



Legislation Text

File #: 18563, **Version:** 1

Fiscal Note

No appropriation is required. The City Attorney will reallocate staff resources as appropriate.

Title

That the City of Madison takes a position that the renewable energy premium should not be increased.

Body

WHEREAS, in 2009, the City of Madison paid approximately \$5,672,638 for electrical costs and \$940,511 for natural gas; and

WHEREAS, 22% of the total electricity consumed by the City and the Water Utility is generated from carbon-free renewable energy resources; and

WHEREAS, the total electricity consumed at the Metro Transit facility and Monona Terrace from carbon-free renewable energy resources is 47% and 50% respectively; and

WHEREAS, the City purchases most of this renewable energy voluntarily through Madison Gas & Electric's "Green Power Tomorrow" program; and

WHEREAS, these renewable energy purchases have been a cost-effective strategy for limiting CO₂ emissions that are under the City's direct control; and

WHEREAS, MGE's renewable energy premium is currently 1.25 cents/kWh; and

WHEREAS, MGE has filed an application with the Public Service Commission of Wisconsin (PSCW) to increase electric and natural gas rates in 2011. The request would increase overall electric rates 9.4 percent and natural gas distribution rates 2.0 percent; and

WHEREAS, MGE also proposes to raise its renewable energy premium, effective January 1, 2011, to 2 cents/kWh; and

WHEREAS, a 9.4% increase in electrical costs for the City of Madison and a increase in renewable energy premium will cost the City approximately \$626,228 more for 2011; and

WHEREAS, the Public Service Commission will review MGE's pending rate filing and will determine if the proposed 9.4% rate increase and the 2 cents/kWh premium is reasonable;

NOW, THEREFORE, BE IT RESOLVED that the City of Madison takes a position that the renewable energy premium should not be increased.

BE IT FURTHER RESOLVED that the City will intervene in the pending Madison Gas & Electric rate case (Docket 3270-UR-117) and will submit evidence into the hearing record supporting its position.

BE IT FINALLY RESOLVED that the Office of the City Attorney is directed and empowered to represent the City in its status as an intervenor.