



AB/100 2  
Wisconsin Electric  
231 W. Michigan  
P.O. Box 2046  
Milwaukee, WI 53201-2046  
Phone 414 221-2345

December 15, 1998

Representative Marc C. Duff  
Room 306 North  
State Capitol  
P.O. Box 8952  
Madison, WI 53708-8952

Subject: **Cooperative Agreement Program**

Dear Representative Duff:

We want to thank you for this opportunity to provide input on the status of the Cooperative Agreement Program. Wisconsin Electric Power Company was a participant in the Department of Natural Resource's ISO 14000 Working Group that initially examined some of the opportunities for alternative non-traditional regulatory approaches that were subsequently examined in the development of Assembly Bill 100.

Wisconsin Electric is a strong supporter of the Department of Natural Resource's quest in seeking new and better ways to ensure Wisconsin's environmental quality is not jeopardized. We also support the adoption of formal environmental management systems (EMS) such as ISO 14000 as a means for owners and operators to better manage the environmental aspects of their facilities. One of Wisconsin Electric's facilities was recently recognized for its adoption of a formal ISO 14000-based EMS, and our staff have provided guidance to other companies on both EMS's and formal pollution prevention (P2) programs. These efforts have also included the formal publishing and public review of our EMS documentation, pollution prevention programs and targets, and environmental compliance record. We have undertaken these activities voluntarily, and have made public commitments to improve our environmental performance.

While we find the Cooperative Agreement Program to offer an opportunity to explore alternative regulatory approaches, we have chosen not to participate to date. Our reasons for not participating stem from three general areas of concern.

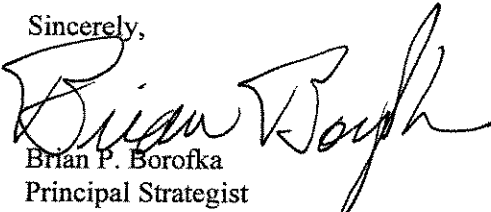
- Interested Persons Group – The Cooperative Agreement Program application requires that the facility develop and assist an interested persons group, including establishing and providing assistance to members of this group, conducting periodic meetings, and providing information on the environmental, social and economic impacts of the facility. At this time we can not prudently commit the resources necessary to establish a program that would meet the stated objectives of the Department, especially as it relates to the social and economic impacts. We also have concerns regarding the type and level of information that we must commit to providing within a competitive business market.
- Environmental Performance Objectives – Wisconsin Electric has long been a leader in seeking and adopting new technologies and approaches that reduce the impact of our operations. We have already addressed many of the critical opportunities for pollution prevention. The Cooperative Agreement Program would require the company to commit to further steps, many of which may not yield a measurable benefit to environmental quality.

- Performance Evaluation – The Cooperative Agreement Program requires that we measure the public's and our employee's opinions regarding our participation in the program. We would also be required to submit our environmental performance data to a national data base developed by the University of North Carolina. While we continually communicate with our employees and other interested parties, we do not find these requirements of the Program to add value equivalent to the potential expenditure of resources that may be required. We also have concerns regarding the sanctity of data bases maintained by third parties.

While Wisconsin Electric has these concerns about the program, we would be willing to work with you and the Department of Natural Resources in exploring potential modifications to the existing program such that we and other companies in Wisconsin would participate. We have professional staff with recognized experience in formal environmental management systems, pollution prevention, and environmental performance evaluation.

Please do not hesitate to contact me if you have questions or would like to discuss this in more detail. Thank you for considering our comments.

Sincerely,



Brian P. Borofka  
Principal Strategist