



Legislation Details (With Text)

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Title: Substitute resolution relating to changes in electric rates proposed by We Energies.

Sponsors: ALD. ZIELINSKI, ALD. MURPHY, ALD. KOVAC, ALD. BAUMAN, ALD. WITKOWSKI, ALD. PEREZ, Russell Stamper

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Attachments:

| Date | Ver. | Action By | Action | Result | Tally |
|-----------|------|-----------------------------------|--------------------------|--------|-------|
| 9/3/2014 | 0 | COMMON COUNCIL | REFERRED TO | Pass | 14:0 |
| 9/9/2014 | 0 | JUDICIARY & LEGISLATION COMMITTEE | HEARING NOTICES SENT | | |
| 9/9/2014 | 0 | JUDICIARY & LEGISLATION COMMITTEE | HEARING NOTICES SENT | | |
| 9/10/2014 | 0 | JUDICIARY & LEGISLATION COMMITTEE | HEARING NOTICES SENT | | |
| 9/10/2014 | 0 | JUDICIARY & LEGISLATION COMMITTEE | HEARING NOTICES SENT | | |
| 9/10/2014 | 0 | JUDICIARY & LEGISLATION COMMITTEE | HEARING NOTICES SENT | | |
| 9/15/2014 | 1 | JUDICIARY & LEGISLATION COMMITTEE | RECOMMENDED FOR ADOPTION | Pass | 5:0 |
| 9/15/2014 | 0 | JUDICIARY & LEGISLATION COMMITTEE | SUBSTITUTED | Pass | 5:0 |
| 9/23/2014 | 1 | COMMON COUNCIL | ADOPTED | Pass | 14:1 |
| 9/23/2014 | 1 | CITY CLERK | Sponsor added | | |
| 10/2/2014 | 1 | MAYOR | SIGNED | | |

140699

SUBSTITUTE 1

ALD. ZIELINSKI, ALD. MURPHY, ALD. BAUMAN, ALD. KOVAC, ALD. WITKOWSKI, ALD. PEREZ AND ALD. STAMPER II

Substitute resolution relating to changes in electric rates proposed by We Energies.

This resolution expresses the City’s concern that We Energies’ 2015/16 rate proposal will cause significant environmental and economic damage to the state by discouraging the

development of alternative, renewable sources of electricity generation and perpetuating Wisconsin's unhealthy dependence on fossil fuels.

The resolution further calls upon Governor Scott Walker to publicly express his opposition to We Energies' 2015/16 rate proposal on the grounds the proposal is environmentally irresponsible, represses healthy competition in the electricity generation sector and damages Wisconsin's economy by eliminating valuable jobs.

Whereas, Solar-powered energy generation shows signs of renewed vitality as evidenced by the fact a new solar power facility was installed every 4 minutes in the United States during 2013; and

Whereas, The number of solar power projects is expected to increase 30-fold between 2010 and 2016 as a result of falling prices and improved technology to the point that by 2016 roof-top solar panels may provide 1/3 of the electricity generated by today's nuclear power plants; and

Whereas, Other states, including Arizona and New Jersey, have reduced the barriers of entry and made it easier for customers to supplement their electrical power needs with solar-power by allowing customers to lease solar panels rather buying them outright, and We Energies should support a bill allowing such lease programs if introduced as expected during the 2015 session of the Wisconsin legislature; and

Whereas, We Energies' 2015/16 rate proposal to specifically bar customers from leasing solar power systems will hamper and slow the development of solar-power electricity generation; and

Whereas, We Energies' 2015/16 rate proposal may be an effort to better align rates with actual electricity transmission costs, the effect of increasing the flat rate 74% from \$9.20 per month to \$16 while reducing per kilowatt use rates will be to lengthen the payback customers can expect from investments in solar or other alternative, renewable electricity generation sources which will likely discourage customers from making such investments; and

Whereas, We Energies 2015/16 rate proposed reduction in payback rates for electricity purchased by the utility from customers who have invested in solar power or other alternative sources to generate their own electricity will repress competition and discourage development of alternatives to the utility's fossil fuel-generated electricity; and

Whereas, We Energies 2015/16 rate proposal reduces the rate the utility pays customers to buy back electricity generated by customers through solar power or other alternative sources from 14 cents to 3-5 cents per kilowatt hour; and

Whereas, This proposed payback rate deduction reduces the savings to customers for using alternative energy sources by 64% to 79%, effectively tripling or quadrupling

payback periods for customer investments in alternative electric power generation and so acts as a disincentive for consumers to invest in alternative energy to reduce reliance on fossil fuel energy sources; and

Whereas, We Energies' 2015/16 rate proposal further burdens customers using alternative electricity generation systems, lengthens investment payback and disincentivizes customers interested in developing alternative electrical-power sources by imposing an additional "capacity" charge of \$3.80 per kilowatt per month on customers alternative electricity generation system's capacity; and

Whereas, We Energies' 2015/16 rate proposal effectively "penalizes" Milwaukee Metropolitan Sewerage District's environmentally and socially responsible efforts to generate electricity from landfill and sewage operations by imposing an \$8.60/kW surcharge on this power generation; and

Whereas, The overall impact of We Energies' 2015/16 rate proposal will discourage and penalize customers from installing solar power or other alternative, renewable electricity generation sources to reduce society's dependence on the fossil fuels used by We Energies for electricity generation; and

Whereas, We Energies discouragement of the use of solar power and other alternative, renewable electricity generation sources to substitute for the nation's unhealthy dependence on fossil fuels is not only environmentally and socially irresponsible, but threatens to seriously undermine Wisconsin's solar and alternative fuels industry; and

Whereas, The City of Milwaukee intervened in the contested We Energies rate case, PSC Docket No. 5-UR-107; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the City of Milwaukee expresses its concern that We Energies' 2015/16 rate proposal before the Wisconsin Public Service Commission will cause significant environmental and economic damage to the state by discouraging the development of alternative, renewable sources of electricity generation and perpetuating the state's unhealthy dependence on fossil fuels; and, be it

Further Resolved, The City of Milwaukee calls upon Wisconsin Governor Scott Walker to publicly express his opposition to We Energies' 2015/16 rate proposal on the grounds that the proposal is environmentally irresponsible, represses healthy competition in the electricity generation sector and damages Wisconsin's economy by eliminating valuable jobs; and, be it

Further Resolved. The City calls upon Governor Walker to publicly urge the Public Service Commission to deny We Energies' 2015/16 rate request, and to dispatch state administration representatives as appropriate to present the state's interest in this matter before the commission; and, be it

Further Resolved, The City calls upon the Governor to propose in the 2015-17 Executive State Budget an exemption from property tax levy limits for costs arising from an approval by the Public Service Commission of We Energies' 2015/16 rate request; and, be it

Further Resolved, That the City directs the Intergovernmental Relations Division to lobby for an exemption from property tax levy limits for costs arising from an approval by the Public Service Commission of We Energies' 2015/16 rate request; and, be it

Further Resolved, That the City Clerk shall forward copies of this resolution to Governor Scott Walker and file it with the Wisconsin Public Service Commission as an exhibit in the We Energies rate case.

LRB #154938 - 1
Aaron Cadle
September 15, 2014