

October 31, 2019

NEWS RELEASE:
FOR IMMEDIATE RELEASE

For More Information:
Contact: Senator Robert Cowles ~ (920) 660-0615

Cowles Applauds WEC Settlement that Utilizes Environmental Trust Financing for the First Time

Law Authored by Cowles finally used to protect ratepayers; promote cleaner energy

MADISON— Today, Senator Robert Cowles (R-Green Bay) released the following statement after the state Public Service Commission (PSC) unanimously (3-0) approved settlement agreements between utility ratepayers and WEC Energy Group, the parent company of WE Energies and Wisconsin Public Service. The agreement utilizes for the first time a unique financing mechanism known as ‘Environmental Trust Financing.’ The legislation that created this financing structure was authored by Senator Cowles and former Representative Scott Jensen (R-Waukesha):

“This settlement represents a victory for both utility ratepayers and energy producers. Utilizing Environmental Trust Financing has set up the framework to retire more aging and money-losing utility assets without overburdening ratepayers for the future. I applaud this balanced approach and recognize the hard work on both sides of the agreement to negotiate this important and innovative settlement.

“Looking ahead, I hope that this sets a path for even more economically- and environmentally-friendly planning by utility companies, and I look forward to working with both utility ratepayer advocates and our utilities on finding new opportunities to employ these types of unique financing structures in the future.”

The settlement refinances about \$100 million of the remaining cost associated with the Pleasant Prairie coal-fired plant that’s slated to close before its usable lifespan expires. By refinancing this investment, the potential impact to utility ratepayers is mitigated by tens of millions of dollars through a bond issued to the utility with lower financing costs than conventional financing methods. The power that was generated at the former coal plant will be replaced with energy that’s generated through other methods.

###