

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRBs0366/1dn  
MDK:wlj:rs

February 20, 2004

Rep. Jensen:

This substitute amendment makes the changes requested in Brett Healy's e-mail to me dated February 18, as well as a change to s. 73.13. Please note the following about the substitute amendment:

1. The language regarding costs of retiring certain securities is included in the definition of "financing cost," which I think is more logical than including it in the definition of "environmental control cost."
2. I did not include "principal" in the definition of "financing cost" because I think it is already covered under "environmental control cost." However, perhaps I don't understand your intent on this issue. Also, I eliminated the reference to "debt service" in the definition of "financing cost," because I think "financing cost" should not refer to principal. (An accounting glossary that I consulted defines "debt service" as principal and interest.)
3. The proposed language regarding other appropriate conditions is included in proposed s. 196.027 (2) (b) 2. f.
4. Note that I added a reference to "subd. 4." in proposed s. 196.027 (2) (b) 2. a. and 5.
5. For proposed s. 196.027 (2) (c), the instructions provide that a subsequent financing order "may only permit the retirement and refunding of the environmental trust bonds subject to the terms of the original indenture." I did not include this language because I don't know what it means. "Indenture" is not otherwise used in the bill or substitute amendment. Can you suggest language that is consistent with the rest of the bill or substitute amendment, or, for my benefit, can you be more specific about your intent?
6. Proposed s. 196.027 (3) (b) does not include your "except as provided" language because I do not think that the exception is logically necessary.
7. Are my changes to proposed s. 196.027 (4) (a) consistent with your intent?
8. The last sentence of proposed s. 196.027 (5) (b) 2. refers to a "financial statement." Is that correct, or should it refer to a "financing statement"?
9. Should the definition of "energy utility" be revised to specifically refer to steam?

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