



The Wisconsin Legislature

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For Immediate Release**

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Mercury Reductions Likely, But Committee Chairmen Wants Other States To Participate

Madison – This week, both the Assembly and Senate Environment and Natural Resources Committees asked the Department of Natural Resources (DNR) to consider modifying an administrative rule designed to reduce the amount of mercury emitted by major utilities in Wisconsin. The proposed DNR rule requires Wisconsin’s four major utilities - Dairyland Cooperative, Alliant Energy, We Energies, and Wisconsin Public Service Corporation - to reduce their mercury emissions 40 percent by 2010 and 80 percent by 2015.

At a recent joint committee hearing, however, committee members learned that implementation of the rule will reportedly not result in any lake being taken off of the DNR’s list of lakes with fish consumption advisories. In addition, the rule may cost electricity ratepayers hundreds of millions of dollars and may not deliver significant environmental benefits, and that has legislators asking more questions.

Assembly Natural Resources Committee Chairman DuWayne Johnsrud, (R-Eastman) pointed out that the rule does not reduce mercury in Wisconsin waters by 40 or 80 percent. A 2002 study conducted by the Electric Power Research Institute found that shutting down *every* coal-fired utility boiler in Wisconsin would result in only a one to five percent reduction of mercury deposited into our lakes, rivers and streams.

“Since 95 to 99 percent of mercury in our lakes comes from places other than Wisconsin utilities, we need cooperation from other states,” Johnsrud said. “This ‘Wisconsin-only’ rule forces utilities to spend well over \$100 million and ratepayers may see increases as high as six percent during the second phase – all for little, if any, environmental gain.”

Senate Environment and Natural Resources Committee Chairman Neal Kedzie (R-Elkhorn) agrees and is concerned this rule would lay another heavy regulatory obligation on Wisconsin business while other neighboring states that may be significantly contributing to the problem would not have to comply. That could lead to another competitive disadvantage for Wisconsin, something the state can not afford at this time.

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“Air emissions know no borders and will travel from state to state,” said Kedzie. “Mercury emissions are a serious concern that every state must address and it may be best accomplished at the federal level with a uniform national mercury plan.”

Johnsrud affirmed that the federal Environmental Protection Agency (EPA) is under a court order to present mercury emissions rules by December, 2003 and questioned the need for the state to rush out ahead of a court-ordered federal plan. He believes Wisconsin should wait until the federal requirements are set and then provide an off-ramp in the current proposed state rule so utilities do not have to follow two sets of regulations.

An additional problem to be considered is the 80 percent reductions required by 2015 may not be possible with current, proven technology. Kedzie would like to determine if more flexibility in the rule is needed to ensure the cost of implementing the rule does not cripple Wisconsin industry given that fact, or harm ratepayers during these difficult economic times.

Both Kedzie and Johnsrud said the request for modifications by no means rejects the proposed mercury emissions rule. In fact, Wisconsin utilities have gone on record as supporting plans to reduce mercury emissions and are taking steps to do so. Members of both legislative committees acknowledge the health concerns related to mercury and expressed support for reducing mercury emissions in some fashion.

“We want to make sure a reasonable plan is in place for now and not create more burdensome or duplicative regulations,” Kedzie said. “Soon, a national standard will come on-line and produce a level playing field for companies in and out of state and hopefully continue our progress on clean air.”

“Clearly, mercury emissions reductions can and will be achieved as long as everyone continues to work cooperatively,” Johnsrud concluded.

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