

In Wisconsin, 89% of the herds are under the 100-cow total herd size³. This size category has the highest utility costs per cow on average. Utility costs average between 0.3% and 7.4% percent of total costs per cow across the herd size categories. An effective public benefits program could be designed to assist farmers in lowering utility costs per cow. This program should include funding for energy audits, rewiring programs, motor upgrades and education on energy conservation. Other livestock and grain farmers also could benefit from such a program. Maintaining the vitality of the agriculture sector of Wisconsin, the largest single section of the economy, ensures benefits for all people of the state.

Rural Population Needs

The Departments of Administration and Commerce in their publication, "2000 Consolidation Plan: For the State's Housing and Community Development Needs" stated that lower-income households are more pronounced in the rural counties. Over half (52%) of the rural households have incomes below 95% of the Median Family Income. Rural resident income has been determined to be on average about \$6,500 a year less than urban dwellers. Many farm households are in this low-income bracket. Farm and other rural residences also tend to be older and, thus, in need of energy and rewiring upgrades. Often, rural housing stock has old and worn out wiring, no insulation, poor lighting, worn out windows, and heating systems so antiquated that the cost of fuel for a heating season is much higher than modern efficient systems⁴. Providing access to Public Benefits Programs is vitally important to rural residents.

The combination of low incomes and older homes makes it very difficult for rural residents to make needed improvements. Energy improvements could pay for themselves quickly in energy dollar savings and save rural residents scarce financial resources. If they attempt to make these changes without some type of assistance, they place themselves at financial risk. Another concern of farmers and rural residents is how to access qualified professionals to do the upgrades.

Studies have shown that the rural population can be hard-to-serve because of their income status, diversity and decentralization. Directing Public Benefits Program funding to ensure serving this population will serve a great public need.

Small Commercial and Industrial Business Needs

The small businesses in rural areas that serve agriculture are another segment that should be represented in the Public Benefits Program. Implement dealers, processing plants, equipment dealers, feed and seed companies, service industries, parts manufacturers, car and truck dealerships and rural banks are key parts of the rural economy. These business entities would benefit from updating wiring, weatherizing buildings, installing new lighting, or encouraging the use of alternative or renewable fuel.

³ Wisconsin Agricultural Statistics Service, "1999 Wisconsin Dairy Facts" August 1999

⁴ "Summary of the Results of The Governor's Rural Summit 3: Setting the Action Agenda for Rural Wisconsin's Future" Mosinee, WI May 2, 2000

Potential Rural/Agriculture Program Projects

There are a number of ways to promote and implement energy-conserving technology-based programs from the Public Benefits Funds for rural and agriculture interests. Some initial ideas for possible energy management programs that would serve rural-agriculture constituents include the following:

1. On-Farm Wiring Program. The purpose of this program would be to provide funds for upgrading electrical wiring in farm buildings and motors heavily used in the operation of the farm. This would mean re-wiring for code compliance as well as for energy savings. A critical need that rewiring can address is alleviation of stray voltage problems. Complementary education programs will be needed to help prepare farmers for the adoption of proven electronic energy management systems. The current Public Service Corporation's farm wiring program is being well received and may be a good model of future programs for the state. Preliminary reports of the success of this new program are expected in the very near future.
2. Farm and Rural Energy Development Fund. This program would promote the development and marketing of new technologies in renewable energy. Grants could be provided to demonstrate the new technology or process, thus educating the public as to its benefits and effects. Another concept of this would be to offer grants or low interest loans for first stage development of new technologies. This program would support the introduction and marketing of new products. Emphasis should be on developing technology small enough to meet the needs of individual homes and small businesses.
3. Food/Industrial Ag Processing Energy Grants. Grants could be made available to fund the advancement of new technologies in waste conversion, and byproduct utilization that would save energy.
4. Project Enhancement Awards. These awards would create a fund for special projects, which would enhance innovative marketing concepts along with situations where transportation and processing savings could be identified.
5. Special Low-Income Assistance for Farms and Rural Residents. This program would establish financial assistance to low income farm and rural families for rewiring or energy upgrades. We suggest participation of Community Action Programs and Rural Housing, Inc. to assist in further development of existing pilot projects.

Recommended Organizations to Involve in Program Administration and RFP Design

A number of rural agencies and agriculture organizations that we contacted were not aware of the RFI comment process. We recommend involving and seeking input from several organizations and groups that have a vested interest in promoting farm and rural interests. Agricultural interest input should be sought from the Farm Bureau Federation, National Farmers Organization, Wisconsin Farmers Union, Wisconsin Agribusiness Council, Wisconsin Federation of Cooperatives, Wisconsin Cheesemakers Association, Midwest Food Processors, and Wisconsin Agriservices Association.

There are a few established rural service agencies, such as the *Community Action Coalition* that have been active in home weatherization projects. Another agency with administrative capabilities is the *Foundation for Rural Housing*. They have been involved with weatherization, conservation, and education of eligible members. Other housing agencies that should have input include the Northwest Regional Housing Development Corporation or IMPACT SEVEN. There are likely other local government agencies and non-profit organizations that should have input as well.

In the educational area, the UW Extension, the Energy Center of Wisconsin, the Rural Energy Management Council (REMC), the Midwest Rural Energy Council (MREC) and the Midwest Renewable Energy Association (MREA) all have been involved with instruction and promotion of energy related topics. All of these agencies have the capabilities to educate the public on any energy-related topics that are being advanced.

Summary

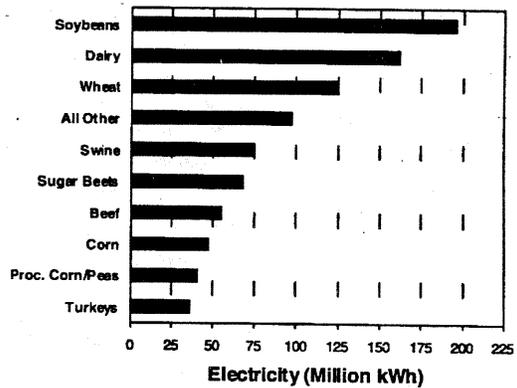
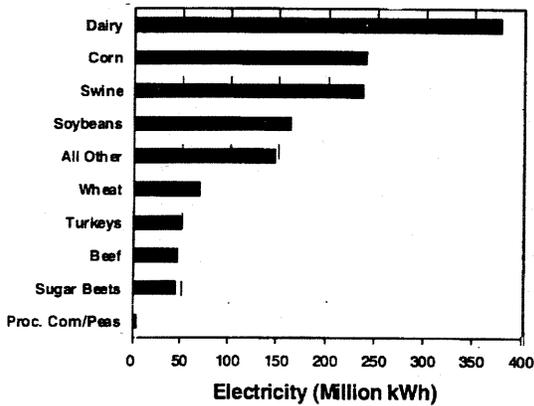
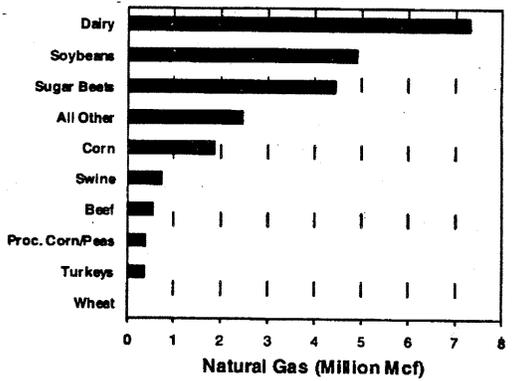
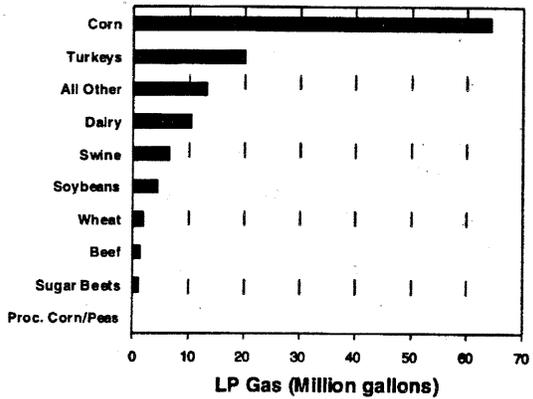
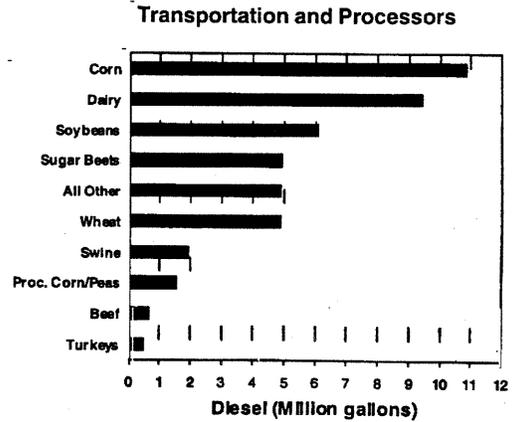
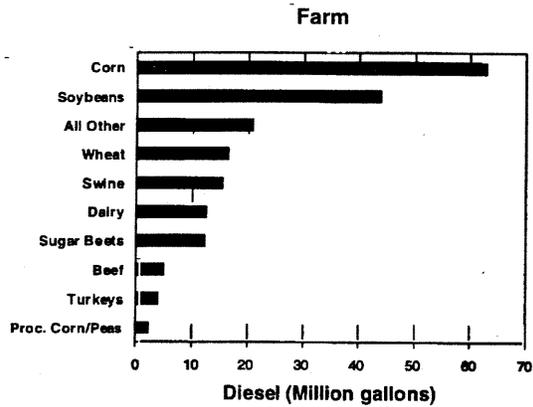
The Department encourages DOA to focus its efforts on obtaining further input from agricultural and rural interests in order to develop programs that will serve agricultural and rural interests. The RFP also needs to ensure that administrators with experience in serving agricultural and rural communities are sought out for their participation in program delivery, marketing and education.

While the Department has initial ideas for program areas, we believe additional input from constituents would improve program development and identification of priorities. We know from our experience with stray voltage and the Rural Energy Management Council that farmers, agricultural businesses and rural residents stand to benefit greatly from programs that would assist in upgrading electrical and energy systems.

The Department looks forward to working with Department of Administration and its staff to ensure that the Public Benefits Programs serve agricultural and rural communities.

Please contact Dave Hansen (608/224-5055) if you need further information.

Estimated Energy Use in Minnesota Agriculture (1995)



SOURCE: ENERGY USE IN MINNESOTA AGRICULTURE, Barry Ryan and Douglas G. Tiffany
 University of Minnesota Extension Service and the Dept. of Applied Economics
 Appeared in Minnesota Agricultural Economist 693, Fall 1998

Appendix D



Rural Energy Management Council

Richard Hackner - Chair
Associate Director
Energy Center of Wisconsin

Council Members

Dr. Henry Anderson
Chief Medical Officer
WI Dept. Of
Health & Family Services

William Brey
Dairy Producer & President
Wisconsin Farmers Union

Shannon Clark
General Manager
Richland Electric Cooperative
Past President,
Midwest Rural Energy Council

Mark Cook - Director
Rural Electric Power Services
(REPS) Program
WI Public Service Commission

Joe Hertel - Program Manager
Safety and Buildings
WI Department of Commerce

Dave Jenkins - Manager
WI Electric Cooperative Assoc.
WI Federation of Cooperatives

Steve Lamers - President
L & L Sales and Service

Bob Lentz
Dairy Producer & President
Ridgeland-Chetek Cooperative

Nancy Lightfield - Coordinator
Rock County Center
Blackhawk Technical College

Dr. Willis Long - Professor
Engineering Professional
Development / Electrical &
Computer Engineering Dept.
UW-Madison

Daryll Lund - President & CEO
Community Bankers of WI

Neil Matthes - President
Duck Creek Engineering, Inc.

Jeanne Meier - Director
Bureau of Ag Services, WDATCP

Wayne Peterson - Vice-President
WI Public Service Corporation

Dr. Chet Rawson, DVM
Past President
WI Veterinary Medicine Assoc.

Reuel Robertson - Dairy Producer

Lois Swain - Dairy Producer

To promote safe, efficient and cost effective energy usage in Wisconsin rural communities.

Position Statement Number 2

Title: Endorse the Funding and Hiring of Two New State Electrical Inspectors

Date Presented to Council: November 7, 2000

Date Action taken by Council: November 7, 2000

Presented to Council by: Shannon Clark, for the Professional Service Committee

Action taken by Council:

Voice vote taken: 15 Approved; 0 Disapproved; 0 Sustain; 3 Absent members

Summary of Discussion:

Position statement accepted as presented.

Position Statement:

The Rural Energy Management Council endorses the Wisconsin Department of Commerce's request for two additional state electrical construction inspectors in the 2001-2003 Biennial Budget (DIN 5004). These two additional positions will assist the Department of Commerce serve rural areas covered by municipalities and townships that have not adopted ordinances or hired inspectors for commercial electrical inspection. A majority of rural residents and businesses are under-served when 90% of the State's municipalities conduct no inspections and the state only has three State electrical inspectors to serve the entire State.

Background:

Department of Commerce records indicate that of 1850 municipalities in Wisconsin, 177 have inspectors.

Breakdown by type of Municipality:

	Municipalities	Cities	Villages	Towns	Counties
Total	1850	190	394	1266	72
Inspections	177 (10%)	71 (37%)	53 (13%)	52 (4%)	1 (1%)
No Inspections	1673 (90%)	119 (63%)	341 (87%)	1214 (96%)	71 (99%)

The Department of Commerce's 2001-2003 Biennial Budget issue paper is attached.

Wisconsin Department of Commerce

2001-2003 Biennial Budget

ELECTRICAL CONSTRUCTION INSPECTION STAFF (DIN 5004)

Request

The Department requests 2.0 FTE PR positions and \$169,500 in annual PR spending authority in Safety and Buildings Program Operations, s. 20.143 (3) (j), Stats., to expand its electrical inspection program. The Department is mandated under s. 101.82 (3m), Stats., to provide electrical inspection of public buildings, places of employment and places where farming is conducted in municipalities that have not adopted and enforced ordinances providing for it.

Background

Currently, 3.0 FTE electrical inspector/consultant positions provide electrical program services. The services provided include electrical inspection as requested or in response to complaints, on-site and telephone consultation regarding electrical design and installation, and electrical educational presentations. The current positions provide services throughout Wisconsin from three locations: Madison, Milwaukee and Wisconsin Rapids. Table 1 indicates the amount of time spent by current staff on each of these activities during FY00. As indicated, substantial time is devoted to consultation and educational presentations, while the effort devoted to providing inspections is limited. Current staff time is also devoted to the development of electrical codes. The focus of this program on consultation and educational services is primarily because the Department does not conduct electrical system plan review and therefore doesn't employ electrical plan review staff to share in providing consultation and educational presentation duties. Electrical plan review has not been developed primarily because there are often many methods to achieve electrical code compliance, and it is therefore more efficient to focus resources in consultation/inspection. This has also resulted in little public and industry demand for electrical plan review, while there is demand for electrical inspection, consultation and educational services. Providing consultation and educational services before and during the design phase of a project circumvents and prevents problems when they are easier and less costly to correct. Electrical program services are provided to various groups and individuals on a range of electrical topics and issues.

Proposal

The requested positions would allow the Department to expand the availability of electrical construction inspection to meet industry and public demand for this service expansion. Groups such as the International Brotherhood of Electrical Workers, the Rural Electric Management Council, the Public Service Commission, and the Wisconsin Utility Association have indicated support for an expansion of the Department's electrical inspection services. There has also been public demand caused by concern about issues such as stray voltage. The Department is mandated, per s. 101.82 (3m), Stats., to provide electrical inspection in municipalities that have not adopted and do not enforce ordinances providing for electrical construction inspection. The requested positions would allow the

Department to provide electrical inspection to these municipalities and to continue providing consultation and educational services. The electrical program staff would be located in five districts around the state. The districts would be drawn according to the estimated demand around the State and also in consideration of staff travel time.

Table 1 indicates the Department's FY02 estimate of the number of electrical program activities, the number of hours needed to perform the activities, and the resulting raw, net and needed FTE. The "raw" FTE number is based on 2080 hours per FTE. The "net" FTE is based on 1676 hours per FTE. The variance takes into consideration time spent in training, professional time, annual leave, holidays and sick leave.

1,673 of 1,850 municipalities have not adopted and do not enforce ordinances providing for electrical construction inspection. The Department must provide inspection services in those municipalities. An estimated 10% of approximately 8,400 plan review approvals granted each year by the Department would be in these municipalities. This would result in 840 projects requiring electrical inspections. The Department would conduct two inspections per construction project, resulting in 1,680 annual inspections. An estimated 200 inspections due to complaints and at farms would also be conducted annually. Each inspection would require 2.5 hours of inspection and travel time. Therefore, a total of 1,880 inspections would result in 4,700 inspection hours. During FY00, 392 hours were spent providing 98 inspections. Currently, each inspection requires 4.0 hours of inspection and travel time. Increasing the number of positions and stationing them in more districts around the State would result in less travel time, which increases the number of hours available to provide direct program services.

In addition to providing inspection services, the positions would continue to provide telephone and on-site consultation services. The number of hours spent providing telephone consultation in FY00 was 1,676. The Department estimates a similar number of hours would be spent annually providing in-office, telephone consultation in FY02. 1,420 hours were spent in FY00 providing 355 on-site consultations. It is anticipated that the increased focus on meeting the Department's inspection mandate will result in staff reducing the amount of time available to conduct on-site consultation. The Department estimates that 500 hours will be spent annually providing 200 on-site consultations in FY02.

The Department is committed to providing electrical program educational services. This service is provided on various topics (farm wiring, grounding, 1&2 family dwelling electrical) to a wide range of groups (design groups, industry groups, associations, schools and universities). Although the Department has worked with technical schools and private providers, there is continued demand for Safety and Buildings electrical program staff to provide this service. This is due to the Department's recognized expertise, especially in more advanced topics. 48 educational presentations were conducted in FY00. The Department estimates the same number of annual presentations in FY02. An average of 20 hours is spent preparing for, traveling to and from, and conducting an educational presentation, resulting in an estimated 960 annual hours devoted to electrical educational presentations.

The electrical inspectors would also continue contributing to electrical code development and updating. During FY00, the 3.0 FTE electrical inspector positions spent 564 hours on such activities as working with national code councils to develop international standards for electrical equipment and updating existing codes. The Department estimates a similar number of hours will be spent on code development in FY02. The expertise of the Department's electrical program staff, especially those with field experience, is important to code development.

Revenue

Electrical inspection revenue (PR) would provide the funding for the requested positions. The current inspection fee, per Comm 2.04, is \$60 per hour. An estimated 4,700 hours of inspection would be provided, resulting in \$282,000 PR revenue. Additional revenue would be provided from fees currently collected for credentialing and educational presentations. Total electrical program revenue for FY02 is estimated at \$520,900. The amount of estimated revenue for FY02 would provide funding for 4.0 FTE Electrical Inspector/Consultants, and associated manager/supervisor and overhead (e.g., records management) FTE. Table 2 indicates projected costs associated with the electrical program and electrical program revenue. Funding for the remaining 1.0 FTE Electrical Inspector/Consultant would be split between Commercial Building Plan Review (.5 FTE) and UDC (.5 FTE) revenue. This funding is applicable because activities in plan review and the UDC program often trigger activities in the electrical program

Conclusion

The Department requests 2.0 FTE electrical inspector positions. The requested positions would be in addition to the current 3.0 FTE conducting electrical program services. The additional positions would allow the Department to meet its electrical inspection mandate. The positions would provide the following services: electrical construction inspection, on-site consultation, telephone consultation, educational presentations, and electrical code development. The current positions provide primarily consultation and educational services, which are important to the program's prevention and education focus. The additional positions would allow the Department to continue to provide these services, in addition to meeting its inspection mandate. There is solid support from a variety of groups and the public for the increased provision of electrical inspection services. This support stems from concerns about safety and health in electrical installation and construction situations, and emphasizes the importance of providing this service.



State of Wisconsin
Tommy G. Thompson, Governor

Appendix E

Department of Agriculture, Trade and Consumer Protection
Ben Brancel, Secretary

October 25, 2000

Dear Rural Energy Management Council Members and Interested Parties

A detailed chronology and explanation of the decision making process regarding the funding of the University of Wisconsin's (UW) stray voltage research was requested at the August 1, 2000 quarterly meeting of the Rural Energy Management Council. The attached document was developed with the assistance of Mark Cook of the Public Service Commission; Dr. Len Maurer, Associate Dean of the UW-Madison, College of Agricultural and Life Sciences; and staff at the Department of Agriculture, Trade and Consumer Protection. I greatly appreciate their assistance.

The following items were to be specifically addressed in this response:

1. Clarify that General Purpose Revenue (GPR) does not fund the current research.
RESPONSE: State statute 20.155 (1)(jm) states that the funds come from program revenue, not general purpose revenues. The money is to be collected from both the cooperatives and major investor owned utilities and then handed over to the UW.
(Statutory language is included with Attachment 2.)
2. List of who directed the selection and funding of research projects.
RESPONSE: Once the Legislators and Governor approved the state budget, the University of Wisconsin System became responsible for the selection and funding of research project(s). The project was assigned to the UW-Madison College of Agricultural and Life Sciences. Dr. Elton Aberle, Dean of the College of Agricultural and Life Sciences, invited input from a number of individuals and groups. See the chronology for a detailed account of those included in the decision making process. The Rural Energy Management Council was a major contributor of public input, but not the only one.
3. Clarification that an opportunity to comment on the components of the submitted proposal was provided.
RESPONSE: The University conducted the normal scientific peer review of the submitted proposal in addition to requesting that the Rural Energy Management Council collect public comment. The Council mailed out a notice of opportunity for public comment on May 26, 2000. The collection of comments was reviewed, summarized and then shared in their entirety with the UW.
4. Only one proposal met the UW qualifications for consideration as a research project.
RESPONSE: Yes, only one proposal was received from University faculty. See the chronology for a detailed list of those who received the notice.

Sincerely,


Roger Kasper

Enc.

Chronology of Significant Events Associated with Funding UW-Madison Stray Voltage Research Efforts

9/15/98

Department of Agriculture, Trade and Consumer Protection (DATCP) budget proposal for additional stray voltage research funds submitted to Department of Administration (DOA) for 1999-2001 biennial state budget.

2/16/99

The proposed 1999-2001 biennial state budget contained no funding for stray voltage research.

8/99

Senator Decker introduced a Senate amendment to budget bill. Amendment provided funds for stray voltage research at University of Wisconsin System (UWS) and Department of Health and Family Services (DHFS). Budget Conference Committee included version of amendment in final budget presented to Governor Thompson. (See Attachment 1)

10/27/99

Governor signed 1999-2001 biennial state budget bill, known as 1999 Wisconsin Act 9. Partial vetoes affect the stray voltage research funding: (See Attachment 2)

- Vetoed legislative language requiring research of 3rd harmonic currents¹ on human and animal health.
- Removed language and funding for research by DHFS, stating: DHFS is not the appropriate agency to be conducting scientific research of this type. (Funding was for \$25,000 annually for a total of \$50,000.)
- Removed language mandating how UWS should conduct the research, stating: "UWS researchers need flexibility to design research in a manner that will produce accurate and objective conclusions. I am confident the Board of Regents will ensure that research on stray voltage will address the most significant concerns of Wisconsin citizens."
- Retained language allocating Public Service Commission (PSC) program revenue of \$175,000 per year for two years for UWS stray voltage research. The PSC uses a specific formula to collect these fees from the rural electric cooperatives and five major investor owned utilities².

11/9/99

UW-Madison Provost John Wiley, Vice Chancellor John Torphy, Special Assistant to the Chancellor Charles Hoslet, College of Agriculture and Life Sciences (CALs) Associate Research Dean Margaret Dentine, and CALs Dean Len Maurer met with Senator Russ Decker to discuss the legislative intent of budget language on stray voltage research. Later meetings were held with

¹ The 3rd Harmonic was being discussed as the electrical phenomena of most concern at the time.

- LaCrosse Tribune (February 13, 1999) "What are harmonics?" Quote: "The 3rd harmonic is also the one most scrutinized by some who say it could cause harmful effects to both animals and humans."
- Wisconsin Agriculturist (August 1999) "'Stray voltage' seen as 'electrical pollution'" Quote: "Graham says the main culprit appears to be the third harmonic, although there's no reason farms should be subject to ground currents of any type."

² The PSC bills the Federation of Cooperatives the first 9% of the total allocation. The remainder is billed to only utilities with over \$100,000,000 revenue (Alliant, MGE, NSP, WE, WPS). This group is billed a portion of the allocation according to the percentage their revenue contributes to the total revenue for this group.

Representatives Barbara Gronemus and Al Ott, Senator Rod Moen, and a staff member for Senator Alice Clausing.

2/1/00

Dean Aberle met with the Rural Energy Management Council (REMC). The Council agreed to facilitate public input on stray voltage research priorities and advise on project funding decisions. At this meeting, an invitation was issued to REMC members and the public to suggest specific research topics or problems areas to be addressed by UW stray voltage research.

2/22/00

A REMC Ad Hoc committee (REMC Chair, Stray Voltage Committee Chair, Other Electrical Phenomena Committee Chair and Roger Kasper) met to review the collected public comments and suggestions on stray voltage research problem areas and priorities. A draft of a summary document was prepared for the full Council review.

3/8/00

A special REMC teleconference was held to discuss and modify the summary document. The summary document included the collection of all stray voltage research problem areas and priority recommendations collected from REMC members and the public since the February 1 Council meeting.

3/17/00

At the invitation of Senator Decker, Professor Willis Long of the College of Engineering and Associate Dean Maurer of CALS met in Wausau with area farmers and representatives of the Save Our Unique Lands (SOUL) group. The group provided advice on research problem priorities.

3/23/00

A stray voltage research call was issued to faculty members in the UWS. A copy of the notice was mailed to the following:

- UWS Consortium for Research and Extension in Agricultural and Natural Resources (Deans at UW -Platteville, -River Falls, -Stevens Point and – Cooperative Extension);
- Research Deans at the UW–Madison College of Engineering, College of Agricultural and Life Sciences, School of Veterinary Medicine, Medical School, and College of Letters and Science;
- UW-Madison College of Agricultural and Life Sciences Chairs of Departments of Agricultural and Applied Economics, Life Sciences Communication, Animal Sciences, Dairy Science, Soil Science, Biological Systems Engineering;
- Director of Center for Dairy Profitability.

Because budget language directs the UWS to conduct the stray voltage research, only proposals from within the UWS could be considered.

The research call gave priority to projects directed at the non-60 hertz problem area, including harmonic and other high frequency voltage/current surge related issues and concerns. Effects of non-60 hertz phenomena on animal well-being are given priority.

5/22/00

Deadline for submission of stray voltage proposals. A single proposal was received. The UW-Madison had four faculty reviewers for the proposed research project. They provided a technical review of the scientific merits of the research proposal.

Because the call produced only one proposal, the REMC review process was modified to provide full release immediately of the single proposal rather than summaries of multiple proposals as was originally proposed.

5/26/00

REMC invited public comment on the research proposal titled "Exposures of Dairy Cattle to Electrical Events and Their Biological Consequences".

6/13/00

An REMC Ad Hoc committee (REMC Chair, Stray Voltage Committee Chair, Other Electrical Phenomena Committee Chair and Roger Kasper) met to review public comments and suggestions on stray voltage research proposal. A draft of a summary document was prepared for the full Council review.

6/23/00

A special REMC teleconference was held to discuss and modify the summary document. The summary document included the collection of all stray voltage research proposal comments and recommendations collected from REMC members and public. The REMC recommended considering the proposal with some suggested modifications in the study approach.

7/14/00

The project was funded after full consideration of UW faculty reviews, REMC recommendations and responses from the research team for study proposal. The UW issue press release announcing the grant award.

7/26/00

Dean Aberle informed researchers in writing that the project has been approved and funds granted.

Senator Decker's Amendment & Conference Committee's Comments

15. STRAY VOLTAGE RESEARCH

Assembly: No change to Joint Finance.

Senate: Provide \$200,000 PR annually in a new, biennial appropriation within the UW System for research relating to stray voltage. Require the Board of Regents to establish a stray voltage research program to: (a) conduct research recommended in the Minnesota Science Advisors Report to the Minnesota Public Utilities Commission; (b) analyze field and economic performance of electrical mitigation devices and systems; and (c) study electrical conditions on farms with potentially unique stray voltage concerns and the nature of animal responses to stray voltage. Funding for the research would be generated by assessing electric utilities regulated by the Public Service Commission.

Conference Committee: Modify Senate provisions as follows. Provide \$200,000 PR annually in a new annual appropriation under the Public Service Commission (PSC) for stray voltage research. Provide that the appropriation would be funded with moneys received through assessments on public utilities totaling \$182,000 annually and electric cooperatives totaling \$18,000 annually. Specify that the assessments would be based on operating revenues derived from intrastate operations during the last calendar year. Require public utilities and electric cooperatives to pay the total amount that is assessed within 30 days of receipt of the bill. Specify that the bill from the PSC constitutes notice of the assessment and demand of payment. Define electric cooperative as a cooperative association organized for the purpose of generating, distributing or furnishing electric energy at retail or wholesale to its members.

	Chg. to JFC
PR	\$800,000

Require the PSC to transfer from the stray voltage appropriation \$175,000 PR annually to UW System and \$25,000 PR to the Department of Health and Family Services (DHFS) for stray voltage research. Require the UW Board of Regents to establish a stray voltage research program to conduct research on all of the following items in the following priority order: (a) stray voltage problems on farms with the on-site research conducted by the College of Agricultural and Life Sciences of the University of Wisconsin-Madison; (b) the nature of animal responses to stray voltage; (c) farms with potentially unique stray voltage problems; (d) field and economic performance analysis of electrical mitigation devices and systems; and (e) research recommended in the Minnesota Science Advisors' Report to the Minnesota Public Utilities Commission. Require DHFS to use its funding to conduct research and investigate allegations that the 3rd harmonic of 60-hertz current harms people and dairy animals.

Attachment 2

Governor Thompson's Budget Message and Actions

Quotes from the Governor's budget message:

30. Stray Voltage Research

Sections 172 [as it relates to s. 20.155(1)jm)], 222m 891k and 997m

These sections provide \$200,000 PR annually for stray voltage research to be conducted by the University of Wisconsin System (UWS) and the Department of Health and Family Services (DHFS). Revenues will be generated through assessments on private utilities.

I am partially vetoing section 222m and vetoing section 997m to delete the stray voltage research program at DHFS. DHFS is not the appropriate agency to be conducting scientific research of this type. By lining out the Public Service Commission's s. 20.155(1)(jm) appropriation and writing in a smaller amount that deletes \$25,000 of the \$200,000 PR provided annually for this purpose, I vetoing the part of the bill which funds this provision. Furthermore, I am requesting the Department of Administration secretary not to allot these funds.

I am partially vetoing section 891k to delete the statutory priorities mandating how the UWS conducts stray voltage research. UWS researchers need flexibility to design research in a manner that will produce accurate and objective conclusions. I am confident that the Board of Regents will ensure that the research on stray voltage will address the most significant concerns of Wisconsin citizens.

Specific Vetoes of 1999 Wisconsin Act 9:

Date of enactment: October 27, 1999

Date of publication: October 28, 1999

An Act relating to: state finances and appropriations, constituting the executive budget act of the 1999 legislature.

SECTION 222m. 20.155 (1)(jm) of the statutes is created to read:

20.155 (1)(jm) *Stray Voltage Research*. The amounts in the schedule for stray voltage research. All moneys received by the commission from public utilities and electric cooperatives under s. 196.856 shall be credited to this appropriation. Annually, \$175,000 of the amounts received under this appropriation account shall be transferred to the appropriation account under s. 20.285 (1)(kv) and ~~\$25,000 of the amounts received under this appropriation account shall be transferred to the appropriation account under s. 20.435 (1)(lx).~~

SECTION 891k

36.25 (45) STRAY VOLTAGE RESEARCH. The board shall establish a stray voltage research program ~~to conduct research on all of the following in the order of priority listed in pars. (a) to (e):~~

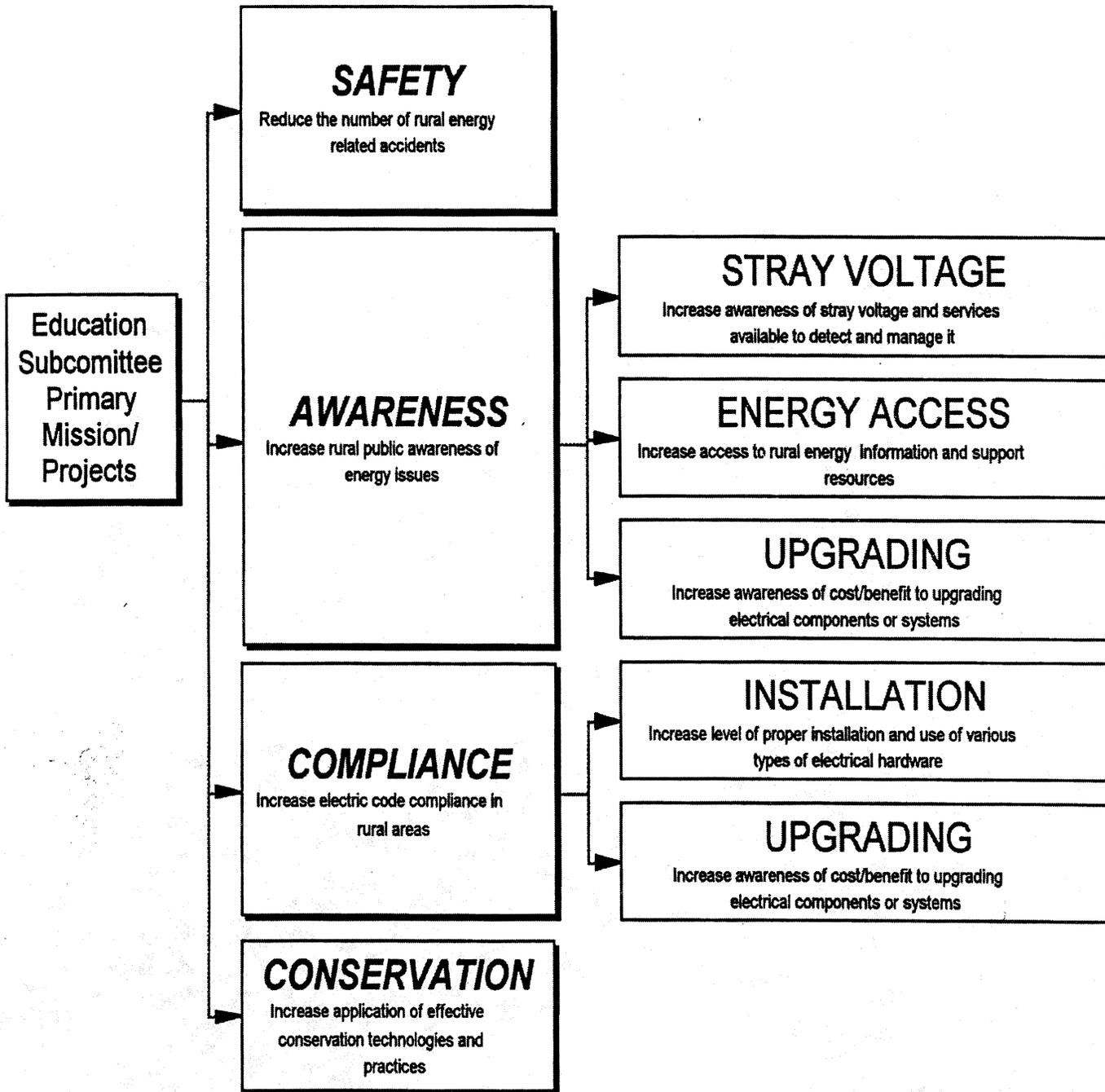
- ~~(a) Stray voltage problems on farms. The College of Agricultural and Life Sciences of the University of Wisconsin-Madison shall conduct on-site research under this paragraph.~~
- ~~(b) The nature of animal responses to stray voltage.~~
- ~~(c) Farms with potentially unique stray voltage problems.~~
- ~~(d) Field and economic performance analysis of electrical mitigation devices and systems.~~
- ~~(e) Research recommended in the Minnesota Science Advisors' Report to the Minnesota Public Utilities Commission.~~

Section 997m.

~~46.03 (44) of the statutes is created to read:~~

~~46.03 (44) STRAY VOLTAGE RESEARCH. Conduct research and investigate allegations that the 3rd harmonic of 60 hertz current harms people and dairy animals. The department shall allocate moneys transferred to the appropriation account under s. 20.435 (1)(lx) from the appropriation under s. 20.155 (1)(jm) for this purpose.~~

Education Committee's Primary Mission / Projects



HICKMANN LAW OFFICE LLP
2125 WEST WASHINGTON STREET
WEST BEND, WI 53095

WILLIAM J. HICKMANN, ESQ.
MICHAEL P. HICKMANN, ESQ.
RUTH A. WITT, PARALEGAL

TEL (262) 334-4444

bill.hickmann@centurytel.net
mike.hickmann@centurytel.net
ruth.witt@centurytel.net

FAX (262) 306-2880

September 29, 2000

Mr. Chet Rawson, DVM, Dipl ACT
REMC
1 Gleneagle Court
Galena, IL 61036

Via Facsimile & U.S. Mail
(608) 224-5110

RE: *Correspondence Addressed to Dave Stetzer Dated 12/27/00*

Dear Mr. Rawson:

Your letter dated September 27, 2000 has been forwarded to me for response by David Stetzer. I am not Mr. Stetzer's attorney, but I have retained him to act as an expert witness on several cases. I also will be retaining the services of Professor Martin Graham, who you also refer to in your letter.

In respect to my expert witnesses, I have requested them to withhold any further "free discovery" in these type of cases. Obviously, there are two sides to this issue and we look forward to playing out our side in a court of law where; hopefully, a fair evaluation can be made of the facts as they exist at any given situation.

I am sure that Mr. Stetzer has already shared much of his information with you as it relates to his findings. It is difficult for me to have experts involved in these type of situations when we intend to utilize their services in litigation.

I am sure you can understand the reasons for this decision and certainly Professor Graham and Mr. Stetzer will be more than happy to explain the results of any evidence that they may testify about at time of trial.

In speaking with Mr. Stetzer, he was very disappointed in the lack of follow up when he had requested answers to his questions on several occasions months ago. Needless to say, in my opinion, this matter is now beyond this type of political bantering.

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Should you have any more correspondence with Dave Stetzer and/or Professor Martin Graham concerning this matter, I would ask that you please copy me in so that I can advise them as to what my expectations are.

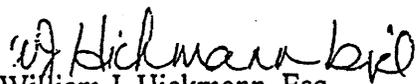
It is clear to me that both Mr. Stetzer and Professor Graham have more than cooperated on numerous occasions in providing the basis of their findings.

Obviously, many of the members of your group also are well aware of Mr. Stetzer's and Professor Graham's position concerning the lack of power quality in our utility distribution systems. I will leave it up to you to share this response with other members of your board as you determine appropriate so that the board clearly understands why no response is forthcoming.

On behalf of my clients, I would look forward to your answers to these same questions and how these measurements are taken. It is my understanding that several members of your group have had ample opportunity to inspect Mr. Stetzer's equipment and his process. In summary, I look forward to your responses. It is time we let the measurements speak the truth.

Very truly yours,

HICKMANN LAW OFFICE LLP


William J. Hickmann, Esq.

WJH:bjd

cc: Dave Stetzer (via facsimile)
Professor Martin Graham (via facsimile)