

**BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN**

**Application of Wisconsin Electric Power
Company for Certificate of Public
Convenience and Necessity to Construct a
Wind Electric Generation Facility and
Associated Electric Facilities in the Towns
Of Randolph and Scott, Columbia County,
Wisconsin**

Docket 6630-CE-302

POST-HEARING BRIEF OF RENEW WISCONSIN

1. INTRODUCTION

RENEW Wisconsin (“RENEW”) hereby files its brief in the above-captioned matter in support of the issuance of a Certificate of Public Convenience and Necessity (“CPCN”) for Wisconsin Electric Power Company’s proposed Glacier Hills Wind Park (“Project”).

1I. ARGUMENT

A. The Project Is In The Public Interest

The design of the proposed Project is in the public interest first and foremost because it will be powered by wind rather than fossil fuels. Wind energy is a locally available, self-replenishing, emission-free electricity source. Fossil fuels, on the other hand, must be imported, are available in limited quantities, and emit pollutants. Moreover, using wind energy furthers the State’s policy goal that all new installed

capacity for electric generation be based on renewable energy resources to the extent cost-effective and technically feasible. Wis. Stat. § 1.12(3)(b).

In his direct testimony, RENEW Wisconsin witness Michael Vickerman outlined a number of other public policy objectives that would be advanced by the construction of Glacier Hills. These include:

- 1) Helping Wisconsin Electric Power Company (“WEPCO”) meet its renewable energy requirements under Wis. Stat. § 196.378(2)(a)(2)d;
- 2) Securing adequate supplies of energy from sustainable sources;
- 3) Protecting ratepayers from rising fossil fuel prices;
- 4) Reducing air and water emissions from generation sources;
- 5) Preserving working farms and pasture land;
- 6) Generating additional revenues for host towns and counties;
- 7) Reducing the flow of capital out of Wisconsin for energy purchases; and
- 8) Investing Wisconsin capital in a wealth-producing energy generating facility within its borders. (Tr. D7.3-7.4.)

B. If Approved, Glacier Hills Is The One Substantial Windpower Proposal That Is Certain To Be Constructed And Placed In Service Before 2012.

If approved, construction on Glacier Hills would commence in 2010 and start commercial operations in 2011. As noted in Mr. Vickerman’s testimony, Wisconsin is the only state in the Upper Midwest where there is not a single utility-scale windpower facility presently under construction (Tr. D7.4). The burst of windpower-related construction activity that prevailed between July 2007 and December 2008 and resulted in four utility-scale windpower projects totaling 396 MW has now given way to dead calm. Of the many prospects proposed for development in Wisconsin, only Glacier Hills,

being a utility-owned project, is certain to proceed to construction if all the necessary permits are obtained. Ex. 604. As Mr. Vickerman states:

“[i]n recent years Wisconsin utilities have exhibited a reluctance to sign Power Purchase Agreements with developers working in Wisconsin. This particular market barrier, coupled with a difficult permitting landscape that has blocked several promising wind prospects from going forward, is responsible for the current freeze on wind farm development in Wisconsin.” (Tr. D7.5)

Of the many prospects listed in Exhibit 604, only one—Glacier Hills—would be a utility-owned facility. All the others are prospects developed by independent power producers (“IPPs”). While there are several IPP-owned prospects that are fully permitted, they languish in an unbuilt state because their owners have not been able to enter into a Power Purchase Agreement with a Wisconsin utility. There is no guarantee that any of these independently owned prospects will proceed to construction next year or 2011, due to current utility preferences. Of equal concern is the fact that there are no other utility-proposed windpower projects on deck after Glacier Hills. Absent any changes in the current dynamics, Glacier Hills may be the only wind project greater than 20 MW that is placed in service before 2012, which is incidentally the final year of the current Production Tax Credit cycle.

C. In-State Wind Projects Yield Substantial Economic Benefits To Local Governments As Well As Wisconsin Firms And Workers.

As with other major infrastructure improvements, utility-scale windpower projects deliver a concentrated dose of economic stimulus to the host communities. This should especially be true with Glacier Hills, whose 90 turbines and 162 MW of rated capacity would make it the state’s largest windpower installation if approved. Between the first full year of operation to the end of its operating life, the Project will produce a

revenue stream totaling \$648,000 per year allocated among Columbia County and the Townships of Randolph and Scott. In the aggregate, host landowners stand to reap about \$500,000 per year, according to Mr. Vickerman's estimates. (Tr. D7.6.) Additional annual payments are available to neighboring residents who live within one-third of a mile of one or more turbines and elect to enter into a Windpower Facilities Participation and Easement Agreement with WEPCO.

If the project development history of Blue Sky Green Field and Cedar Ridge are indicative, the construction of Glacier Hills will engage many Wisconsin suppliers and contractors as subcontractors responsible for key facets of the installation. (Exs. 605 and 606.) Wisconsin companies are likely to be involved with preparing access roads, excavating work, building foundations, tower erection, crane rental, transmission system upgrades and installing the underground collector system. Indeed, given the size of Glacier Hills, the number of labor hours to build that facility should exceed what was required to complete Blue Sky Green Field.

D. The History of Utility-Scale Wind Development in Wisconsin Suggests That Host Communities Become More Accepting Of Wind Projects Over Time.

Kewaunee County has been the host of 31 utility-scale wind turbines since 1999. Of that total, 22 are located in the Town of Lincoln and nine turbines are located in the adjoining Town of Red River. All 31 turbines were permitted 11 years ago and have logged more than 10 years of continuous operation.

As noted in the direct testimony of RENEW witness Mr. Mick Sagrillo, both Madison Gas & Electric (MGE) and Wisconsin Public Service Corporation (WPS), the

owners of Lincoln's 22 turbines, ran into resistance during the Town's review of the project applications. Several Lincoln residents were outspoken in their opposition to wind development, which raised the level of contentiousness in that township's public hearings. Though both applications were ultimately approved, the Town Board, which was itself bitterly divided over the wind projects, adopted a resolution in July 1999 imposing a moratorium on windpower installations until the Board had the opportunity to evaluate the impact of the 22 turbines on township residents. The Lincoln Town Board also established a five-member committee to perform the evaluation and propose changes to the conditional use permit process. Because of Mr. Sagrillo's extensive experience with small wind, he was appointed chairman of this committee, which came to be known as the Lincoln Township Wind Turbine Moratorium Study Committee. (Tr. D7.11)

The following excerpt from Mr. Sagrillo's testimony summarizes the results of the Moratorium Committee's work.

“While there was considerable disagreement from one member of the committee, the committee essentially made a number of clarifications of our existing conditional use process for wind turbines and a few recommendations for changes in its final report to the board of supervisors. The committee essentially concluded that the township had done an adequate job of protecting the interests of the township and its residents when approving the wind farm permits in the first place. The clarifications and recommendations were made to protect the interests of the township residents, and assure that the taxpayers would not be saddled with any undue burdens should another wind farm be proposed for our township.

After meeting 39 times over two years, the committee sent its final report to the board of supervisors on February 11, 2002 for review.” (Tr. D7.13 - D7.14.)

Mr. Sagrillo's testimony also describes the evolution of community attitudes toward both projects since their completion. Under the terms of the project permits, the Lincoln Town Board may review the permit conditions for each project every five years

and hold a public hearing if it perceives a need for one. The Town Board in 2004 scheduled hearings on both projects. No one came to the hearing on MGE's eight turbines, and the Town Board extended MGE's permit during that meeting. Due to the higher level of contentiousness surrounding the WPS project, the Lincoln Town Board delayed its vote on that permit for 16 months so that it could investigate whether an area resident's claim of stray voltage could be tested and verified. When the tests failed to confirm the claim, WPS eventually received a five-year extension on its permits. Yet when it came time again for the next five-year review in 2009, the Town Board approved extension of both projects' permits without a public hearing.

There are two interesting factors worth noting about the post-construction history of the two wind projects in Kewaunee County. The first is that there has been no turnover on the Lincoln Town Board since the original wind facility applications were reviewed in 1998. The second is that Lincoln's experience differed markedly from that of Red River, which hosts nine of the Rosiere project turbines owned by MGE. As explained by Mr. Sagrillo:

“While some individuals in Red River expressed wariness over MGE's proposal, they did so much more politely and with considerably more civility. Moreover, those who were not enamored of the wind turbines were willing to put aside their reservations when Red River's government approved MGE's CUP. They were able to move on. In contrast, the adversarial relationship between project opponents and anyone who voices approval of the turbines in Lincoln Township persisted for several years after the projects were approved in late 1998. The degree of polarization in Lincoln completely drowned out the relative quiet that has prevailed in Red River since 1999.” (Tr. D7.16.)

Yet the Town of Lincoln ultimately came to terms with its 22 turbines. According to Mr. Sagrillo:

“With 10 years of experience under our belts in Lincoln Township, I believe that residents now understand and believe that the wind projects, pose no threat to themselves and their community. None of the dire predictions voiced by project opponents have come to fruition. The Town’s decision to forgo a CUP public hearing at the second five-year review date is significant, in that it demonstrates that town residents do not consider themselves harmed by the proximity of wind turbines or threatened by their presence. Yes, there are a few residents who may not like the visual impact that comes from living in such close proximity to utility-scale wind turbines, but that’s an aesthetic matter that is completely outside the realm of public health or safety. Except for two or three individuals who will take their distaste for wind generation to their graves, the current level of acceptance in the Town of Lincoln is the same as where it was in Red River in 2000.” (Tr. D7.17.)

Mr. Sagrillo attributes the change in the community attitude in large part to the reliability, dependability and unblemished safety record logged by both projects. (Tr. D7.18)

III. CONCLUSION.

For the reasons stated above, the Commission should grant a CPCN to WEPCO for the construction and operation of its proposed Glacier Hill Wind Park.

Dated this 24th day of November, 2009.

Respectfully submitted,

RENEW Wisconsin

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