

# **2023 RESOLUTIONS**

**Approved by WECA  
Membership on  
November 15, 2022**

## **Wisconsin Electric Cooperative Association**

## **WECA Mission Statement:**

*To provide leadership and professional services to support electric cooperative efforts to improve the quality of life for their members.*

## **WECA Vision Statement:**

*WECA will serve its members by providing leadership on key legislative and regulatory issues, fostering a positive image of electric cooperatives, and supporting quality of life in communities through education and training services.*

## **COOPERATIVE PRINCIPLES**

### **1. Voluntary and Open Membership**

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

### **2. Democratic Member Control**

Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. The elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote) and cooperatives at other levels are organized in a democratic manner.

### **3. Members' Economic Participation**

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership.

### **4. Autonomy and Independence**

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

### **5. Education, Training, and Information**

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people and opinion leaders, about the nature and benefits of cooperation.

### **6. Cooperation Among Cooperatives**

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

### **7. Concern for Community**

While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.

## **WECA Resolutions Process**

The process by which resolutions are adopted by the voting members of the Wisconsin Electric Cooperative Association at the annual meeting shall be open and transparent, and it shall give the members of our electric cooperatives the ability to participate per guidelines recommended and adopted by the Legislative and Regulatory Committee and approved by the WECA Board.

### **Resolutions Committee:**

There is established a “Resolutions Committee” that shall be made up of members determined by and within the membership of the WECA Legislative and Regulatory Committee.

### **Legislative and Regulatory Committee [L&R Committee]:**

The L&R Committee, in consultation with and by approval of the WECA Board, shall determine the procedures by which proposed resolutions and amendments are submitted, approved, and recommended for adoption by the WECA voting members at the annual meeting.

### **Origin of Resolution or Amendment:**

A resolution or amendment for consideration before the L&R Committee shall originate exclusively with a duly appointed member of the L&R Committee or the Board of Directors of a member electric cooperative. The resolution or amendment must be in writing. The chair of the L&R Committee may waive the ‘in writing’ requirement when the L&R Committee deliberates for purposes of executing action on resolutions or amendments.

It will be at the sole discretion of each electric cooperative board to determine the appropriate procedures, if adopted, for their individual cooperative members to present proposed resolution(s) and/or amendment(s) to the board or the board’s representative to the L&R Committee.

### **Deadline:**

All proposed resolutions or amendments shall be submitted in writing to the Resolutions Committee [via WECA staff] by July 1. This deadline does not nullify the ability of a L&R Committee member to submit a proposed resolution or amendment during a meeting called by the chair of the L&R Committee for purposes of executing action on resolutions or amendments.

### **Procedure:**

At a meeting to be determined and called by the Chair of the L&R Committee [likely a July or August date], the Resolutions Committee shall present in writing all properly submitted proposed resolutions or amendments by L&R Committee members or the Board of Directors of a member electric cooperative.

Nothing in these procedures shall be construed to prevent or limit the ability of the L&R Committee to carry out its duty and responsibility to propose or amend new or existing resolution language.

All proposed or amended resolutions recommended by the L&R Committee shall be forwarded to the WECA Board for approval before they are presented to the voting members at the annual meeting. Any recommendation(s) forwarded by the L&R Committee to the Board for approval, may be adopted, amended or rescinded by action of the WECA Board.

The Chair of the L&R Committee shall prepare a report [in consultation with the WECA staff] for the voting members clearly detailing all actions approved by the WECA Board on proposed resolutions and amendments at the annual meeting.

Any proposed resolution or amendment approved with an affirmative vote by the voting members at the annual meeting shall be adopted as official WECA policy until further action to amend or repeal is commenced and executed per the procedures contained herein.

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## **Foundational and Courtesy Resolutions**

### **A-1 Defense of Cooperatives and Cooperative Principles**

WECA supports the right of member-owners to exercise democratic control of their cooperatives including the right to restructure or sell the cooperative. However, in any sale, acquisition, merger, or restructuring of a cooperative, members are entitled to transparency, honesty, and full disclosure of the terms of the proposed transaction. The net worth of cooperatives belongs to the members and should remain with them. There should be no unjust enrichment of directors or senior management upon sale or conversion.

WECA believes that creating or maintaining a cooperative business model should be the first choice in the formation, administration, sale, acquisition, merger, or restructuring of a cooperative business unless it can be clearly demonstrated that another business structure would be in the best interests of members. WECA shall publicly and vigorously defend the cooperative form of business and the seven cooperative principles.

### **A-2 Cooperative Education**

Cooperatives are among the best run businesses in the world and cooperatives continue to be the best possible means of providing rural Wisconsin with dependable electric service at the lowest possible cost.

In the interest of maintaining the cooperative philosophy, so vital to the existence of rural electric cooperatives and cooperatives of all kinds, and of making certain that this philosophy and the cooperative way is better understood by consumers, patrons, the public, and children in their formative years, WECA supports:

- Cooperative educational programs with greater emphasis on public and private institutional teacher and faculty certification so that knowledge of the importance of cooperatives—their needs, career possibilities, and what they must offer is known in schools throughout Wisconsin and encourages students to participate in cooperative affairs.
- On the part of cooperative boards and management, programs such as credentialed cooperative director, board leadership, and the management internship program.
- Youth programs that teach about cooperative roles of director, management, supervisory, employee and consumer education.
- Development of programs to help create better understanding of cooperatives among those influencing public opinion.
- Cooperative leadership maintaining a strong commitment to the seven cooperative principles, quality of service, and financial stability of their cooperative.
- Other types of cooperatives and the cooperative business model.

WECA supports state law requiring adequate instruction in cooperative marketing and consumers' cooperatives when granting certificates or licenses for the teaching of courses in economics, social studies, or agriculture.

### **A-3 Federated Youth Foundation (FYF)**

Federated Youth Foundation, Inc., was originally created by electric cooperatives to receive gifts and forfeited unclaimed funds for purposes of academic scholarships. Membership in the FYF has been expanded to include participation of all Wisconsin cooperatives. Wisconsin law permits forfeited unclaimed funds to be used for charitable purposes. FYF has developed procedures to use the funds for educational and charitable purposes as a service to cooperatives. WECA supports FYF's objectives and supports all cooperatives becoming members of FYF.

### **A-4 Wisconsin Energy Cooperative News**

The ability to maintain a strong rural electrification program depends on a coordinated flow of information to the grassroots membership, many of them new members of their respective rural electric cooperatives with little or no background in the problems their rural electric cooperative faces in providing them with reliable, affordable electric service.

The Wisconsin Energy Cooperative News, with a circulation of nearly 182,000 members and their families is the medium through which such information reaches members of Wisconsin's rural electric cooperatives. *WECN* has long been recognized as an effective and efficient vehicle for communicating important issues to rural electric consumers. Using local customized center pages, the magazine provides an economical resource for contacting members to inform them about their individual cooperative and the forces that affect it.

WECA supports all member cooperatives giving top priority to subscribing to, maintaining, and improving the statewide publication.

### **A-5 Support for Rural Development Entities**

WECA recognizes and supports the important contributions made by the following organizations in promoting the development of our rural communities. These organizations have consistently supported the interests of our end-user members by fostering lower costs and improved services.

- The National Rural Utilities Cooperative Finance Corporation
- The Farm Credit System and CoBank
- Rural Business-Cooperative Service
- National Rural Electric Cooperative Association
- Rural Utilities Service (RUS) which now includes Rural Housing Services, Rural Development Authority, and associated programs such as REDLG.
- Cooperative Extension Service of the U.S. Department of Agriculture
- Dairyland Power Cooperative
- National Rural Telecommunications Cooperative
- Federated Rural Electric Insurance Exchange
- Rural Housing, Inc.
- Rural Electrical Supply Cooperative
- Cooperative Response Center
- National Information Solutions Cooperative
- Cooperative Network
- UW Center for Cooperatives

## **A-6 Territorial Integrity and Loan Security**

WECA supports the right and responsibility of all rural electric systems to serve those areas in which they initiated service, and WECA shall defend this right against the taking or pirating of territory and consumers by any other electric system.

Rural electric systems have historically undertaken the obligations to provide electricity to rural America; therefore, any condemnation or taking of portions of a borrower's system decreases its ability to repay any financing incurred to meet the obligation by decreasing the prospective revenue stream projected for the loan contract.

Entities taking cooperative utility assets must have consent of the cooperative utility and provide equitable compensation, paid to all affected cooperatives reflective of the economic loss suffered over future years and for all facilities constructed to serve present and future customers in the affected area.

WECA opposes the hostile acquisition of rural electric territory or consumers through the exercise of municipal condemnation or other powers. Upon threat of hostile acquisition of any rural electric system territory or consumers, WECA supports giving any and all assistance to the threatened system.

## **A-7 Gratitude for Service Members and Their Families**

WECA expresses our sincere gratitude to all members of the U.S. armed services and their families for their sacrifices on behalf of our nation.

## **A-8 General Memorial**

It is inevitable the rural electric community will experience the loss of good friends and fine leaders. WECA is appreciative of the contributions made by our colleagues during their lifetime and acknowledge our debt to them. In recognition of the example they have set for all of us, WECA will hold a moment of silent prayer at each annual meeting.

# **Energy Utilization Resolutions**

## **B-1 Electric Heating**

In many rural areas, electric heating offers comfort, safety, cost reduction, efficiency, access to renewable energy, and versatility surpassing that of all other available systems. In addition, advances in technology allow electric heat systems to utilize geothermal or air-source heat pumps, radiant heating panels, thermal storage and other means of heating.

WECA believes consumers should be allowed to choose their heating system rather than have it dictated by a governing body or a code committee such as the International Energy Conservation Code Council. WECA supports fair treatment of all fuel sources and encourages fuel diversity and conservation. WECA urges state regulators to accurately credit electric heat systems when determining code compliance. WECA opposes any legislative or regulatory restrictions on the use of electric heating systems.

## **B-2 Natural Gas**

WECA supports sustainability, reliability and affordability in the wholesale generation of electricity for our members. The short-term reliability and economics of using an abundant supply of natural gas to ensure baseload demand in times of extreme heat or cold is necessary as we continually strive to achieve long-term goals of increasing renewable energy generation.

WECA supports the improvement, upsizing and addition of necessary natural gas infrastructure, including transport, to ensure that adequate gas supply is available for both electric generation and space heating requirements. WECA opposes legislation or regulation that would adversely affect improvement of natural gas infrastructure and the reliability and cost of wholesale and retail energy.

## **B-3 Nuclear Power**

The U.S. nuclear power industry has provided emissions-free generation with exemplary reliability and safety. Wisconsin has depended on a variety of energy sources and nuclear power plants have been a safe and efficient component of Wisconsin's generation mix for decades.

WECA supports the regulatory and safety standards needed to ensure continuation of this nation's decades-long record of safely transporting and storing nuclear power plant materials, a record unblemished by any incident involving a release of radiation.

To achieve and maintain a safe, reliable and affordable wholesale generation of electricity, WECA supports consideration of new nuclear generation.

## **B-4 Renewable Energy**

WECA supports increased production of renewable energy. When legislative or regulatory efforts do not threaten system reliability or dramatically increase rates for our members, we will continue to participate in, or advocate for, renewable energy projects that utilize hydro, wind, biogas, geothermal, solar or other cost-effective alternative energy sources.

Cooperative members also participate in an aggressive conservation program involving direct control of member loads at peak energy periods, and support a variety of incentives for energy conservation and community storage programs. These decisions should remain with the cooperative elected board and not be the subject of further government mandates.

WECA supports equal policy and tax treatment for all renewable technologies at both the state and federal level to give consumers and cooperatives maximum flexibility in deploying alternate energy strategies.

WECA supports work through entities like the Electric Power Research Institute, Touchstone Energy and NRECA that focuses on the advancement of conservation and renewable energy technologies to help us grow our renewable energy portfolios and further explore options for renewable energy development.



## **B-5 Efficient Utilization of Energy**

Energy efficiency continues to be a top priority for WECA and our cooperative members as we work to develop innovative, energy-efficiency programs to benefit our members in the wise use of energy resources.

The Rural Utilities Service of the U.S. Department of Agriculture has developed an energy-efficiency policy and related guidelines that help ensure that a "reasonable effort" will be made by rural electric cooperatives to fulfill this effort. RUS guidelines present an opportunity for rural electric systems to individually develop sound and innovative programs for the benefit of their members and enhance their standing with consumers in anticipation of the increasingly high cost of energy.

WECA supports cooperative members in their efforts to continue their own energy-efficiency programs; offer energy audits and weatherization programs; and provide input to RUS and NRECA to ensure that rural electric cooperatives are in the forefront of consumer responsiveness and efficient utilization of energy.

## **B-6 Water Heater Efficiency Mandate**

Cooperatives actively promote load management programs for members as a cost saving measure to reduce electric load during peak times. Electric cooperative members are seeking ways to enhance the integration of intermittent renewable distributed generation into utility programs.

WECA supports water heaters as a critical part of these programs whether by reducing peak demand or by serving as energy storage mechanisms for intermittent resources. WECA supports allowing the use of large electric water heaters as a core part of our current demand-response load management and future smart-grid programs.

## **B-7 Advanced Renewable Tariff**

Advanced Renewable Tariffs (ARTs) require payment for all generation at the price needed to provide the investor a "reasonable" rate of return, which is higher than avoided cost and may be higher than retail rates. This premium rate would result in increased costs for other electricity users, many of whom are struggling to cover their existing utility bills, and benefit developers that have other incentives and financial resources available.

Advanced Renewable Tariffs provide incentives to develop renewables in areas not necessarily best suited for interconnection of additional generators.

Moreover, because their core principle is specifically to guarantee a return on investment, ARTs destroy incentives to maximize efficiency and minimize costs, encouraging installation of the *least* efficient, *least* predictable, *most* expensive forms of generation.

Advanced Renewable Tariffs would have significant impact on electric co-ops:

- Because of the rural nature of electric co-op territory, they are likely to see greater interest in renewable projects. Electric co-ops also have fewer ratepayers over whom to spread the higher costs.

- One member would be forced to subsidize another member, which is contrary to co-op philosophy.
- Smaller farms would almost certainly be subsidizing larger ones and certain types of agricultural operations would subsidize other types of operations.
- Depending how it was structured, the PSC could set rates for co-op members, taking away the basic right of self-governance by democratically-elected local cooperative boards of directors.
- ARTs could potentially alter established wholesale power contracts with other investor-owned utilities.
- Co-op members would have to cover costs of additional distribution lines and connections for projects with limited generation.

WECA opposes PSC rules or legislation creating Advanced Renewable Tariffs intended to provide a profit for investors paid by not-for-profit electric cooperative members.

## **B – 8 Beneficial Electrification**

WECA supports beneficial electrification which uses electricity to power our homes, tools and transportation to meet the needs of electric cooperative member-owners.

## **Environmental Resolutions**

### **C-1 – Climate Change**

WECA supports policy that will positively address the issue with the least negative impact on our ability to deliver reliable and affordable power to our members. WECA supports policy makers carefully weighing the potential environmental benefits against the economic impact of any climate change proposal. Any responsible measure should have the following attributes:

- Cover all sectors of the economy, not simply electricity, and include provisions to ensure that other nations are enacting policies to address this issue within their own borders.
- Make a significant investment in research and development of technologies and demonstration programs to determine how to mitigate or reduce emissions of greenhouse gas released from burning fossil fuels.
- In the short term emphasize energy conservation, energy efficiency, development of renewable energy sources and reforestation initiatives as technological advancements improve.
- Make incentives available to all segments of the electric power industry, including cooperatives, and they must be balanced and fair to cooperatives and rural residents.
- Remove impediments to increasing the efficiency of existing generating units, including hydro and nuclear power.
- Recognizing that climate change policy and energy policy are inextricably linked, any climate change legislation must include suitable “off ramps” for any plan which threatens energy reliability, security, and/or negatively impacts the economy.
- Develop an appropriate response at the national or international level, avoiding state by state actions as they would be too costly, difficult to administer, and ineffective in the context of global reductions.
- Foster continuing public education programs which objectively address the issue of global climate change.

## **C-2 Regulation of Coal Combustion Residuals**

Coal-fired power plants produce fossil fuel combustion residuals (CCR's) such as fly ash, bottom ash, and flue gas desulfurization materials and are used beneficially in a variety of applications including road resurfacing, manufacturing of concrete and other construction products. Recycling CCRs minimizes costs and provides a more suitable environmental outcome.

The Environmental Protection Agency (EPA) classifies these residuals as nonhazardous. This designation is consistent with decades of research and analysis by the EPA, including two prior decisions by the EPA to designate CCR's as non-hazardous.

WECA supports legislation making the EPA's non-hazardous designation of CCR's permanent under federal law, ensuring practicable enforcement of federal policies, including establishing a functional permit program for the implementation of the rule by state agencies, providing certainty to utilities, limiting citizen lawsuits, promoting recycling and stabilizing beneficial reuse markets.

WECA supports full implementation of the CCR provisions, including expedited review and approval of state permitting programs.

## **C-3 Thermal Cooling**

Many of the electric generating facilities in the nation use river or surface water for condenser cooling. This process is effective and affordable and has minimal impact on natural resources. Since 1972, federal law has allowed utilities to use a thermal discharge limit to regulate the environmental impact while allowing water use. This law benefits the environment and consumers.

WECA supports regulations that retain the thermal variance provisions in Section 316(a) of federal water laws; maintain current standards for existing facilities already approved by the EPA; utilize the Best Technology Available (BTA); and cost-benefit analysis and site-specific flexibility for utilities to achieve compliance with EPA's interpretation of section 316 (b).

WECA supports the revision of guidelines and policies to clarify the role of federal agencies in reviewing state permits under 316 (b).

WECA opposes any state regulations restricting the use of river or surface water for condenser cooling at power plants.

## **Federal Assistance Program Resolutions**

### **D-1 Federal Emergency Management Agency Reform**

Electric cooperatives are eligible for federal assistance through FEMA's Public Assistance Program to reduce the cost of restoring power and recovery following severe natural disasters like floods, tornadoes or ice storms. FEMA has several policies in place to determine repairs after a storm, including standardized criteria to analyze damage and determine appropriate action to repair or rebuild.

Electric cooperatives recognize the fiscal demands on FEMA programs and support developing reforms to streamline recovery programs while maintaining efficiency and safety.

WECA supports Congress and the Administration making responsible policy and fiscal reforms to make FEMA a stronger program that is more cost efficient and effective.

## **D-2 Federal Financing Programs**

The Federal Financing Bank (FFB) has served to coordinate and facilitate government credit activities in an efficient and advantageous manner. The Rural Utilities Service (RUS) has been the primary source of funding for rural electric programs.

WECA supports Congress mandating the availability and adequate levels of funding for RUS direct and guaranteed loans. WECA supports funding for base load generation projects including nuclear power plants and the expansion of designated rural areas eligible for RUS loans to preserve participation by rural communities.

WECA opposes rules and regulations that restrict any co-op system utilizing federal financing.

WECA supports and encourages Federal Financing Bank investments in national cooperative lending institutions such as the National Rural Utilities Cooperative Finance Corporation and CoBank.

## **D-3 Low Income Home Energy Assistance**

Because a significant number of rural electric members have trouble paying their energy bills, many cooperatives' member assistance programs refer distressed members to agencies that administer the U.S. Department of Health and Human Services' Low-Income Home Energy Assistance Program (LIHEAP). In addition, some rural electric cooperatives have established a voluntary consumer fund and/or contribute funds to help leverage LIHEAP funds.

LIHEAP serves as a safety net for low-income households. WECA supports LIHEAP funding and any proposal to limit the availability of LIHEAP funds to particular regions or states should be rejected.

LIHEAP includes an incentive program to award greater amounts of LIHEAP dollars to those areas that leverage LIHEAP funds with capital from other sources. WECA supports electric cooperatives establishing a voluntary fund or providing financial support to leverage LIHEAP funds.

## **D-4 Emergency Disaster Assistance**

WECA supports the Federal Government's obligation to provide assistance for uninsured losses in the event of catastrophic natural disasters.

WECA supports the eligibility of rural electric cooperatives for disaster assistance without unnecessary and restrictive criteria standards. This is required to ensure that facilities needed to serve rural areas are fully restored without undue impact upon consumers.

## **D-5 Tax Exempt Financing – Clean Renewable Energy Bonds**

Some NRECA members are publicly-owned rural electric systems eligible to issue tax- exempt bonds. In addition, generation and transmission cooperatives can offer tax-exempt bonds for pollution control facilities and renewables. Tax-exempt financing should be pursued as an option for those co-ops that can best serve their members by utilizing this alternative.

In the Energy Policy Act of 2005, Congress created Clean Renewable Energy Bonds (CREBs) which are tax incentives tailored for electric cooperatives and municipal utilities. These incentives, comparable to those provided to other electricity generators, make renewable generation more affordable for co-ops.

WECA supports tax-exempt financing for electric cooperatives with permanent and adequate funding to the CREBs Program and other tax-incentive programs.

## **General Regulation Resolutions**

### **E-1 Nuclear Fuel Reprocessing and Nuclear Waste Disposal**

WECA supports the Federal Government working diligently to fulfill their legal and ethical obligation to remove and dispose of spent fuel in a timely fashion, by requesting funds to resume the licensing application and construction of the permanent repository at Yucca Mountain.

WECA supports creating a reprocessing option, to reduce the amount of spent fuel needing long-term storage.

WECA supports giving the highest priority to shutdown reactors and development of a public or private consolidated interim storage site. Until such a solution can be found, and spent fuel moved, WECA supports the federal government keeping its contractual obligation to provide funding to ratepayers to cover the expenses of current storage of spent fuel.

### **E-2 Regulation of Power Poles**

The poles electric cooperatives use to carry electrical wires and equipment are designed and constructed for that specific purpose and because this energized electrical equipment is inherently hazardous, the regulations for construction, installation, maintenance and safety are strictly governed.

Similar rules apply when other equipment, such as telecommunications or cable lines are attached to these poles. The Federal Communications Commission (FCC) regulates the rates, terms and conditions for these pole attachments.

Recognizing the unique, locally-directed governance of electric cooperatives, and reasonable collocation rates, federal and state law exempts electric co-ops from pole attachment provisions and maintained that exemption from subsequent telecommunication legislation.

WECA supports the federal and state pole attachment exemption for electric cooperatives and further supports preserving existing procedures for collocations of communications equipment to enable electric cooperatives to continue negotiating fair and equitable terms and conditions for attachments to their poles.

### **E-3 Rail Transportation**

WECA supports all legislative, judicial, and administrative remedies that would reduce the economic power of the railroads against captive shippers. In particular, WECA believes the Surface Transportation Board (STB) must be held accountable, needs to be given resources and authority, and must exercise that authority to protect shippers from unfair economic actions by the rail companies.

WECA supports federal review of STB policies, procedures and outcomes to reform the organization to streamline the process of challenging excessive rates and uncompetitive policies.

WECA supports repeal of the anti-trust protection of the rail companies and, along with the STB, require minimum service standards to meet the public interest of reliable and affordable rail service.

### **E-4 Industry Deregulation and Restructuring**

State and national movements to “deregulate electricity” throughout the 1990s led to many examples of devastating results affecting electric reliability and causing great harm to ratepayers. In many cases, deregulation of markets has led to higher rates, increased power shortages, and blackouts; leaving long- term investment in transmission lines, power generation facilities, and upgrades uncertain. In “successful” areas of deregulation, the benefits usually accrue to a few larger customers, or disappear over time for customers.

In addition to deregulation, other efforts to restructure the electric industry continue at the state and federal level.

Because there is a risk that deregulation and the transition to competition will benefit a few large customers at the expense of other consumers, increase electric rates, and decrease reliability, WECA opposes deregulation of electric markets and restructuring of the electric industry.

### **E-5 Tax Policies to Encourage New Generation**

WECA supports state and federal tax policies that promote the construction of new power facilities, provided that such tax policies do not competitively disadvantage cooperatives or add significantly to our administrative burdens. WECA supports state government providing a fairer share of revenues collected from utilities to those local communities with existing plants, and recommend a higher level of payment to communities hosting base-load plants, funded through the current gross receipts tax mechanism.

WECA opposes any effort to place electric cooperative facilities on the local property tax, preferring the administrative simplicity of existing law to minimize costs and paperwork for our members.

## **E-6 Third party Ownership**

Third Party Ownership (TPO) refers to a business arrangement where renewable energy generating equipment and technology is financed, owned or leased and maintained by an entity that uses it to produce energy which is then sold directly to the host property owner or occupant.

WECA supports necessary and equitable oversight of TPO arrangements, ensuring safe installation and proper interconnection of the generating equipment, as well as adequate liability insurance. Any TPO arrangement needs to prevent subsidization and rate increases on remaining utility customers and co-op members, include proper reimbursement for utility infrastructure and reliability, provide compensation for any energy added to the grid that is fair and reasonable to both the seller and buyer, and assure adequate consumer protections concerning safety, contractual and legal obligations.

## **E-7 User Fee Assessments**

Federal, state, tribal, and local governments and infrastructure-owners have instituted user fees and assessments to fund operations. Electric cooperatives are concerned about user fees to the extent they must be passed onto consumers in the form of higher electric rates. WECA generally opposes user fee increases that:

- Are for services already paid for by general tax revenues
- Are not cost-based and/or cost justified
- Are not competitively neutral
- Are punitive, duplicative or unnecessary
- Are for placement of utility property in public right-of-way
- Are for exorbitant railroad crossings for utility right-of-way

## **E-8 Cost/Benefit Analysis of Laws**

Businesses, industries, and individuals are often affected by laws and regulations that have minimal beneficial effect but are extremely costly. Appropriate risk assessment and cost/benefit analysis should be brought into the decision-making process.

WECA supports appropriate analyses be incorporated into all legislative and regulatory initiatives to help ensure that costs do not exceed benefits and that effective programs are not unjustly eliminated.

## **E-9 Siting of Electric Facilities**

Electric energy reliability requires constructing generation facilities and transmission lines as needed to meet the real energy needs of our region and our nation. Various state and federal agencies have enacted legislation and/or adopted rules which prohibit or severely restrict the construction of generation and transmission facilities. Such regulation makes siting electric facilities more difficult and expensive, ultimately adding to the cost of providing electric service.

WECA supports the placement of electric cooperative lines and facilities in the most economically feasible locations possible while minimizing and mitigating negative impacts to the environment with thorough planning and community involvement.

WECA opposes legislation and/or regulation prohibiting or unnecessarily restricting the siting of electric facilities. WECA supports siting regulation that allows for the greatest opportunity for economic practicality and feasibility, while minimizing negative impacts to meet the electric energy needs of rural residents.

#### **E-10 Transmission**

WECA supports reliable and affordable electric service to our member cooperatives and our end consumers. Because of this commitment, WECA supports improvements, expansion and interconnectedness of the electrical transmission grid in the Midwest.

WECA supports the wise and responsible use of energy, recognizing that conservation initiatives alone cannot adequately solve our supply problem with increasing demand for electricity and expanded use of renewable sources of energy.

WECA supports a state policy to recognize that incumbent transmission providers should maintain the “Right of First Refusal”, giving the incumbent provider the first right to own and/or construct new transmission facilities within its service territory before others may initiate such projects.

#### **E-11 Licensing / Farm Wiring Inspections**

WECA supports a statewide program for electrical inspection for farm, commercial, and industrial businesses. WECA supports requiring all electricians and electrical contractors be licensed by the state.

WECA supports adequate staffing and sufficient funding for state electrical inspection, permitting and licensing programs.

#### **E-12 Federal Locks and Dams**

The locks and dams on the nation's inland waterways are an integral part of the nation's transportation infrastructure. Most of the locks and dams operated by the Army Corps of Engineers on the Mississippi River are over 50-years old and approaching the end of their useful life. Even though modernization or rehabilitation of the system is needed, efforts to improve the lock system have been met with resistance.

WECA supports a multi-purpose use of the Mississippi River, including a balanced approach that incorporates the value of environmental, energy generation, recreational, and commercial purposes. WECA supports lock modernization and, when necessary, lock expansion, to ease traffic congestion, and streamline shipping procedures.

WECA supports funding for the inland waterway system, reflective of the monies contributed by inland users and of the importance of this system to our nation's economic health and security.



### **E-13 Rural Broadband**

WECA supports efforts to expand rural access to high-speed Internet. We support the efforts of NRECA and our cooperative statewide associations to advance legislative initiatives to remove barriers to deployment of rural broadband. Such initiatives include, but are not limited to, improved accuracy of Federal Communications Commission mapping, use of existing rights-of-way for installing telecommunications infrastructure and increased grant funding for rural broadband deployment. We support efforts to enhance collaboration and partnerships with existing telecommunications companies for the purposes of broadband deployment. We support pursuing federal grants for broadband deployment, including through the middle-mile infrastructure program of the National Telecommunications Infrastructure Administration.

### **E-14 Closure of Generation Plants**

WECA acknowledges the economic impact of the closure of generation plants on employees, their families, and the community. We support the State of Wisconsin's efforts to maintain and grow a strong economy in the communities affected. We support state legislation that would extend the utility aid phase-out for a decommissioned plant from five years to ten years.