

2001 DRAFTING REQUEST

Bill

Received: 11/09/2000

Received By: **kunkemd**

Wanted: **As time permits**

Identical to LRB:

For: **Tim Hoven (608) 267-2369**

By/Representing: **Michael Welsh**

This file may be shown to any legislator: **NO**

Drafter: **kunkemd**

May Contact:

Addl. Drafters:

Subject: **Public Util. - electric**

Extra Copies:

Pre Topic:

No specific pre topic given

Topic:

Funding for utility public benefits programs

Instructions:

Eliminate all new funding (e.g., public benefits fees) included in R2K package. Don't eliminate programs, but revert to funding under former law. See AA1 to 1999 AB 389.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	kunkemd 12/12/2000	hhagen 12/13/2000	martykr 12/14/2000	_____	gretskl 12/14/2000		S&L
	kunkemd 02/27/2001	hhagen 02/28/2001		_____			
/P2	kunkemd 03/23/2001	wjackson 03/23/2001	rschluet 02/28/2001	_____	lrb_docadmin 02/28/2001		S&L
/1			martykr 03/23/2001	_____	lrb_docadmin 03/23/2001	lrb_docadmin	S&L 03/23/2001

FE Sent For:

<END>

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	kunkemd 02/27/2001	hhagen 02/28/2001		_____			
/P2		1 Wj 3/23	rschluet 02/28/2001	_____	lrb_docadmin 02/28/2001		S&L
			Xm 3/23	_____			
			_____	_____			

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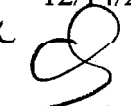
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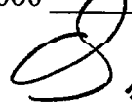
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/P1	kunkemd 12/12/2000	hhagen 12/13/2000	martykr 12/14/2000		gretskl 12/14/2000		S&L

FE Sent For:

102 hmk
2/28/01

 2-28-01

 PG 2-28-01

<END>

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By/Representing: **Michael Welsh**

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1/?	kunkemd	1 p1 hmk 12/13/00	km 12 1/14	RS km 12 1/14			

FE Sent For:

<END>



D-NOTE

By
12/20

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Generate

1 AN ACT ...; relating to: eliminating utility public benefits fees and commitment
2 to community programs.

Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be prepared for a subsequent version of this draft.

For further information see the *state and local* 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:

3 SECTION 1. 16.957 (1) (c) of the statutes is repealed.

4 SECTION 2. 16.957 (1) (h) of the statutes is repealed.

5 SECTION 3. 16.957 (1) (o) 1m. and 3. of the statutes are repealed.

6 SECTION 4. 16.957 (1) (s) of the statutes is repealed.

7 SECTION 5. 16.957 (1) (v) of the statutes is repealed.

8 SECTION 6. 16.957 (1) (w) of the statutes is repealed.

1 SECTION 7. 16.957^X (1) (x) of the statutes is repealed.

2 SECTION 8. 16.957^X (2) (a) 2., 3., and 4. of the statutes are repealed.

3 SECTION 9. 16.957[✓] (2) (a) 5. of the statutes is created to read:

4 16.957 (2) (a) 5. All moneys deposited in the utility public benefits fund in a
5 fiscal year for low-income programs under s. 196.374 (3).

6 SECTION 10. 16.957 (2)^X (b) 2. of the statutes is amended to read:

7 16.957 (2) (b) 2. For each fiscal year after fiscal year 2003-04, determine
8 whether to continue, discontinue, or reduce any of the programs established under
9 subd. 1. and determine the total amount necessary to fund the programs that the
10 department determines to continue or reduce under this subdivision. The
11 department shall notify the commission if the department determines under this
12 subdivision to reduce funding by an amount that is greater than the portion of the
13 public benefits fee specified in sub. (4) (c) 2. The notice shall specify the portion of
14 the reduction that exceeds the amount of public benefits fees specified in sub. (4) (c)
15 2.

History: 1999 a. 9.

16 SECTION 11. 16.957 (2)^X (c) 1. of the statutes is amended to read:

17 16.957 (2) (c) 1. Eligibility requirements for low income assistance under
18 programs established under par. (a). The rules shall prohibit a person who receives
19 ~~low-income assistance electric service~~ from a municipal utility or retail electric
20 cooperative under a program specified in sub. (5) (d) 2. b. or 3. a. from receiving
21 low-income assistance under programs established under par. (a).

History: 1999 a. 9.

22 SECTION 12. 16.957 (2)^X (c) 4. of the statutes is amended to read:

23 16.957 (2) (c) 4. Requirements for electric utilities, other than municipal
24 utilities, to allow customers to include voluntary contributions to assist in funding

1 a program established under par. (a) or (b) [✓] 1. with bill payments for electric service.
 2 The rules may require an electric utility to provide a space on an electric bill in which
 3 a customer may indicate the amount of a voluntary contribution and the customer's
 4 preference regarding whether a contribution should be used for a program
 5 established under par. (a) or (b) [✓] 1. a. or b. The rules shall establish requirements and
 6 procedures for electric utilities to pay to the department any voluntary contributions
 7 included with bill payments and to report to the department customer preferences
 8 regarding use of the contributions. The department shall deposit all contributions
 9 received under this ~~paragraph~~ ^{subdivision} in the utility public benefits fund.

History: 1999 a. 9.

10 **SECTION 13.** 16.957 [✓](2) (d) 1. of the statutes is amended to read:
 11 16.957 (2) (d) 1. For each fiscal year after fiscal year 1998-99, determine the
 12 low-income need target for that fiscal year and report the low-income need target
 13 to the joint committee on finance.

History: 1999 a. 9.

14 **SECTION 14.** 16.957 (2) (d) 3. of the statutes is repealed.
 15 **SECTION 15.** 16.957 (4) of the statutes is repealed.
 16 **SECTION 16.** 16.957 (5) of the statutes is repealed.
 17 **SECTION 17.** 25.96 of the statutes is amended to read:
 18 **25.96 Utility public benefits fund.** There is established a separate
 19 nonlapsible trust fund designated as the utility public benefits fund, consisting of
 20 deposits by the public service commission under s. 196.374 (3), ~~public benefits fees~~
 21 ~~received under s. 16.957 (4) (a) and (5) (c) and (d)~~ and contributions received under
 22 s. 16.957 (2) (c) 4. and (d) [✓] 2.

History: 1999 a. 9.

23 **SECTION 18.** 76.28 (1) (d) of the statutes is amended to read:

① 76.28 (1) (d) "Gross revenues" for a light, heat, and power company other than
2 a qualified wholesale electric company or a transmission company means total
3 operating revenues as reported to the public service commission except revenues for
4 interdepartmental sales and for interdepartmental rents as reported to the public
5 service commission and deductions from the sales and use tax under s. 77.61 (4),
6 except that the company may subtract from revenues either the actual cost of power
7 purchased for resale, as reported to the public service commission, by a light, heat,
8 and power company, except a municipal light, heat, and power company, that
9 purchases under federal or state approved wholesale rates more than 50% of its
10 electric power from a person other than an affiliated interest, as defined in s. 196.52
11 (1), if the revenue from that purchased electric power is included in the seller's gross
12 revenues or the following percentages of the actual cost of power purchased for
13 resale, as reported to the public service commission, by a light, heat, and power
14 company, except a municipal light, heat and power company that purchases more
15 than 90% of its power and that has less than \$50,000,000 of gross revenues: 10% for
16 the fee assessed on May 1, 1988, 30% for the fee assessed on May 1, 1989, and 50%
17 for the fee assessed on May 1, 1990, and thereafter. For a qualified wholesale electric
18 company, "gross revenues" means total business revenues from those businesses
19 included under par. (e) 1. to 4. For a transmission company, "gross revenues" means
20 total operating revenues as reported to the public service commission, except
21 revenues for transmission service that is provided to a public utility that is subject
22 to the license fee under sub. (2) (d), to a public utility, as defined in s. 196.01 (5), or
23 to a cooperative association organized under ch. 185 for the purpose of providing
24 electricity to its members only. For an electric utility, as defined in s. 16.957 (1) (g),
25 "~~gross revenues~~" ~~does not include public benefits fees collected by the electric utility~~

1 ~~under s. 16.957 (4) (a) or (5) (a).~~ For a generator public utility, “gross revenues” does
 2 not include any grants awarded to the generator public utility under s. 16.958 (2) (b).
 3 ~~For a wholesale supplier, as defined in s. 16.957 (1) (w), “gross revenues” does not~~
 4 ~~include any public benefits fees that are received from a municipal utility or retail~~
 5 ~~electric cooperative or under a joint program established under s. 16.957 (5) (f).~~ For
 6 a municipal utility, “gross revenues” does not include public benefits fees received by
 7 the municipal utility from a municipal utility or retail electric cooperative under a
 8 joint program established under s. 16.957 (5) (f).

9 History: 1983 a. 27, 405; 1985 a. 29, 120; 1987 a. 27; 1993 a. 205; 1995 a. 27, 351; 1997 a. 35; 1999 a. 9; 1999 a. 150 s. 672.

9 SECTION 19. 76.28 (1) (eg) of the statutes is repealed.

10 SECTION 20. 76.28 (1) (gr) of the statutes is repealed.

11 SECTION 21. 76.48 (1g) (d) of the statutes is amended to read:

12 76.48 (1g) (d) “Gross revenues” means total operating revenues, except
 13 revenues for interdepartmental sales and for interdepartmental rents, less
 14 deductions from the sales and use tax under s. 77.61 (4) and, in respect to any electric
 15 cooperative that purchases more than 50% of the power it sells, less the actual cost
 16 of power purchased for resale by an electric cooperative, if the revenue from that
 17 purchased electric power is included in the seller’s gross revenues or if the electric
 18 cooperative purchased more than 50% of the power it sold in the year prior to
 19 January 1, 1988, from a seller located outside this state. For an electric cooperative,
 20 “gross revenues” does not include grants awarded to the electric cooperative under
 21 s. 16.958 (2) (b). For a retail electric cooperative, “gross revenues” does not include
 22 public benefits fees collected by the retail electric cooperative under s. 16.957 (5) (a),
 23 public benefits fees received by the retail electric cooperative from a retail electric
 24 cooperative or municipal utility under a joint program established under s. 16.957

1 ~~(5) (f). For a wholesale supplier, as defined in s. 16.957 (1) (w), “gross revenues” does~~
 2 ~~not include any public benefits fees that are received from a municipal utility, as~~
 3 ~~defined in s. 16.957 (1) (q), or retail electric cooperative or under a joint program~~
 4 ~~established under s. 16.957 (5) (f).~~

History: 1971 c. 125, 215; 1973 c. 12; 1975 c. 39, 224; 1977 c. 29, 142, 272, 418; 1979 c. 110 s. 60 (11), (13); 1979 c. 207; 1981 c. 20; 1983 a. 27; 1985 a. 120; 1987 a. 27, 399; 1991 a. 39; 1999 a. 9.

5 **SECTION 22.** 76.48 (1g) (dm) of the statutes is repealed.

6 **SECTION 23.** 76.48 (1g) (fm) of the statutes is repealed.

7 **SECTION 24.** 77.54 (44) of the statutes is repealed.

8 **SECTION 25.** 196.374 (1) (c) of the statutes is amended to read:

9 196.374 (1) (c) “Utility” means a Class A gas or electric utility, as defined by the
 10 commission, but does not include a municipal utility, as defined in s. 16.957 (1) (q),
 11 a municipal electric company, as defined in s. 66.073 (3) (d) [s. 66.0825 (3) (d)], or a
 12 cooperative association organized under ch. 185.

Note: NOTE: The bracketed language indicates the correct cross-reference. Corrective legislation is pending. Note:

History: 1983 a. 27; 1999 a. 9.

13 **SECTION 26.** 196.374 (3) of the statutes is amended to read:

14 **196.374 (3)** In 2000, 2001, and 2002, the commission shall require each utility
 15 to spend a decreasing portion of the amount determined under sub. (2) on programs
 16 specified in sub. (2) and contribute the remaining portion of the amount to the
 17 commission for deposit in the fund. In each year after 2002, each utility shall
 18 contribute the entire amount determined under sub. (2) to the commission for deposit
 19 in the fund. The commission shall ensure in rate-making orders that a utility
 20 recovers from its ratepayers the amounts spent on programs or contributed to the
 21 fund under this subsection. The commission shall allow each utility the option of
 22 continuing to use, until January 1, 2002, the moneys that it has recovered under s.
 23 196.374 (3), 1997 stats., to administer the programs that it has funded under s.

1 196.374 (1), 1997 stats. The commission may allow each utility to spend additional
2 moneys on the programs specified in sub. (2) if the utility otherwise complies with
3 the requirements of this section and s. 16.957 (4).

4 History: 1983 a. 27; 1999 a. 9.

SECTION 27. 196.374 (4) of the statutes is amended to read:

5 196.374 (4) If the department notifies the commission under s. 16.957 (2) (b)
6 2. that the department has reduced funding for energy conservation and efficiency
7 and renewable resource programs by an amount that is greater than the portion of
8 the public benefits fee specified in s. 16.957 (4) (e) 2., the commission shall reduce the
9 amount that utilities are required to spend on programs or contribute to the fund
10 under sub. (3) by the portion amount of the reduction that exceeds the amount of
11 public benefits fees specified in s. 16.957 (4) (e) 2.

12 History: 1983 a. 27; 1999 a. 9.

SECTION 28. Nonstatutory provisions.

13 (1) PUBLIC BENEFITS FEE REFUNDS. No later than the first day of the 3rd month
14 beginning after the effective date of this subsection:

15 (a) Each electric utility, as defined in section 16.957 (1) (g) of the statutes, shall
16 refund to customers an amount equal to the amount of public benefits fees collected
17 from customers under the rules promulgated under section 16.957 (4) (b) of the
18 statutes.

19 (b) Each retail electric cooperative, as defined in section 16.957 (1) (t) of the
20 statutes, and each municipal utility, as defined in section 16.957 (1) (q) of the
21 statutes, shall refund to customers and members an amount equal to the amount of
22 public benefits fees collected from customers and members under section 16.957 (5)
23 of the statutes.

24 (END)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0965/P1dn

MDK:.....
MDK

Dakeline

Representative Hoven:

Please review this preliminary draft very carefully to make sure it achieves your intent. I will finalize the draft after the following issues are resolved:

1. In repealing s. 16.957 (2) (a) 2., 3., and 4., and creating proposed s. 16.957 (2) (a) 5., this draft achieves the same result as under AA1 to 1999 AB 389. Is this okay?
2. The amendment of the following achieves the same result as under AA1 to 1999 AB 389: s. 16.957 (2) (c) 1. and 4. and (d) 1. Is this okay?
3. I eliminated the commitment to community programs by municipal utilities and retail electric cooperatives because they are funded by public benefits fees. This achieves the same result as under AA1 to 1999 AB 389. Is this okay?
4. Are the provisions for reducing funding under the proposed amendment of ss. 16.957 (2) (b) 2. and 196.374 (4), stats., okay?
5. I assumed that you do not want to make the revisions contained in AA1 to AA1 to 1999 AB 389. Is this correct?
6. I don't know what you want to do, if anything, about the public benefits fees that will already have been collected by the time the draft goes into effect. I created a nonstatutory provision that requires refunding the fees. However, it's possible that some of the fees that are collected will have already been spent on programs. I'm not sure how you want to deal with this problem. Please contact me if you want to discuss these issues.

Mark D. Kunkel
Legislative Attorney
Phone: (608) 266-0131
E-mail: mark.kunkel@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0965/P1dn
MDK:hmh:km

December 14, 2000

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Mark D. Kunkel
Legislative Attorney
Phone: (608) 266-0131
E-mail: mark.kunkel@legis.state.wi.us

SOON

O-NOTE

stop (P2)

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

RM NOT RUN

INSERT 2A

Regenerate

1 AN ACT *to repeal* 16.957 (1) (c), 16.957 (1) (h), 16.957 (1) (o) 1m. and 3., 16.957
 2 (1) (s), 16.957 (1) (v), 16.957 (1) (w), 16.957 (1) (x), 16.957 (2) (a) 2., 3. and 4.,
 3 16.957 (2) (d) 3., 16.957 (4), 16.957 (5), 76.28 (1) (eg), 76.28 (1) (gr), 76.48 (1g)
 4 (dm), 76.48 (1g) (fm) and 77.54 (44); *to amend* 16.957 (2) (b) 2., 16.957 (2) (c)
 5 1., 16.957 (2) (c) 4., 16.957 (2) (d) 1., 25.96, 76.28 (1) (d), 76.48 (1g) (d), 196.374
 6 (1) (c), 196.374 (3) and 196.374 (4); and *to create* 16.957 (2) (a) 5. of the statutes;
 7 **relating to:** eliminating utility public benefits fees and commitment to
 8 community programs.

Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be prepared for a subsequent version of this draft.

For further information see the ***state and local*** 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:

INSEAT 2-2

1 SECTION 1. 16.957 (1) (c) of the statutes is repealed.

2 SECTION 2. 16.957 (1) (h) of the statutes is repealed.

3 ~~SECTION 3. 16.957 (1) (c) 1m and 3. of the statutes are repealed.~~

4 SECTION 4. 16.957 (1) (s) of the statutes is repealed.

INSEAT 2-5

5 SECTION 5. 16.957 (1) (v) of the statutes is repealed.

6 SECTION 6. 16.957 (1) (w) of the statutes is repealed.

INSEAT 2-8

7 SECTION 7. 16.957 (1) (x) of the statutes is repealed.

1.3

8 SECTION 8. 16.957 (2) (a) 2., 3. and 4. of the statutes are repealed.

9 ~~SECTION 9. 16.957 (2) (a) 5. of the statutes is created to read:~~

10 ~~16.957 (2) (a) 5. All moneys deposited in the utility public benefits fund in a~~
11 ~~fiscal year for low-income programs under s. 196.374 (3).~~

12 SECTION 10. 16.957 (2) (b) 2. of the statutes is amended to read:

13 16.957 (2) (b) 2. For each fiscal year after fiscal year 2003-04, determine
14 whether to continue, discontinue, or reduce any of the programs established under
15 subd. 1. and determine the total amount necessary to fund the programs that the
16 department determines to continue or reduce under this subdivision. The
17 department shall notify the commission if the department determines under this
18 subdivision to reduce funding by an amount that is greater than the portion of the
19 public benefits fee specified in sub. (4) (c) 2. The notice shall specify the portion of
20 the reduction that exceeds the amount of public benefits fees specified in sub. (4) (c)

21 2. INSEAT 2-22

22 SECTION 11. 16.957 (2) (c) 1. of the statutes is amended to read:

23 16.957 (2) (c) 1. Eligibility requirements for low-income assistance under
24 programs established under par. (a). The rules shall prohibit a person who receives
25 low-income assistance electric service from a municipal utility or retail electric

1 cooperative under a program specified in sub. (5) (d) 2, b. or 3. a. from receiving
2 low-income assistance under programs established under par. (a)

3 SECTION 12. 16.957 (2) (c) 4. of the statutes is amended to read:

4 16.957 (2) (c) 4. Requirements for electric utilities, other than municipal
5 utilities, to allow customers to include voluntary contributions to assist in funding
6 a program established under par. (a) or (b) 1. with bill payments for electric service.
7 The rules may require an electric utility to provide a space on an electric bill in which
8 a customer may indicate the amount of a voluntary contribution and the customer's
9 preference regarding whether a contribution should be used for a program
10 established under par. (a) or (b) 1. a. or b. The rules shall establish requirements and
11 procedures for electric utilities to pay to the department any voluntary contributions
12 included with bill payments and to report to the department customer preferences
13 regarding use of the contributions. The department shall deposit all contributions
14 received under this paragraph subdivision in the utility public benefits fund.

INSERT
3-15

Change
component

15 SECTION 13. 16.957 (2) (d) 1. of the statutes is ~~amended to read~~ repealed.

16 16.957 (2) (d) 1. For each fiscal year after fiscal year 1998-99, determine the
17 low-income need target for that fiscal year and report the low-income need target
18 to the joint committee on finance

INSERT
3-10

19 SECTION 14. 16.957 (2) (d) 3. of the statutes is repealed.

20 SECTION 15. 16.957 (4) of the statutes is repealed.

21 SECTION 16. 16.957 (5) of the statutes is repealed.

22 SECTION 17. 25.96 of the statutes is amended to read:

23 25.96 Utility public benefits fund. There is established a separate
24 nonlapsible trust fund designated as the utility public benefits fund, consisting of
25 deposits by the public service commission under s. 196.374 (3), public benefits fees

1 received under ~~s. 16.957 (4) (a) and (5) (e) and (d)~~ and contributions received under
2 s. 16.957 (2) (c) 4. and (d) 2.

3 SECTION 18. 76.28 (1) (d) of the statutes is amended to read:

4 76.28 (1) (d) "Gross revenues" for a light, heat, and power company other than
5 a qualified wholesale electric company or a transmission company means total
6 operating revenues as reported to the public service commission except revenues for
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14 (1), if the revenue from that purchased electric power is included in the seller's gross
15 revenues or the following percentages of the actual cost of power purchased for
16 resale, as reported to the public service commission, by a light, heat, and power
17 company, except a municipal light, heat and power company that purchases more
18 than 90% of its power and that has less than \$50,000,000 of gross revenues: 10% for
19 the fee assessed on May 1, 1988, 30% for the fee assessed on May 1, 1989, and 50%
20 for the fee assessed on May 1, 1990, and thereafter. For a qualified wholesale electric
21 company, "gross revenues" means total business revenues from those businesses
22 included under par. (e) 1. to 4. For a transmission company, "gross revenues" means
23 total operating revenues as reported to the public service commission, except
24 revenues for transmission service that is provided to a public utility that is subject
25 to the license fee under sub. (2) (d), to a public utility, as defined in s. 196.01 (5), or

1 to a cooperative association organized under ch. 185 for the purpose of providing
2 electricity to its members only. ~~For an electric utility, as defined in s. 16.957 (1) (g),~~
3 ~~“gross revenues” does not include public benefits fees collected by the electric utility~~
4 ~~under s. 16.957 (4) (a) or (5) (a).~~ For a generator public utility, “gross revenues” does
5 not include any grants awarded to the generator public utility under s. 16.958 (2) (b).
6 ~~For a wholesale supplier, as defined in s. 16.957 (1) (w), “gross revenues” does not~~
7 ~~include any public benefits fees that are received from a municipal utility or retail~~
8 ~~electric cooperative or under a joint program established under s. 16.957 (5) (f).~~ For
9 a municipal utility, “gross revenues” does not include public benefits fees received by
10 the municipal utility from a municipal utility or retail electric cooperative under a
11 joint program established under s. 16.957 (5) (f).

12 SECTION 19. 76.28 (1) (eg) of the statutes is repealed.

13 SECTION 20. 76.28 (1) (gr) of the statutes is repealed.

14 SECTION 21. 76.48 (1g) (d) of the statutes is amended to read:

15 76.48 (1g) (d) “Gross revenues” means total operating revenues, except
16 revenues for interdepartmental sales and for interdepartmental rents, less
17 deductions from the sales and use tax under s. 77.61 (4) and, in respect to any electric
18 cooperative that purchases more than 50% of the power it sells, less the actual cost
19 of power purchased for resale by an electric cooperative, if the revenue from that
20 purchased electric power is included in the seller’s gross revenues or if the electric
21 cooperative purchased more than 50% of the power it sold in the year prior to
22 January 1, 1988, from a seller located outside this state. For an electric cooperative,
23 “gross revenues” does not include grants awarded to the electric cooperative under
24 s. 16.958 (2) (b). ~~For a retail electric cooperative, “gross revenues” does not include~~
25 ~~public benefits fees collected by the retail electric cooperative under s. 16.957 (5) (a),~~

1 ~~public benefits fees received by the retail electric cooperative from a retail electric~~
2 ~~cooperative or municipal utility under a joint program established under s. 16.957~~
3 ~~(5) (f). For a wholesale supplier, as defined in s. 16.957 (1) (w), “gross revenues” does~~
4 ~~not include any public benefits fees that are received from a municipal utility, as~~
5 ~~defined in s. 16.957 (1) (q), or retail electric cooperative or under a joint program~~
6 ~~established under s. 16.957 (5) (f).~~

7 **SECTION 22.** 76.48 (1g) (dm) of the statutes is repealed.

8 **SECTION 23.** 76.48 (1g) (fm) of the statutes is repealed.

9 **SECTION 24.** 77.54 (44) of the statutes is repealed.

10 **SECTION 25.** 196.374 (1) (c) of the statutes is amended to read:

11 196.374 (1) (c) “Utility” means a Class A gas or electric utility, as defined by the
12 commission, but does not include a municipal utility, as defined in s. 16.957 (1) (q),
13 a municipal electric company, as defined in s. ~~66.073 (3) (d)~~ { s. 66.0825 (3) (d)}, or a
14 cooperative association organized under ch. 185.

Subject to sub. (3m), in

15 **SECTION 26.** 196.374 (3) of the statutes is amended to read:

16 196.374 (3) ~~In~~ 2000, 2001, and 2002, the commission shall require each utility
17 to spend a decreasing portion of the amount determined under sub. (2) on programs
18 specified in sub. (2) and contribute the remaining portion of the amount to the
19 commission for deposit in the fund. In each year after 2002, each utility shall
20 contribute the entire amount determined under sub. (2) to the commission for deposit
21 in the fund. The commission shall ensure in rate-making orders that a utility
22 recovers from its ratepayers the amounts spent on programs or contributed to the
23 fund under this subsection. The commission shall allow each utility the option of
24 continuing to use, until January 1, 2002, the moneys that it has recovered under s.
25 196.374 (3), 1997 stats., to administer the programs that it has funded under s.

INSERT 7-4

1 196.374 (1), 1997 stats. The commission may allow each utility to spend additional
2 moneys on the programs specified in sub. (2) if the utility otherwise complies with
3 the requirements of this section and ~~s. 16.957 (4)~~.

4 **SECTION 27.** 196.374 (4) of the statutes is amended to read:

5 196.374 (4) If the department notifies the commission under s. 16.957 (2) (b)
6 2. that the department has reduced funding for energy conservation and efficiency
7 and renewable resource programs ~~by an amount that is greater than the portion of~~
8 ~~the public benefits fee specified in s. 16.957 (4) (c) 2.~~, the commission shall reduce the
9 amount that utilities are required to spend on programs or contribute to the fund
10 under sub. (3) by the portion amount of the reduction ~~that exceeds the amount of~~
11 ~~public benefits fees specified in s. 16.957 (4) (c) 2.~~

12 **SECTION 28. Nonstatutory provisions.**

13 (1) PUBLIC BENEFITS FEE REFUNDS. No later than the first day of the 3rd month
14 beginning after the effective date of this subsection:

15 (a) Each electric utility, as defined in section 16.957 (1) (g) of the statutes, shall
16 refund to customers an amount equal to the amount of public benefits fees collected
17 from customers under the rules promulgated under section 16.957 (4) (b) of the
18 statutes.

19 (b) Each retail electric cooperative, as defined in section 16.957 (1) (t) of the
20 statutes, and each municipal utility, as defined in section 16.957 (1) (q) of the
21 statutes, shall refund to customers and members an amount equal to the amount of
22 public benefits fees collected from customers and members under section 16.957 (5)
23 of the statutes.

24 (END)

1

funding
INSERT 1A:

Under current law, the department of administration (DOA) is required to establish programs for providing energy assistance to low-income households (low-income programs), for conservation and efficiency services (conservation programs), and for encouraging the development and use of renewable energy resources (renewables programs). The programs are funded from three sources.

(X) The first source consists of public benefits fees that DOA collects from nonmunicipal electric public utilities, which must charge the public benefits fees to their customers. Municipal electric public utilities and retail electric cooperatives (municipal utilities and cooperatives) are also required to charge a public benefits fee to their customers or members. Every three years, a municipal utility or cooperative may elect to contribute all or a specified portion of the public benefits fees to DOA for the programs. A municipal utility or cooperative that does not elect to contribute all of the public benefits fees to DOA must spend specified portions of the fees on its own "commitment to community programs" which are defined as low-income assistance and conservation programs. DOA deposits all public benefits fees received from nonmunicipal electric public utilities, municipal utilities, and cooperatives into the utility public benefits fund.

(X) The second funding source consists of contributions made by gas and electric utilities. Under current law, the public service commission (PSC) is required to determine the amount that a gas or electric utility spent on low-income, conservation, renewables, and environmental research and development programs in 1998. Each year, a gas or electric utility must spend a decreasing portion of the amount spent on each type of program and contribute an increasing portion of such amount to the PSC for deposit in the utility public benefits fund.

The third funding source consists of voluntary contributions made by customers of nonmunicipal electric public utilities and municipal utilities and members of cooperatives. The voluntary contributions are also deposited into the utility public benefits fund.

This bill eliminates the first funding source described above. Under the bill, nonmunicipal electric public utilities, municipal utilities, and cooperatives are not required to charge public benefits fees to their customers or members, and must refund any public benefits fees that have been collected. In addition, the bill eliminates the requirement for municipal utilities and cooperatives to establish commitment to community programs.

(X) The bill also makes changes to the second funding source described above. The bill requires DOA annually to submit a plan to the joint committee on finance for adjusting the amount that electric utilities are required to contribute to the PSC for deposit into the utility public benefits fund. In a plan, DOA must compare the amount of funding received by the state in that year under the federal low-income home energy and weatherization assistance programs with the amount of funding received by the state in federal fiscal year 1999-2000 under those programs. If the amount received in that year is less than the amount received in federal fiscal year

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1999-2000, the plan must increase the contributions that gas and electric utilities are required to make to the PSC for low-income programs by an amount equal to the difference. If the amount received in that year is greater than the amount received in federal fiscal year 1999-2000, the plan must decrease the contributions that gas and electric utilities are required to make to the PSC for low-income programs by an amount equal to the difference. However, if the amount of the difference is equal to or greater than the contributions that the PSC has otherwise required electric utilities to make for low-income programs, then no contributions are required. DOA must implement a plan that is modified or approved by ~~the joint committee on finance~~ JCF

INSERT 2-2:

SECTION 1. 16.957 (1) (he), (hm), (hp) and (hs) of the statutes are created to read:

16.957 (1) (he) "Federal base amount" means all moneys received from the federal government under 42 USC 8621 to 8629 in federal fiscal year 1999-2000 and under 42 USC 6861 to 6873 in federal program year 1999-2000.

(hm) "Federal fiscal year" means the period beginning on October 1 and ending on the following September 30.

(hp) "Federal funding amount" means all moneys received from the federal government under 42 USC 8621 to 8629 in a federal fiscal year after federal fiscal year 1999-2000 and under 42 USC 6861 to 6873 in the federal program year beginning in the same calendar year as the calendar year in which the federal fiscal year begins.

(hs) "Federal program year" means the period beginning on April 1 and ending on the following March 31.

SECTION 2. 16.957 (1) (n) of the statutes is repealed.

SECTION 3. 16.957 (1) (o) of the statutes is repealed.

SECTION 4. 16.957 (1) (p) of the statutes is repealed.

INSERT 2-5:

1 under s. 196.374 (3) based on the amount of moneys received from the federal
2 government under 42 USC 6881 to 6873 and 42 USC 8621 to 8629. A plan under this
3 subdivision shall require the department to determine the difference between the
4 federal base amount and the federal funding amount for each federal fiscal year after
5 federal fiscal year 1999-2000 and require the commission to do one of the following:

6 a. If the federal base amount is greater than the federal funding amount,
7 increase the contributions that utilities are required to make to the commission for
8 low-income assistance under s. 196.374 (3) in the calendar year following the start
9 of the federal fiscal year by an amount equal to the difference between the federal
10 base amount and the federal funding amount.

11 b. If the federal funding amount is greater than the federal base amount,
12 decrease the contributions that utilities are required to make to the commission for
13 low-income assistance under s. 196.374 (3) in the calendar year following the start
14 of the federal fiscal year by an amount equal to the difference between the federal
15 funding amount and the federal base amount, except that if the difference is equal
16 to or greater than the contributions that are otherwise required for low-income
17 assistance under s. 196.374 (3) no contributions shall be required for low-income
18 assistance.

19 6. Implement a plan specified in subd. 5. that is approved or modified by the
20 joint committee on finance.

INSERT 7-4:

SECTION 10. 196.374 (3m) of the statutes is created to read:

23 196.374 (3m) The commission shall adjust the amount that a utility is required
24 to contribute to the commission under sub. (3) as required under a plan that is
25 implemented by the department under s. 16.957 (2) (d) 6.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0965/P2dn

MDK:.....

hmk

Date

Representative Hoven:

This version of the bill incorporates the changes made by AA1 to AA1 to 1999 AB 389. I made this version a preliminary draft because I'm not sure whether the exception language in proposed s. 16.957 (2) (d) 5. b. works. If the exception applies, are no contributions for low-income assistance required? What about the contributions that are "otherwise" required under s. 196.374 (3)? To say that no contributions are required seems logically inconsistent with the fact the contributions are otherwise required. Can I get John Stolzenberg's input on this issue? Depending on how this issue is resolved, the last paragraph of the analysis will probably have to be revised.

Also, note that, unlike AA1 to AA1 to 1999 AB 389, this version specifies in proposed s. 16.957 (2) (d) 5. (intro.) that DOA must submit an **annual** plan. Is this okay? I think the requirement for an annual plan is clear from the context, but I thought it should be made explicit.

Mark D. Kunkel
Legislative Attorney
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DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0965/P2dn
MDK:hmh:rs

February 28, 2001

Representative Hoven:

This version of the bill incorporates the changes made by AA1 to AA1 to 1999 AB 389. I made this version a preliminary draft because I'm not sure whether the exception language in proposed s. 16.957 (2) (d) 5. b. works. If the exception applies, are no contributions for low-income assistance required? What about the contributions that are "otherwise" required under s. 196.374 (3)? To say that no contributions are required seems logically inconsistent with the fact the contributions are otherwise required. Can I get John Stolzenberg's input on this issue? Depending on how this issue is resolved, the last paragraph of the analysis will probably have to be revised.

Also, note that, unlike AA1 to AA1 to 1999 AB 389, this version specifies in proposed s. 16.957 (2) (d) 5. (intro.) that DOA must submit an *annual* plan. Is this okay? I think the requirement for an annual plan is clear from the context, but I thought it should be made explicit.

Mark D. Kunkel
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today

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

REGEN

1 AN ACT *to repeal* 16.957 (1) (c), 16.957 (1) (h), 16.957 (1) (n), 16.957 (1) (o), 16.957
2 (1) (p), 16.957 (1) (s), 16.957 (1) (u), 16.957 (1) (v), 16.957 (1) (w), 16.957 (1) (x),
3 16.957 (2) (a) 1., 2., 3. and 4., 16.957 (2) (c) 5., 16.957 (2) (d) 1., 16.957 (2) (d) 3.,
4 16.957 (4), 16.957 (5), 76.28 (1) (eg), 76.28 (1) (gr), 76.48 (1g) (dm), 76.48 (1g)
5 (fm) and 77.54 (44); *to renumber and amend* 16.957 (2) (a) (intro.); *to amend*
6 16.957 (2) (b) 2., 16.957 (2) (c) 1., 16.957 (2) (c) 4., 25.96, 76.28 (1) (d), 76.48 (1g)
7 (d), 196.374 (1) (c), 196.374 (3) and 196.374 (4); and *to create* 16.957 (1) (he),
8 (hm), (hp) and (hs), 16.957 (2) (d) 5. and 6. and 196.374 (3m) of the statutes;
9 **relating to:** eliminating utility public benefits fees and commitment to
10 community programs.

Analysis by the Legislative Reference Bureau

Under current law, the department of administration (DOA) is required to establish programs for providing energy assistance to low-income households (low-income programs), for conservation and efficiency services (conservation programs), and for encouraging the development and use of renewable energy resources (renewables programs). These programs are funded from three sources.

The first funding source consists of public benefits fees that DOA collects from nonmunicipal electric public utilities, which must charge the public benefits fees to their customers. Municipal electric public utilities and retail electric cooperatives (municipal utilities and cooperatives) are also required to charge a public benefits fee to their customers or members. Every three years, a municipal utility or cooperative may elect to contribute all or a specified portion of the public benefits fees to DOA for the programs. A municipal utility or cooperative that does not elect to contribute all of the public benefits fees to DOA must spend specified portions of the fees on its own "commitment to community programs," which are defined as low-income assistance and conservation programs. DOA deposits all public benefits fees received from nonmunicipal electric public utilities, municipal utilities, and cooperatives into the utility public benefits fund.

The second funding source consists of contributions made by gas and electric utilities. Under current law, the public service commission (PSC) is required to determine the amount that a gas or electric utility spent on low-income, conservation, renewables, and environmental research and development programs in 1998. Each year, a gas or electric utility must spend a decreasing portion of the amount spent on each type of program and contribute an increasing portion of such amount to the PSC for deposit in the utility public benefits fund.

The third funding source consists of voluntary contributions made by customers of nonmunicipal electric public utilities and municipal utilities and members of cooperatives. The voluntary contributions are also deposited into the utility public benefits fund.

This bill eliminates the first funding source described above. Under the bill, nonmunicipal electric public utilities, municipal utilities, and cooperatives are not required to charge public benefits fees to their customers or members, and must ~~refund any public benefits fees that have been collected.~~ In addition, the bill eliminates the requirement for municipal utilities and cooperatives to establish commitment to community programs.

The bill also makes changes to the second funding source described above. The bill requires DOA annually to submit a plan to the joint committee on finance (JCF) for adjusting the amount that electric utilities are required to contribute to the PSC for deposit into the utility public benefits fund. In the plan, DOA must compare the amount of funding received by the state in that year under the federal low-income home energy and weatherization assistance programs with the amount of funding received by the state in federal fiscal year 1999-2000 under those programs. If the amount received in that year is less than the amount received in federal fiscal year 1999-2000, the plan must increase the contributions that gas and electric utilities are required to make to the PSC for low-income programs by an amount equal to the difference. If the amount received in that year is greater than the amount received in federal fiscal year 1999-2000, the plan must decrease the contributions that gas and electric utilities are required to make to the PSC for low-income programs by an amount equal to the difference. However, if the amount of the difference is equal to or greater than the contributions that the PSC has otherwise required electric

for low-income
for low-income programs

utilities to make for low-income programs, then no contributions are required. DOA must implement a plan that is modified or approved by JCF.

For further information see the *state and local* 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 (1) (c) of the statutes is repealed.

2 SECTION 2. 16.957 (1) (h) of the statutes is repealed.

3 SECTION 3. 16.957 (1) (he), (hm), (hp) and (hs) of the statutes are created to
4 read:

5 16.957 (1) (he) "Federal base amount" means all moneys received from the
6 federal government under 42 USC 8621 to 8629 in federal fiscal year 1999–2000 and
7 under 42 USC 6861 to 6873 in federal program year 1999–2000.

8 (hm) "Federal fiscal year" means the period beginning on October 1 and ending
9 on the following September 30.

10 (hp) "Federal funding amount" means all moneys received from the federal
11 government under 42 USC 8621 to 8629 in a federal fiscal year after federal fiscal
12 year 1999–2000 and under 42 USC 6861 to 6873 in the federal program year
13 beginning in the same calendar year as the calendar year in which the federal fiscal
14 year begins.

15 (hs) "Federal program year" means the period beginning on April 1 and ending
16 on the following March 31.

17 SECTION 4. 16.957 (1) (n) of the statutes is repealed.

18 SECTION 5. 16.957 (1) (o) of the statutes is repealed.

19 SECTION 6. 16.957 (1) (p) of the statutes is repealed.

20 SECTION 7. 16.957 (1) (s) of the statutes is repealed.

1 SECTION 8. 16.957 (1) (u) of the statutes is repealed.

2 SECTION 9. 16.957 (1) (v) of the statutes is repealed.

3 SECTION 10. 16.957 (1) (w) of the statutes is repealed.

4 SECTION 11. 16.957 (1) (x) of the statutes is repealed.

5 SECTION 12. 16.957 (2) (a) (intro.) of the statutes is renumbered 16.957 (2) (a)
6 and amended to read:

7 16.957 (2) (a) *Low-income programs.* After holding a hearing, establish
8 programs to be administered by the department for awarding grants from the
9 appropriation under s. 20.505 (10) (r) to provide low-income assistance. ~~In each~~
10 ~~fiscal year, the amount awarded under this paragraph shall be sufficient to ensure~~
11 ~~that an amount equal to 47% of the sum of the following is spent for weatherization~~
12 ~~and other energy conservation services:~~

13 SECTION 13. 16.957 (2) (a) 1., 2., 3. and 4. of the statutes are repealed.

14 SECTION 14. 16.957 (2) (b) 2. of the statutes is amended to read:

15 16.957 (2) (b) 2. For each fiscal year after fiscal year 2003–04, determine
16 whether to continue, discontinue, or reduce any of the programs established under
17 subd. 1. and determine the total amount necessary to fund the programs that the
18 department determines to continue or reduce under this subdivision. The
19 department shall notify the commission if the department determines under this
20 subdivision to reduce funding ~~by an amount that is greater than the portion of the~~
21 ~~public benefits fee specified in sub. (4) (c) 2.~~ The notice shall specify the portion of
22 ~~the reduction that exceeds the amount of public benefits fees specified in sub. (4) (c)~~
23 2.

24 SECTION 15. 16.957 (2) (c) 1. of the statutes is amended to read:

1 16.957 (2) (c) 1. Eligibility requirements for low-income assistance under
2 programs established under par. (a). The rules shall prohibit a person who receives
3 ~~low-income assistance from a municipal utility or retail electric cooperative under~~
4 ~~a program specified in sub. (5) (d) 2. b. or 3. a.~~ from receiving low-income assistance
5 under programs established under par. (a) unless the person is a customer of a utility,
6 as defined in s. 196.374 (1) (c), that makes a contribution to the commission under
7 s. 196.374 (3) for deposit in the utility public benefits fund.

8 **SECTION 16.** 16.957 (2) (c) 4. of the statutes is amended to read:

9 16.957 (2) (c) 4. Requirements for electric utilities, other than municipal
10 utilities, to allow customers to include voluntary contributions to assist in funding
11 a program established under par. (a) or (b) 1. with bill payments for electric service.
12 The rules may require an electric utility to provide a space on an electric bill in which
13 a customer may indicate the amount of a voluntary contribution and the customer's
14 preference regarding whether a contribution should be used for a program
15 established under par. (a) or (b) 1. a. or b. The rules shall establish requirements and
16 procedures for electric utilities to pay to the department any voluntary contributions
17 included with bill payments and to report to the department customer preferences
18 regarding use of the contributions. The department shall deposit all contributions
19 received under this ~~paragraph~~ subdivision in the utility public benefits fund.

20 **SECTION 17.** 16.957 (2) (c) 5. of the statutes is repealed.

21 **SECTION 18.** 16.957 (2) (d) 1. of the statutes is repealed.

22 **SECTION 19.** 16.957 (2) (d) 3. of the statutes is repealed.

23 **SECTION 20.** 16.957 (2) (d) 5. and 6. of the statutes are created to read:

24 16.957 (2) (d) 5. Annually submit to the joint committee on finance a plan for
25 adjusting the amount that utilities are required to contribute to the commission

1 under s. 196.374 (3) based on the amount of moneys received from the federal
2 government under 42 USC 6881 to 6873 and 42 USC 8621 to 8629. A plan under this
3 subdivision shall require the department to determine the difference between the
4 federal base amount and the federal funding amount for each federal fiscal year after
5 federal fiscal year 1999-2000 and require the commission to do one of the following:

6 a. If the federal base amount is greater than the federal funding amount,
7 increase the contributions that utilities are required to make to the commission for
8 low-income assistance under s. 196.374 (3) in the calendar year following the start
9 of the federal fiscal year by an amount equal to the difference between the federal
10 base amount and the federal funding amount.

11 ~~s. 4.~~ If the federal funding amount is greater than the federal base amount,
12 decrease the contributions that utilities are required to make to the commission for
13 low-income assistance under s. 196.374 (3) in the calendar year following the start
14 of the federal fiscal year by an amount equal to the difference between the federal
15 funding amount and the federal base amount, except that if the difference is equal
16 to or greater than the contributions that are otherwise required for low-income
17 assistance under s. 196.374 (3), no contributions shall be required for low-income
18 assistance.

19 6. Implement a plan specified in subd. 5. that is approved or modified by the
20 joint committee on finance.

21 SECTION 21. 16.957 (4) of the statutes is repealed.

22 SECTION 22. 16.957 (5) of the statutes is repealed.

23 SECTION 23. 25.96 of the statutes is amended to read:

24 25.96 Utility public benefits fund. There is established a separate
25 nonlapsible trust fund designated as the utility public benefits fund, consisting of

1 deposits by the public service commission under s. 196.374 (3), ~~public benefits fees~~
2 ~~received under s. 16.957 (4) (a) and (5) (c) and (d)~~ and contributions received under
3 s. 16.957 (2) (c) 4. and (d) 2.

4 **SECTION 24.** 76.28 (1) (d) of the statutes is amended to read:

5 76.28 (1) (d) "Gross revenues" for a light, heat, and power company other than
6 a qualified wholesale electric company or a transmission company means total
7 operating revenues as reported to the public service commission except revenues for
8 interdepartmental sales and for interdepartmental rents as reported to the public
9 service commission and deductions from the sales and use tax under s. 77.61 (4),
10 except that the company may subtract from revenues either the actual cost of power
11 purchased for resale, as reported to the public service commission, by a light, heat,
12 and power company, except a municipal light, heat, and power company, that
13 purchases under federal or state approved wholesale rates more than 50% of its
14 electric power from a person other than an affiliated interest, as defined in s. 196.52
15 (1), if the revenue from that purchased electric power is included in the seller's gross
16 revenues or the following percentages of the actual cost of power purchased for
17 resale, as reported to the public service commission, by a light, heat, and power
18 company, except a municipal light, heat and power company that purchases more
19 than 90% of its power and that has less than \$50,000,000 of gross revenues: 10% for
20 the fee assessed on May 1, 1988, 30% for the fee assessed on May 1, 1989, and 50%
21 for the fee assessed on May 1, 1990, and thereafter. For a qualified wholesale electric
22 company, "gross revenues" means total business revenues from those businesses
23 included under par. (e) 1. to 4. For a transmission company, "gross revenues" means
24 total operating revenues as reported to the public service commission, except
25 revenues for transmission service that is provided to a public utility that is subject

1 to the license fee under sub. (2) (d), to a public utility, as defined in s. 196.01 (5), or
2 to a cooperative association organized under ch. 185 for the purpose of providing
3 electricity to its members only. ~~For an electric utility, as defined in s. 16.957 (1) (g),~~
4 ~~“gross revenues” does not include public benefits fees collected by the electric utility~~
5 ~~under s. 16.957 (4) (a) or (5) (a).~~ For a generator public utility, “gross revenues” does
6 not include any grants awarded to the generator public utility under s. 16.958 (2) (b).
7 ~~For a wholesale supplier, as defined in s. 16.957 (1) (w), “gross revenues” does not~~
8 ~~include any public benefits fees that are received from a municipal utility or retail~~
9 ~~electric cooperative or under a joint program established under s. 16.957 (5) (f).~~ For
10 ~~a municipal utility, “gross revenues” does not include public benefits fees received by~~
11 ~~the municipal utility from a municipal utility or retail electric cooperative under a~~
12 ~~joint program established under s. 16.957 (5) (f).~~

13 SECTION 25. 76.28 (1) (eg) of the statutes is repealed.

14 SECTION 26. 76.28 (1) (gr) of the statutes is repealed.

15 SECTION 27. 76.48 (1g) (d) of the statutes is amended to read:

16 76.48 (1g) (d) “Gross revenues” means total operating revenues, except
17 revenues for interdepartmental sales and for interdepartmental rents, less
18 deductions from the sales and use tax under s. 77.61 (4) and, in respect to any electric
19 cooperative that purchases more than 50% of the power it sells, less the actual cost
20 of power purchased for resale by an electric cooperative, if the revenue from that
21 purchased electric power is included in the seller’s gross revenues or if the electric
22 cooperative purchased more than 50% of the power it sold in the year prior to
23 January 1, 1988, from a seller located outside this state. For an electric cooperative,
24 “gross revenues” does not include grants awarded to the electric cooperative under
25 s. 16.958 (2) (b). ~~For a retail electric cooperative, “gross revenues” does not include~~

1 ~~public benefits fees collected by the retail electric cooperative under s. 16.957 (5) (a),~~
2 ~~public benefits fees received by the retail electric cooperative from a retail electric~~
3 ~~cooperative or municipal utility under a joint program established under s. 16.957~~
4 ~~(5) (f). For a wholesale supplier, as defined in s. 16.957 (1) (w), “gross revenues” does~~
5 ~~not include any public benefits fees that are received from a municipal utility, as~~
6 ~~defined in s. 16.957 (1) (q), or retail electric cooperative or under a joint program~~
7 ~~established under s. 16.957 (5) (f).~~

8 **SECTION 28.** 76.48 (1g) (dm) of the statutes is repealed.

9 **SECTION 29.** 76.48 (1g) (fm) of the statutes is repealed.

10 **SECTION 30.** 77.54 (44) of the statutes is repealed.

11 **SECTION 31.** 196.374 (1) (c) of the statutes is amended to read:

12 196.374 (1) (c) “Utility” means a Class A gas or electric utility, as defined by the
13 commission, but does not include a municipal utility, as defined in s. 16.957 (1) (q),
14 a municipal electric company, as defined in s. ~~66.073 (3) (d)~~ [s. 66.0825 (3) (d)], or a
15 cooperative association organized under ch. 185.

16 **SECTION 32.** 196.374 (3) of the statutes is amended to read:

17 196.374 (3) ~~In~~ Subject to sub. (3m), in 2000, 2001, and 2002, the commission
18 shall require each utility to spend a decreasing portion of the amount determined
19 under sub. (2) on programs specified in sub. (2) and contribute the remaining portion
20 of the amount to the commission for deposit in the fund. In each year after 2002, each
21 utility shall contribute the entire amount determined under sub. (2) to the
22 commission for deposit in the fund. The commission shall ensure in rate-making
23 orders that a utility recovers from its ratepayers the amounts spent on programs or
24 contributed to the fund under this subsection. The commission shall allow each
25 utility the option of continuing to use, until January 1, 2002, the moneys that it has

1 recovered under s. 196.374 (3), 1997 stats., to administer the programs that it has
2 funded under s. 196.374 (1), 1997 stats. The commission may allow each utility to
3 spend additional moneys on the programs specified in sub. (2) if the utility otherwise
4 complies with the requirements of this section and s. 16.957 (4).

5 **SECTION 33.** 196.374 (3m) of the statutes is created to read:

6 196.374 (3m) The commission shall adjust the amount that a utility is required
7 to contribute to the commission under sub. (3) as required under a plan that is
8 implemented by the department under s. 16.957 (2) (d) 6.

9 **SECTION 34.** 196.374 (4) of the statutes is amended to read:

10 196.374 (4) If the department notifies the commission under s. 16.957 (2) (b)
11 2. that the department has reduced funding for energy conservation and efficiency
12 and renewable resource programs by an amount that is greater than the portion of
13 the public benefits fee specified in s. 16.957 (4) (c) 2., the commission shall reduce the
14 amount that utilities are required to spend on programs or contribute to the fund
15 under sub. (3) by the portion amount of the reduction that exceeds the amount of
16 public benefits fees specified in s. 16.957 (4) (c) 2.

17 **SECTION 35. Nonstatutory provisions.**

18 (1) PUBLIC BENEFITS FEE REFUNDS. No later than the first day of the 3rd month
19 beginning after the effective date of this subsection:

20 (a) Each electric utility, as defined in section 16.957 (1) (g) of the statutes, shall
21 refund to customers an amount equal to the amount of public benefits fees collected
22 from customers under the rules promulgated under section 16.957 (4) (b) of the
23 statutes.

24 (b) Each retail electric cooperative, as defined in section 16.957 (1) (t) of the
25 statutes, and each municipal utility, as defined in section 16.957 (1) (q) of the

1 statutes, shall refund to customers and members an amount equal to the amount of
2 public benefits fees collected from customers and members under section 16.957 (5)
3 of the statutes.

4

(END)