

Below is the Department's responses to November comments we received from ME3, GRE, PCA, and MP. We have not received comments from other parties. However, there may still be some technical difficulties. Cheryl Harrington and I will talk to see what we can do to help wrap up the discussions at this point.

1) Response to ME3

a) Conservation: There is no place in the brochures that shows the kWh conserved and air emissions avoided for the appropriate utility, as required in 3d of the Commission's October 2 Order.

Response: ME3 is correct; such a statement has not been included to date. The Department recommends that the following statement (or one very similar) be included below the pie chart: "[Utility name's] energy conservation programs reduced the need to produce ___ kWh of energy in [year]." The kWh figure should be the approved level of energy savings approved by the Commission pursuant to utility filings for incentives, or if such an incentive is not requested, the utility's annual conservation status report.

Regarding emissions avoided, it would make sense to use a regional average to estimate emissions avoided, if a specific number is required. A question that group may wish to discuss on December 19 is whether a statement could be added to the text under the "Emissions by fuel type" chart that energy conservation reduces the need to produce electricity and avoids the emissions from that production. (If someone could draft appropriate language, that would be appreciated by all the rest of us!)

b) Nuclear waste. We do not oppose the language that "In the 12 months ending [date], [name of utility] produced [insert number of pounds] pounds of radioactive waste in generating electricity to serve its customers." We propose that utilities that own or have specific power purchases to buy nuclear power (and would thus have a "slice of pie" labeled nuclear power) include this statement. A slightly different statement could be: "In the 12 months ending [date], [name of utility] caused [insert number of pounds] pounds of radioactive waste to be produced in generating electricity to serve its customers."

c) Pie Chart: change "Certain Purchases" (note: MP also suggested that "Certain Purchases" be changed to "Purchases").

We agree with the suggestion to change the language. "Purchases" would be a better (and shorter) title. Utilities developing these pies should be aware that any known purchases should be allocated to the correct category (e.g. electricity purchased from natural gas generation should be included in the natural gas pie). The "Purchases" category is for purchases from unknown sources only.

d) Environmental effects of emissions (note: PCA provided similar suggestions)

Our reading of the Commission's October 2 Order is that health and other effects would not be included in the brochure. The Commission considered the May 30, 2001 proposal that included health effects, but Ordered instead that language that did not include health effects be included in the brochure. (Similarly, the Commission also declined to require that PCA state whether or not utilities have met PCA's environmental regulations. These two issues are linked, as discussed below in ii.) Given the information developed in this workgroup, there are several other reasons not to include this information:

- i) As Cheryl Harrington noted at the October 12 meeting, the information included in the brochure should be focused on information that consumers cannot obtain elsewhere. Consumers can obtain information on environmental effects in other places, which may include PCA's, ME3's or other websites.
- ii) Providing consumers with health effects, without also informing consumers about how utility emissions/environmental effects are regulated by EPA, PCA, DNR, etc. would give consumers an unbalanced picture about how policies have been developed to address at least part of the effects of energy production.
- iii) Even the scaled-down brochure (Version 2) includes a lot of information. Including partial information on health effects would add significant data, that may clutter the information already provided without necessarily informing consumers fully about health effects.

For these reasons, the Department does not support including health effects in the brochure.

- e) Emissions by fuel chart

Change #/MWh to "pounds/1,000 kWh" We agree.

2) Response to GRE

Draft Version 1: Note: We appreciate the comments of GRE on both versions of the brochure. We also note that we agree that Draft Version 2 provides the information in a much more useful way. For this reason, we do not support use of Draft Version 1. As such, we focus our responses on GRE's Draft Version 2.

Draft Version 2: a) Handle reliability in text form, as done in version 1. The Department does not support this approach. The Commission's Order required use of information "similar to" GRE's language proposed earlier in the proceeding, but did not require this specific language. In the workgroup, participants provided feedback that the text language seemed to be more about marketing specific fuels rather than informing consumers. That is a valid observation, which is why Version 2 attempted to address reliability in a table format. It is also possible to read the Commission's Order as not requiring this information. However, it may be helpful to provide this data for consumers, if it can be done simply and understandably.

However, since the Technical Group now proposes to rank generation by cost, the information on reliability may not be as simple to display with L, M, and H. We do not recall the Technical Group addressing this issue. There are (at least) two approaches to addressing this issue: talk about it December 19th, or wait for the filings submitted on February 1, 2002, to see which utility develops the best approach that can then be adopted by other utilities.

b) Emissions by fuel type is too complicated We think the chart is useful and may provide better information than data buried in text format. It will be easier for consumers to compare emissions for various fuels. However, it is possible that more differentiated colors (e.g. yellow, orange, blue, green, black) may make it easier to read.

On a related note, we propose changing the red color in the "Compare to the Regional Average" chart to grey, to avoid confusion between the colors in the two charts. (More on charts below.)

3) Response to MP

Change cover to: "Your Electricity: Cost, Fuel Sources, Your Choices" We agree. Company logo can certainly be added.

Change text in introductory paragraph. We agree that "reliability" should be changed to "availability." We don't think it is necessary to change the rest of the text.

Change Title of pie chart We would like the brochures to keep the utility's name in the title, for clarity. Text can be changed to "How is your electricity need met?"

Change "Certain Purchases" to "Purchases" We agree.

Change "hydro power," footnote, title to "Emissions by fuel type," consistent ordering for emissions in both charts, consistent use of SO₂, etc. in both charts, change text for contacting PCA, change "What can I do" to "What can you do?" We largely agree with all of these changes.

Utilities add statement that they do not use nuclear power, etc. We do not agree that with this proposal since it would repeat in words what is shown in the pie chart. We realize that there is concern about adding text regarding the effects of nuclear power. However, as Cheryl noted earlier, all utilities in the region rely to some extent on nuclear power, since it is a significant resource in the region. Consumers who have questions about what fuels a certain utility uses should be directed to look at the pie chart to see the main fuels. However, they should also be told that some purchases may be from nuclear-powered generation.

Final note: The Department expects to provide copies of another version, #3, to participants at the December 19th meeting. This version will include all the changes the

Department believes are appropriate. However, we recognize that there will likely not be agreement among all the parties about the format, as suggested in the discussion above.

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