilities.

Recycling was seen as a part of the energy futures picture. Proper use of waste products could promote conservation as items are able to be made, with a lesser usage of energy into other items. Using recycling also would curtail the development of landfill problems, and some of the pollution issues associated.

Ground water protection should be a key concern in siting any facilities. This was only one of the factors that lead the groups to a consensus that no nuclear energy should be built in the future, no state laws should be modified to allow for that construction. Dry cask storage remains a great concern to the public, transportation of waste puts all citizens at risk if the storage were to be transported out of state. Coal is also a concern, due to the effects of mercury deposition in our states waters, and the air pollution connected with the use of coal.

Environmental externalities should be considered as a comparison of cost when construction of new facilities are proposed. Generation construction or transmission upgrades need to be in harmony with community residents and planning. All parties need to be treated as stakeholders.

To avoid the pitfalls of "stray voltage" large station generation, substations and distribution lines need to be better analyzed. Delta vs. grounded wye construction was discussed, as were the current practice of deep grounding. Concern for the support the family farm provides for small towns, and what the loss due to "stray voltage" issues would mean financially needs further examination. It was agreed that the definition standards currently enforced by the Public Service Commission need to be re-examined.

Legislatively, the Public Service Commission of Wisconsin needs an elected "Citizens Energy Commission". This board could meet, and make recommendations to the Commission in regards to policy and decisions. Most in attendance felt the "public" needed to be put into the Public Service Commission. This board would be regional, composed of elected representatives from areas statewide. Planning for increments of five, ten and twenty years needs to be discussed by such a "shadow Commission". The Commission should have the ability to work with legislature to draft legislation that would be in the interest of the rate payer. It was felt the utilities did far too much to enhance the position of the shareholder in today's market based climate.

Fuel usage, especially the function of Ethanol was discussed. The fact that ethanol takes more energy to produce than to be used caused many concern. The siting of plants was also an issue. CAFE standards need to be raised, and movement away from fossil fuels is important not only for environmental reasons, but social and political reasons as well. It was felt the price of fuel should reflect the true cost of fuel, with costs added for military

presence in areas of the world the US imports oil. Many decisions involving construction of ethanol facilities and the siting of these plants did not take local land use into consideration, leaving both the towns and citizens no recourse other than litigation.

CONCLUSION:

The common theme that resonated through these discussion groups was citizens want to have much more ability to shape the future of energy in the state of Wisconsin. Citizens feel disenfranchised with the current system, and are in need of reacting to proposed projects, usually with expensive and time consuming litigation. Participants want to see Wisconsin become an end user of distributed generation, and renewables. Citizens feel that more mandates should be made to make easier accommodations for the connection of these facilities. In the legislature, citizens would like the ability to have the power to influence changes in the energy industries, whether it be construction of electrical facilities, or an ethanol plant. Citizens would like more education on all of these issues, so that average citizens are more in touch with what decisions can be made. All in all, there needs to be a louder voice of the "Citizen". All agreed that there needs to be another conference in the future, where these ideas can be further refined.