



Contact: Steve Freese
President and CEO
608-467-4634
steve@weca.coop

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Finance Committee: Island cable repair stays in budget

MADISON, Wis. (May 16, 2019)— The Legislature’s Joint Finance Committee voted Thursday to retain funding in the state budget bill that offers disaster assistance for the repair and replacement of the underwater cable that failed last June, cutting off electricity to the residents of Washington Island.

The power failure—caused by recurring winter ice damage over multiple years—forced Washington Island Electric Cooperative to switch to more expensive backup generation until the cable could be spliced. With close cooperation from state and federal agencies on routing and permitting, a replacement cable was installed last fall and current costs are now approaching \$4 million.

The language proposed in Governor Evers’ budget bill calls for a \$1 million appropriation in each year of the state’s 2019-21 fiscal biennium through the state disaster assistance program. The actual funds would be drawn from an unencumbered Petroleum Inspection Fund balance.

Washington Island is not eligible for federal assistance through the Federal Emergency Management Agency (FEMA) because it did not reach minimum required per capita costs. Ironically, the very factor that makes the municipality ineligible for FEMA disaster relief also increases the burden on each of its 708 residents.

The expected framework of the budget language will require the cooperative to cover 30 percent of “reasonable and necessary costs” of the disaster relief project.

State Senator Howard Marklein (R-Spring Green), a member of the Joint Committee on Finance, made the motion to retain the governor’s proposal in the state spending plan. Marklein’s motion was championed by State Senator Andre` Jacque (R-De Pere) and State Representative Joel Kitchens (R-Sturgeon Bay) who both pledged in February to help lead “a bipartisan, multi-organizational effort” to keep Evers’ proposal in the bill and ease the impact on island residents.

Wisconsin Electric Cooperative Association President and CEO Steve Freese credited “strong bipartisan commitment from the governor’s office and legislators, and the support of Town of Washington Island and Door County government to enable state help for a small population facing a heavy expense.”

“From the moment of our first discussions, this issue has been an example of government working the way we’d hope it always would,” Freese said.

The budget motion from Marklein also approved a key measure that would reinstate electric cooperatives’ direct applicant eligibility for Wisconsin Disaster Fund assistance. Throughout the program’s 12-year history, electric cooperatives had direct applicant status allowing them to more efficiently file disaster claims directly to Emergency Management. This was unnecessarily rescinded in January 2018. Marklein’s motion, with the support of Senator Jacque and Representatives Kitchens and Tony Kurtz (R-Wonewoc), helps electric cooperatives once again retain direct applicant status.

The Wisconsin Electric Cooperative Association (WECA) is a statewide trade association providing a variety of services including government relations, education and training, and communications for its membership of 24 electric distribution cooperatives and one generation and transmission cooperative, whose co-op member-owners reside in Wisconsin, Illinois, upper Michigan, Iowa, and Minnesota.

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