



2003 ASSEMBLY BILL 394

June 5, 2003 - Introduced by Representative JENSEN, cosponsored by Senator COWLES. Referred to Committee on Energy and Utilities.

1 **AN ACT to amend** 196.485 (1m) (b), 196.485 (1m) (c) and 196.485 (3m) (a) 1. e.;

2 **and to create** 196.485 (3m) (b) 3. of the statutes; **relating to:** powers and duties

3 of transmission company with responsibilities for electric transmission in this

4 state.

Analysis by the Legislative Reference Bureau

This bill allows the American Transmission Company (ATC) to withdraw as a member of the Midwest Independent System Operator (MISO). The ATC is a limited liability company created under state law that operates and maintains electric transmission facilities that were transferred to it by certain electric utilities. The MISO is an organization that is subject to the jurisdiction of the Federal Energy Regulatory Commission (FERC) and that facilitates electric transmission in a region of the country that includes this state.

Current law requires the ATC to apply for membership in and remain a member of the MISO for a period of time specified in an agreement conditionally approved by FERC that established the MISO. Also, current law specifies that the ATC has the exclusive duty to provide electric transmission service in this state until the MISO begins operations, except that the exclusive duty does not apply to electric transmission service provided by electric utilities that have not transferred their transmission facilities to the ATC. After the MISO begins operations, current law provides that the MISO has the duty, not the ATC.

This bill allows the ATC to withdraw as a member of the MISO (or any similar organization), but only if the Public Service Commission (PSC) determines that the

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withdrawal is in the public interest. Also, the withdrawal is subject to any approvals required under federal or state law. If the ATC withdraws from the MISO under the bill, the exclusive duty to provide electric transmission service in this state reverts to the ATC. As under current law, the exclusive duty does not apply to electric transmission service provided by electric utilities that have not transferred their transmission facilities to the ATC. Finally, the bill provides that if the withdrawal occurs, the ATC assumes any power or duty granted by state law before the withdrawal to the MISO.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 196.485 (1m) (b) of the statutes is amended to read:

2 196.485 **(1m)** (b) After beginning operations, the transmission company shall,
3 except for transmission service provided by an electric utility that has not
4 transferred its transmission facilities to the transmission company, have the
5 exclusive duty to provide transmission service in those areas in which transmission
6 facilities have been contributed. The duty under this paragraph shall terminate on
7 the date, as determined by the commission under sub. (2) (d), that the Midwest
8 independent system operator begins operations, except that the duty shall revert to
9 the transmission company if the transmission company withdraws from the Midwest
10 independent system operator under sub. (3m) (b) 3. If the transmission company
11 makes such a withdrawal, the transmission company shall assume any power or
12 duty granted by state law before the withdrawal to the Midwest independent system
13 operator.

14 **SECTION 2.** 196.485 (1m) (c) of the statutes is amended to read:

15 196.485 **(1m)** (c) After beginning operations, the Midwest independent system
16 operator shall, except for transmission service provided by an electric utility that has
17 not transferred control over its transmission facilities to the Midwest independent
18 system operator, and except as provide in par. (b), have the exclusive duty to provide

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1 transmission service in the transmission area and shall ensure that each
2 transmission facility in the transmission area that is under its operational control
3 is planned, constructed, operated, maintained and controlled as part of a single
4 transmission system.

5 **SECTION 3.** 196.485 (3m) (a) 1. e. of the statutes is amended to read:

6 196.485 **(3m)** (a) 1. e. ~~Remain~~ Except as provided under par. (b) 3., remain a
7 member of the Midwest independent system operator, or any independent system
8 operator or regional transmission organization that has been approved under federal
9 law to succeed the Midwest independent system operator, for at least the 6-year
10 transition period that is specified in the agreement conditionally approved by the
11 federal energy regulatory commission that establishes the Midwest independent
12 system operator.

13 **SECTION 4.** 196.485 (3m) (b) 3. of the statutes is created to read:

14 196.485 **(3m)** (b) 3. Subject to any approval required under federal or state law,
15 withdraw from the Midwest independent system operator or any other independent
16 system operator or regional transmission organization of which the transmission
17 company is or becomes a member, if the commission determines that the withdrawal
18 is in the public interest.

19 (END)