



2003 ASSEMBLY BILL 737

January 7, 2004 - Introduced by Representative GARD. Referred to Committee on Job Creation.

1 **AN ACT to amend** 16.957 (2) (b) 1. (intro.), 16.957 (2) (c) 2. and 16.957 (3) (b); and
2 **to create** 16.957 (2m) of the statutes; **relating to:** energy conservation and
3 efficiency grants, extending the time limit for emergency rule procedures,
4 providing an exemption from emergency rule procedures, and granting
5 rule-making authority.

Analysis by the Legislative Reference Bureau

Under current law, certain electric and gas utilities are required to make contributions to the Public Service Commission (PSC) in each fiscal year. The PSC deposits the contributions in the utility public benefits fund (fund), which also consists of monthly fees paid by utility customers. The fund is used by the Department of Administration (DOA) to make grants for low-income assistance, energy conservation and efficiency, environmental research and development, and renewable resource programs.

This bill requires the PSC to promulgate rules for the grants made by DOA from the fund for energy conservation and other programs, except the programs for low-income assistance. Under the bill, an applicant is not eligible for such a grant unless the applicant's proposal for the grant complies with rules promulgated by the PSC. The rules must require an applicant to demonstrate that, within a reasonable period of time determined by the PSC, the economic benefits resulting from the proposal will be equal to the amount of the grant. The rules must also specify annual energy savings targets that such a proposal must be designed to achieve.

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For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 16.957 (2) (b) 1. (intro.) of the statutes is amended to read:

2 16.957 (2) (b) 1. (intro.) Subject to subd. 2. and the rules promulgated under
3 sub. (2m), after holding a hearing, establish programs for awarding grants from the
4 appropriation under s. 20.505 (3) (s) for each of the following:

5 **SECTION 2.** 16.957 (2) (c) 2. of the statutes is amended to read:

6 16.957 (2) (c) 2. Requirements and procedures for applications for grants
7 awarded under programs established under par. (a) or (b) 1. The rules for grants
8 awarded under programs established under par. (b) 1. may not be inconsistent with
9 the rules promulgated by the commission under sub. (2m).

10 **SECTION 3.** 16.957 (2m) of the statutes is created to read:

11 16.957 (2m) ENERGY CONSERVATION AND EFFICIENCY GRANTS. The commission
12 shall promulgate rules that provide that a proposal for providing energy
13 conservation or efficiency services is not eligible for a grant under sub. (2) (b) unless
14 the applicant demonstrates that, no later than a reasonable period of time, as
15 determined by the commission, after the applicant begins to implement the proposal,
16 the economic value of the benefits resulting from the proposal will be equal to the
17 amount of the grant. The rules shall also specify annual energy savings targets that
18 such a proposal must be designed to achieve in order for the proposal to be eligible
19 for a grant under sub. (2) (b).

20 **SECTION 4.** 16.957 (3) (b) of the statutes is amended to read:

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1 16.957 (3) (b) The department shall, on the basis of competitive bids, contract
2 with one or more nonstock, nonprofit corporations organized under ch. 181 to
3 administer the programs established under sub. (2) (b) 1., including soliciting
4 proposals, processing grant applications, selecting, based on criteria specified in
5 rules promulgated under sub. (2) (c) 2m. and the standards established in the rules
6 promulgated under sub. (2m), proposals for the department to make awards and
7 distributing grants to recipients.

SECTION 5. Nonstatutory provisions.

8 (1) Using the procedure under section 227.24 of the statutes, the public service
9 commission shall promulgate as emergency rules the rules required under section
10 16.957 (2m) of the statutes, as created by this act. Notwithstanding section 227.24
11 (1) (c) and (2) of the statutes, the emergency rules promulgated under this subsection
12 may remain in effect until the date on which the permanent rules required under
13 section 16.957 (2m) of the statutes, as created by this act, take effect.
14 Notwithstanding section 227.24 (1) (a), (2) (b), and (3) of the statutes, the public
15 service commission is not required to provide evidence that promulgating rules
16 under this subsection as emergency rules is necessary for the preservation of the
17 public peace, health, safety, or welfare and is not required to provide a finding of
18 emergency for the rules promulgated under this subsection.
19

SECTION 6. Initial applicability.

20 (1) ENERGY CONSERVATION AND EFFICIENCY GRANTS. The treatment of section
21 16.957 (2) (b) 1. (intro.) of the statutes first applies to grants that are awarded on the
22 effective date of the rules promulgated under SECTION 5 (1) of this act.
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SECTION 7. Effective date.

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1 (1) This act takes effect on July 1, 2005.

2 (END)