

State of Misconsin 2011 - 2012 LEGISLATURE



2011 ASSEMBLY BILL 114

April 27, 2011 – Introduced by Representatives Klenke, Weininger, Jacque, Honadel, Steineke, Ziegelbauer, Nygren, Tauchen, Petersen, A. Ott, Bies, Meyer, Petrowski, Van Roy, Lemahieu, Tiffany and Spanbauer, cosponsored by Senators Lasee, Galloway, Leibham, Hopper, Wirch, Holperin and Hansen. Referred to Committee on Energy and Utilities.

AN ACT to amend 196.378 (1) (h) 1m. and 196.378 (2) (b) 1m.; and to create

196.378 (1) (dm), 196.378 (1) (m) and 196.378 (2) (b) 1o. of the statutes; relating

to: eligibility of hydroelectric resources under the renewable portfolio standard.

Analysis by the Legislative Reference Bureau

Under current law, an electric utility or retail electric cooperative (electric provider) is subject to certain requirements for ensuring that, in a given year, a specified percentage of the electricity that the electric provider sells to retail customers or members is derived from renewable resources. These requirements are commonly collectively referred to as the renewable portfolio standard (RPS). "Renewable resource" is defined to include certain resources, including a resource deriving electricity from hydroelectric power that has a capacity of less than 60 megawatts. An electric provider may count toward compliance with the RPS electricity purchased by the electric provider that is generated from such a hydroelectric resource. Subject to certain requirements, an electric provider can also count electricity generated from such a hydroelectric resource that the electric provider owns or operates.

Effective December 31, 2015, this bill allows, under certain circumstances, an electric provider to count toward compliance with the RPS electricity derived by a hydroelectric facility with a capacity of 60 megawatts or more, which the bill defines as a "large hydroelectric facility." The bill allows an electric provider to count electricity derived from a large hydroelectric facility only if the facility was initially

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placed in service on or after December 31, 2010. In addition, for a large hydroelectric facility located in Manitoba, Canada, the electricity may be counted toward compliance only if the following are satisfied: 1) the Province of Manitoba informs the Public Service Commission in writing that final licenses have replaced interim licenses for two specified hydroelectric projects located in the province; and 2) those final licenses are in effect under Canadian law. The bill does not change the requirements under current law relating to electricity derived from a hydroelectric facility with a capacity of less than 60 megawatts, except that the bill defines such a facility as a "small hydroelectric facility."

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

SECTION 1. 196.378 (1) (dm) of the statutes is created to read:

196.378 (1) (dm) "Large hydroelectric facility" means an electric generating facility with a capacity of 60 megawatts or more that derives electricity from hydroelectric power.

Section 2. 196.378 (1) (h) 1m. of the statutes is amended to read:

196.378 (1) (h) 1m. A resource with a capacity of less than 60 megawatts that derives electricity from hydroelectric power.

Section 3. 196.378 (1) (m) of the statutes is created to read:

196.378 (1) (m) "Small hydroelectric facility" means an electric generating facility with a capacity of less than 60 megawatts that derives electricity from hydroelectric power.

SECTION 4. 196.378 (2) (b) 1m. of the statutes is amended to read:

196.378 (2) (b) 1m. The amount of electricity derived from <u>small</u> hydroelectric renewable resources <u>facilities</u> that an electric provider may count toward satisfying the requirements of par. (a) 2. shall be all electricity provided by <u>hydroelectric power such facilities</u> that the electric provider purchased in the reporting year plus all of the following:

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a. The average of the amounts of hydroelectric power generated by small
hydroelectric facilities owned or operated by the electric provider for 2001, 2002, and
2003, adjusted to reflect the permanent removal from service of any of those facilities
and adjusted to reflect any capacity increases from improvements made to those
facilities on or after January 1, 2004.
b. The amount of hydroelectric power generated in the reporting year by $\underline{\text{small}}$
hydroelectric facilities owned or operated by the electric provider that are initially
placed in service on or after January 1, 2004.
Section 5. 196.378 (2) (b) 1o. of the statutes is created to read:
196.378 (2) (b) 1o. An electric provider may count electricity derived from a
large hydroelectric facility toward satisfying the requirements of par. (a) 2. only if the
facility was initially placed in service on or after December 31, 2010, and, if the
facility is located in Manitoba, Canada, all of the following are satisfied:
a. The province of Manitoba has informed the commission in writing that the
interim licenses under which the Lake Winnipeg Regulation Project and the
Churchill River Diversion Project were operating on the effective date of this subd.
10. a [LRB inserts date], have been replaced by final licenses.
b. The final licenses specified in subd. 1o. a. are in effect under Canadian law.
Section 6. Effective date.
(1) This act takes effect on December 31, 2015.

(END)