

WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2013 Wisconsin Act 300 [2013 Assembly Bill 596] Miscellaneous Public Utility Regulations

2013 Wisconsin Act 300 consists of three provisions regarding the regulation of public utilities by the Public Service Commission (PSC).

Renewable Resource Credits

Retail providers of electricity (electric utilities and cooperatives) are required to ensure that a minimum amount of the electricity they sell is derived from renewable resources. If an electric provider sells more electricity derived from renewable resources in a year than the law requires, it may convert the excess to credits, which it can bank for later use or sell to another electric provider. In addition, electric providers and others can create credits based on nonelectric forms of energy that are derived from renewable resources and that displace the use of electricity derived from conventional resources. PSC rules implementing the non-electric credit policy limited its application to energy derived from sources put in place after that policy was adopted.

Act 300 specifies that electric providers and others can create credits based on nonelectric forms of renewable energy regardless of the date when the source was put in place.

Authority to Provide Natural Gas Service

A natural gas public utility may not provide service in a municipality without first obtaining a certificate from the PSC. Act 300 directs the PSC to promulgate a rule that will allow a natural gas utility to provide service in a municipality without first obtaining a certificate if all of the following apply:

• The utility enters into an agreement with other utilities serving the municipality specifying the area to be served by each.

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <u>http://www.legis.wisconsin.gov</u>.

- The area that the utility will serve is adjacent to a municipality the utility is authorized to serve.
- The utility will provide service "only to a limited number of customers" in the municipality.

Abandonment of Natural Gas Facilities

In general, a public utility, other than a telecommunications utility, may not abandon utility facilities without prior approval of the PSC. In an exception to this requirement, a public utility may abandon a customer's electric service drop or electric or steam service lateral at the request of the customer without prior approval of the PSC. Act 300 extends this exception to allow a utility to abandon a customer's natural gas service lateral at the request of the customer without prior approval of the PSC.

Effective date: The Act took effect on April 18, 2014. The treatment of renewable resource credits first applies to credits created on that date, and the treatment of abandonment of natural gas facilities first applies to facilities abandoned on that date.

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