

RESOLUTION BY THE INTERGOVERNMENTAL COOPERATION COUNCIL FOR MILWAUKEE COUNTY  
URGING THE WISCONSIN PUBLIC SERVICE COMMISSION TO REJECT WE ENERGIES' PROPOSED RATE  
INCREASE OF \$1 MILLION OR MORE ON THE MILWAUKEE METROPOLITAN SEWERAGE DISTRICT (MMSD)

WHEREAS, the members of the Intergovernmental Cooperation Council (the ICC) are the chief elected officials of all of the municipalities located within Milwaukee County, and the Milwaukee County Executive, and which Council is organized pursuant to Wis. Stat. §200.23(b); and

WHEREAS, the members of the ICC urge the Wisconsin Public Service Commission (PSC) to reject one aspect of the current rate review proceeding proposed by We Energies (WE) (case 5-UR-107), specifically the proposed mandatory standby power tariff (CP-4), an unjust and unreasonable mandate which will only affect MMSD and will result in significant user charge increases for MMSD customers; and

WHEREAS, the members of the ICC believe that the tariff is unreasonable because it adds \$1 million to \$1.5 million annually or 20% to MMSD energy bills based only on MMSD's ability to generate its own power with no showing by WE that the extra charge is required due to any increase in WE costs; and

WHEREAS, the proposed standby tariff requires MMSD to pay a very high extra charge because it is able to generate some of its own power, something that MMSD has done *for four decades*; and

WHEREAS, in recent years MMSD has made substantial investment in newer generation facilities to increase the use of biofuels in accord with the State of Wisconsin Energy Policy and to cut energy costs; and

WHEREAS, these carefully planned investments by MMSD had been expected to reduce fees to its users by \$2.5 million every year for the 20 year planning period and the full value of those savings will not be realized by MMSD users if this standby tariff is approved; and

WHEREAS, the members of the ICC are concerned because these proposed standby charges will of necessity be passed on to MMSD residential, commercial and industrial sewerage system users in the Milwaukee metropolitan area, thus the increases are additive to the other electric rate increases for the residential and industrial customers that WE is requesting and has already announced; and

WHEREAS, the proposed rate increase poses a serious threat to the competitiveness and production of some of Wisconsin's most successful industrial employers.

NOW, THEREFORE, BE IT RESOLVED, by the Intergovernmental Cooperation Council, that the Wisconsin Public Service Commissioners are asked to reject the proposed mandatory standby power tariff (CP-4) contained in the current rate review proceeding by We Energies (case 5-UR-107), as it is an unjust, unreasonable, and unsubstantiated mandate which will only affect MMSD and will result in significant user charge increases for MMSD customers; and

BE IT FURTHER RESOLVED, by the Intergovernmental Cooperation Council, that this Resolution be submitted to Honorable Governor Scott Walker, to the Commissioners of the Wisconsin Public Service Commission, and to all members of the Wisconsin State Legislature.

APPROVED this 13<sup>th</sup> day of October, 2014.

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Mayor Stephen Scaffidi, Mayor of Oak Creek  
Chair, Intergovernmental Cooperation Council

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Mayor Michael Nietzke, Mayor of Greenfield  
Vice Chair, Intergovernmental Cooperation Council