

February 10, 2010

Dear Wisconsin Legislator,

As representatives of organizations that include all sectors of Wisconsin's agricultural industry, we, the undersigned, must regretfully declare our opposition to Assembly Bill 649 and Senate Bill 450, known collectively as the "Clean Energy Jobs Act." Our organizations, encompassing the producers, processors and input suppliers who make up this state's \$59 billion agricultural industry and employ a tenth of the Wisconsin workforce, are deeply concerned about the legislation's unknown cost impact on our production of food and fiber. We expect the cost to be substantial and have little confidence that it will be balanced by any recognizable benefit to the environment.

Wisconsin's agricultural industry is concerned that no economic assessment of the legislation has been done in order to properly evaluate the new costs to be incurred against any offsetting benefits. Agriculture is an energy-dependent industry. We need to know the impact on the cost of energy that AB 649 & SB 450 will have for our producers, who need energy to raise and harvest the product, including the cost of petroleum-based fertilizer and electricity to milk cows and to cool the milk. We need to know the impact on the cost of getting produce to the processor, the impact energy costs will have on processors and their cost of production. A related issue is the unknown potential for job gains or losses. We are hopeful there will be a substantive analysis that will determine what the overall impact of the bill will be on the state's number one industry, agriculture. In addition to the economic question if agriculture were to adhere to every aspect of the bill, we need to know what the impact will be on Wisconsin's environment.

The Ag and Forestry Working Group which was part of the Governor's Global Warming Task Force recommended financial incentives for producers to deal with the certainty of higher energy costs as a result of the legislation. Unfortunately this was left out of AB 649 & SB 450.

Another concern is that throughout the bill there appear to be numerous decisions delegated to unelected bureaucrats. Broad expansions of authority granted to the Department of Natural Resources (DNR) and Public Service Commission (PSC) make us question whether it is wise to support initiatives whose details will be filled in later on. This is the same PSC who denied construction of the Nelson Dewey 3 power plant in Cassville, which showed great promise for the sale of biomass. AB 649 & SB 450 now asks agriculture to trust that the PSC will make decisions that benefit agriculture. The DNR is now in the process of writing new standards for the application and control of phosphorus runoff. How will the DNR deal with phosphorus applications needed to grow certain types of biomass? In addition, the Low Carbon Fuel Standard appears to cede authority to the Midwest Governors' Association. Adoption of the California Vehicle Emissions Standard likewise cedes authority to another state's regulators to make decisions for Wisconsin.

At this time there are too many unanswered questions to warrant our support of AB 649 & SB 450. If you have any questions contact Jeff Lyon at 608-828-5713

Thank you,

Wisconsin Farm Bureau Federation

Wisconsin Agri-Service Association

The Wisconsin Pork Association

The Wisconsin Cattlemen's Association

Wisconsin Potato & Vegetable Association

Midwest Food Processors Association

Growmark Inc.

Wisconsin Corn Growers Association

Gold'n Plump Poultry