

2001 Jr2 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB1)

Received: 03/11/2002

Received By: **kunkemd**

Wanted: **As time permits**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Renner**

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

Drafter: **kunkemd**

May Contact:

Addl. Drafters:

Subject: **Public Util. - misc.**

Extra Copies:

Submit via email: **NO**

Pre Topic:

LFB:.....Renner -

Topic:

Public benefits fees for energy conservation and efficiency programs

Instructions:

See Attached

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> |
|--------------|-----------------------|------------------------|-----------------------|----------------|----------------------------|-----------------|-----------------|
| /1 | kunkemd 03/13/2002 | csicilia 03/13/2002 | kfollet 03/13/2002 | _____ | lrb_docadmin 03/14/2002 | | |

FE Sent For:

<END>

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|--------------|----------------|-----------------|--------------|----------------|------------------|-----------------|-----------------|
| 1/? | kunkemd | 1/13 02 | 1/13 3/13 | 1/13 3/13 | | | |

FE Sent For:

<END>

Passed

62436

Budget Amendments 2002

[Redacted]

Hoven

[Redacted]

Eliminate public benefits fees charged to utility customers for energy conservation and efficiency programs and decrease the state budget deficit by \$16.4 million in FY 2003.

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Michael Welsh

Administration

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Under current law, the department of administration (DOA) is required to establish programs for energy conservation and efficiency services and for encouraging the development and use of renewable energy resources. These programs are generally funded from two sources: 1.) public benefits fees charged to utility customers; and 2.) required contributions made by gas and electric utilities. Funding from both sources is deposited into the utility public benefits fund.

Public benefits fees charged to customers generates roughly \$16.4 million annually for energy conservation and efficiency programs and for encouraging the development and use of renewable energy resources. Municipal electric utilities and electric cooperatives also participate in energy conservation programs, either through direct contributions to the public benefits fund or through self-run commitment to community programs.

Duly 1, 2002 - 03

Under this amendment, the \$16.4 million in public benefits fees collected from customers in FY 2003 would not be used to fund energy conservation programs, but would rather be backed into the general fund to pay down the state budget deficit. In FY 2004 and thereafter, the \$16.4 million in public benefits fees for energy conservation would no longer be collected from utility customers.

The amendment also would eliminate the requirement in FY 2003 and thereafter for municipal utilities and electric cooperatives to contribute to the public benefits fund for energy conservation programs or establish commitment to community programs.

[Redacted]

The amendment would increase General Purpose Revenue by \$16.4 million in FY 2003, therefore decreasing the state's budget deficit

42

Budget Amendments 2002

by the same amount. Also, beginning in FY 2004, the motion would result in a loss of approximately \$16.4 in annual revenue collected from consumer electric bills statewide.

REPLACEMENT

REPLACEMENT

64

43

Jeff Kuesel and Mark Kunkel

Mark and Jeff: I sent over this motion earlier. There have been some modifications.

1. The updated motion would eliminate the collection of customer funds for all of the DOA's energy conservation and efficiency programs on July 1, 2003. This includes the transitional funds from utilities and the new fees assessed to customers.
2. Municipal utilities and electric cooperatives would no longer be required to operate energy conservation and efficiency programs (commitment to community from portions dedicated to energy efficiency), which would reduce their collections for commitment to community from \$16 to \$8 per year (leaves \$8 per year for energy conservation). This is also effective July 1, 2003.
3. The money from the fees collected from customers for energy conservation and efficiency programs would be lapsed to the general fund in 2002-03.
4. I think that you will probably need to add session law that will require the PSC to determine what portion of the transitional money is for energy conservation and efficiency programs (as of CY 1998). This would effectively return the energy conservation and efficiency duties to the public utilities as before 1999 Act 9.
5. There will probably have to be a change to the maximum amount that could be collected by DOA (currently 3% of a customer's bill or \$750). I think you could allow DOA to establish this maximum by rule.
6. The portion of the energy conservation and efficiency program fees collected from customer assessments (new fees) would be lapsed to the general fund in 2002-03.

I sent over another motion that would allow utilities to retain portions of their commercial and industrial conservation programs. The Hoven motion would make that motion effective for only 2002-03, though you may want to keep the drafts separate in case the Conference Committee chooses only one of them.

Darin Renner
LFB
6-9915

July 1 2002 - 03

Lowt
 \$23.8M fees
 - Transit -
 \$13M

 \$36.8M

DOA energy effy programs } → into general fund
 \$16.4M

transit-al amts = energy effy } 3 yr transitional
 \$36.6M } still available in 02-03

 \$53M

Budget Amendments 2002

Legislator Hoven

Statement of intent Eliminate public benefits fees charged to utility customers for energy conservation and efficiency programs and decrease the state budget deficit by \$16.4 million in FY 2003.

Legislator
Legislator
Legislator
Staff contact Michael Welsh
Agency Administration

Amendment
Pay for bill
CU
Waived
Package

Summary Under current law, the department of administration (DOA) is required to establish programs for energy conservation and efficiency services and for encouraging the development and use of renewable energy resources. These programs are generally funded from two sources: 1.) public benefits fees charged to utility customers; and 2.) required contributions made by gas and electric utilities. Funding from both sources is deposited into the utility public benefits fund.

Public benefits fees charged to customers generates roughly \$16.4 million annually for energy conservation and efficiency programs and for encouraging the development and use of renewable energy resources. Municipal electric utilities and electric cooperatives also participate in energy conservation programs, either through direct contributions to the public benefits fund or through self-run commitment to community programs.

Under this amendment, the \$16.4 million in public benefits fees collected from customers in FY 2003 would not be used to fund energy conservation programs, but would rather be backed into the general fund to pay down the state budget deficit. In FY 2004 and thereafter, the \$16.4 million in public benefits fees for energy conservation would no longer be collected from utility customers.

The amendment also would eliminate the requirement in FY 2003 and thereafter for municipal utilities and electric cooperatives to contribute to the public benefits fund for energy conservation programs or establish commitment to community programs.

Fiscal Impact The amendment would increase General Purpose Revenue by \$16.4 million in FY 2003, therefore decreasing the state's budget deficit

EC portion

*7-1-03 sunset
7-1-03 sunset
on EA PD*

Budget Amendments 2002

by the same amount. Also, beginning in FY 2004, the motion would result in a loss of approximately \$16.4 in annual revenue collected from consumer electric bills statewide.

AMENDMENTS

ARTICLE

64

43

Assembly

| | | | |
|------------------------|-------------|---------|--------------|
| Post-it® Fax Note 7671 | | Date | # of pages 2 |
| To | Mark Kunkel | From | Darin Renner |
| Co./Dept. | | Co. | |
| Phone # | | Phone # | |
| Fax # | | Fax # | |

b2437

ADMINISTRATION

Authorizing Public Utilities to Retain Certain Major Markets Public Benefits Transitional Funding

~~LFB Paper #1007~~

Motion:

Move to authorize a public utility, at its option, to retain the portion of the public benefit's energy conservation and efficiency and renewable resource transitional funding that is targeted to commercial and industrial customers within the utility's service area in an amount determined by the Public Service Commission. Specify that any public utility that chooses to retain these funds must still contribute 1.75% of the amount retained to DOA's public benefits fund for research and development in areas of energy conservation and efficiency markets and 4.5% of the amounts retained for renewable resource programs.

Note:

Under provisions of 1999 Wisconsin Act 9, which established public benefits programs under DOA, the PSC was required to identify amounts that major electric and gas utilities collected from their customers in 1998 for utility sponsored public benefits programs in the areas of: (1) low-income energy assistance and weatherization; and (2) energy conservation and efficiency, renewable resources and energy conservation research and development. Utilities are continuing to collect these amounts from their customers, but during a three-year period from calendar year 2000 through 2002, must transition successively larger annual amounts from the utilities to the state public benefits fund.

In 2001-02, a total of \$23.1 million for energy conservation activities will be transitioned to the DOA public benefits fund. In 2002-03, this amount will increase to \$35.6 million. For some public utilities, much of the increase from 2001-02 to 2002-03 is attributable to the transitioning to DOA of funds previously used by the utilities for major markets (that is, industrial, commercial and agricultural sector) energy conservation interventions.

This motion would allow public utilities to retain the funds applicable to energy conservation programs for their commercial and industrial customers in an amount determined by the PSC that otherwise would have been transitioned to DOA. As a result of retaining these funds, the public utilities would continue to offer these major markets programs in their service areas. Presumably, a DOA major markets program would be operated with reduced funding allocations and would be offered in those areas of the state not covered by the public utility's program.

It is estimated that this proposal would reduce public utility transitional revenues to the public benefits fund by \$11,000,000 SEG in 2002-03.

~~[Change to Bill: -\$11,000,000 SEG REV]~~

| MO# | Y | N |
|-----------|---|---|
| Burke | Y | N |
| Decker | Y | N |
| Moore | Y | N |
| Shibilski | Y | N |
| Plache | Y | N |
| Wirch | Y | N |
| Darling | Y | N |
| Rosenz | Y | N |
| Gard | Y | N |
| Kaufert | Y | N |
| Albers | Y | N |
| Duff | Y | N |
| Ward | Y | N |
| Huebsch | Y | N |
| Huber | Y | N |
| Coggs | Y | N |

Kunkel, Mark

From: Renner, Darin
Sent: Tuesday, March 12, 2002 10:48 AM
To: Kunkel, Mark
Subject: RE: Eliminating public benefits fees for energy conservation, etc.

Mark:

That is correct - utilities would have to collect fees and send DOA funds for transitional payments for low-income programs only.

-----Original Message-----

From: Kunkel, Mark
Sent: Tuesday, March 12, 2002 10:45 AM
To: Renner, Darin
Subject: Eliminating public benefits fees for energy conservation, etc.

Darin:

Under this motion, utilities will still be required to collect a public benefits fee, but only for low income programs, right?

Mark D. Kunkel
Legislative Attorney
Legislative Reference Bureau
(608) 266-0131



7/1/02
SA

State of Wisconsin
2001 - 2002 LEGISLATURE

January 2002 Special Session

LRBb2436/1

MDK:.....

NOTE

CS

LFB:.....Renner – Public benefits fees for energy conservation and efficiency programs

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO ASSEMBLY BILL 1

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 11, line 9: after that line insert:

3 ✓ "SECTION 21bb. 16.957 (1) (c) of the statutes is repealed.

4 SECTION 21bd. 16.957 (1) (d) of the statutes is repealed.

5 SECTION 21bf. 16.957 (1) (h) of the statutes is repealed.

6 SECTION 21bh. 16.957 (1) (o) 2. of the statutes is amended to read:

7 16.957 (1) (o) 2. The total amount expended by utilities under s. 196.374 related
8 to low-income assistance.

History: 1999 a. 9; 2001 a. 16, 30.

9 SECTION 21bj. 16.957 (1) (r) of the statutes is repealed.

1 **SECTION 21bL.** 16.957 (2) (a) 4. of the statutes is amended to read:

2 16.957 (2) (a) 4. ~~Fifty percent~~ All of the moneys collected in public benefits fees
3 under sub. (5).

4 History: 1999 a. 9; 2001 a. 16, 30.

4 **SECTION 21bn.** 16.957 (2) (b) of the statutes is repealed.

5 **SECTION 21bp.** 16.957 (2) (c) 1. of the statutes is amended to read:

6 16.957 (2) (c) 1. Eligibility requirements for low-income assistance under
7 programs established under par. (a). The rules shall prohibit a person who receives
8 low-income assistance from a municipal utility or retail electric cooperative under
9 a program specified in sub. (5) (d) ~~2. b. or 3. a.~~ from receiving low-income assistance
10 under programs established under par. (a).

11 History: 1999 a. 9; 2001 a. 16, 30.

11 **SECTION 21br.** 16.957 (2) (c) 2. of the statutes is amended to read:

12 16.957 (2) (c) 2. Requirements and procedures for applications for grants
13 awarded under programs established under par. (a) ~~or (b) 1.~~

14 History: 1999 a. 9; 2001 a. 16, 30.

14 **SECTION 21bt.** 16.957 (2) (c) 2m. of the statutes is repealed.

15 **SECTION 21bv.** 16.957 (2) (c) 2n. of the statutes is repealed.

16 **SECTION 21bx.** 16.957 (2) (c) 4. of the statutes is amended to read:

17 16.957 (2) (c) 4. Requirements for electric utilities to allow customers to include
18 voluntary contributions to assist in funding a program established under par. (a) ~~or~~
19 ~~(b) 1.~~ with bill payments for electric service. The rules may require an electric utility
20 to provide a space on an electric bill in which a customer may indicate the amount
21 of a voluntary contribution ~~and the customer's preference regarding whether a~~
22 ~~contribution should be used for a program established under par. (a) or (b) 1. a. or b.~~
23 The rules shall establish requirements and procedures for electric utilities to pay to
24 the department any voluntary contributions included with bill payments ~~and to~~

1 ~~report to the department customer preferences regarding use of the contributions.~~
2 The department shall deposit all contributions received under this paragraph in the
3 utility public benefits fund.

History: 1999 a. 9; 2001 a. 16, 30.

4 **SECTION 21bz.** 16.957 (2) (d) 2. of the statutes is amended to read:

5 16.957 (2) (d) 2. Encourage customers or members to make voluntary
6 contributions to assist in funding the programs established under ~~pars.~~ par. (a) and
7 ~~(b) 1.~~ The department shall deposit all contributions received under this paragraph
8 in the utility public benefits fund.

History: 1999 a. 9; 2001 a. 16, 30.

9 **SECTION 21cb.** 16.957 (2) (d) 3. of the statutes is amended to read:

10 16.957 (2) (d) 3. Deposit in the utility public benefits fund all moneys received
11 under sub. (4) (a) ~~or (5) (e) or (d) in the utility public benefits fund that are~~
12 attributable to the portion of the public benefits fee specified in sub. (4) (c) 1. and
13 deposit in the general fund all moneys received under sub. (4) (a) that are
14 attributable to the portion of the public benefits fee specified in sub. (4) (c) 2.

History: 1999 a. 9; 2001 a. 16, 30.

15 **SECTION 21cd.** 16.957 (2) (d) 3. of the statutes, as affected by 2001 Wisconsin
16 Act (this act), is repealed and recreated to read:

17 16.957 (2) (d) 3. Deposit all moneys received under sub. (4) (a) or (5) (c) in the
18 utility public benefits fund.

19 **SECTION 21cf.** 16.957 (2) (d) 3g. of the statutes is created to read:

20 16.957 (2) (d) 3g. Deposit ~~in the~~ 50% of the moneys received under sub. (5) (c)
21 in the utility public benefits fund and 50% of the moneys received under sub. (5) (c)
22 in the general fund.

23 **SECTION 21ch.** 16.957 (2) (d) 3g. of the statutes, as created by 2001 Wisconsin
24 Act (this act), is repealed.

1 **SECTION 21cj.** 16.957 (2) (d) 3r. of the statutes is created to read:

2 16.957 (2) (d) 3r. Deposit the moneys received under sub. (5) (d) 1. a. in the
3 utility public benefits fund ^{and} deposit the moneys received under sub. (5) (d) 2. a. in the
4 general fund.

STET: leave as typed

5 **SECTION 21cL.** 16.957 (2) (d) 3r. of the statutes, as created by 2001 Wisconsin
6 Act (this act), is repealed.

7 **SECTION 21cn.** 16.957 (2) (d) 4. a. of the statutes is amended to read:

8 16.957 (2) (d) 4. a. The expenses of the department, other state agencies and
9 grant recipients in administering or participating in the programs under pars. par.
10 (a) and (b). ✓

History: 1999 a. 9; 2001 a. 16, 30.

11 **SECTION 21cp.** 16.957 (2) (d) 4. c. of the statutes is repealed.

12 **SECTION 21cr.** 16.957 (3) (a) of the statutes is renumbered 196.957 (3).

13 **SECTION 21ct.** 16.957 (3) (b) of the statutes is repealed. ✓

14 **SECTION 21cv.** 16.957 (3) (c) of the statutes is repealed. ✓

15 **SECTION 21cx.** 16.957 (4) (c) 1. (intro.) of the statutes is amended to read:

16 16.957 (4) (c) 1. (intro.) 'Low-income funding.' ~~In fiscal year 1999-2000, a~~
17 ~~portion of the public benefits fee shall be an amount that, when added to 50% of the~~
18 ~~estimated public benefits fees charged by municipal utilities and retail electric~~
19 ~~cooperatives under sub. (5) (a) for that fiscal year, shall equal \$24,000,000. In each~~
20 fiscal year after fiscal year 1999-2000, a portion of the public benefits fee shall be an
21 amount that, when added to the sum of the following shall equal the low-income
22 need target for that fiscal year determined by the department under sub. (2) (d) 1.:

History: 1999 a. 9; 2001 a. 16, 30.

23 **SECTION 21cz.** 16.957 (4) (c) 1. a. of the statutes is amended to read:

1 16.957 (4) (c) 1. a. ~~Fifty percent~~ All of the estimated public benefits fees charged
2 by municipal utilities and retail electric cooperatives under sub. (5) (a) for that fiscal
3 year.

History: 1999 a. 9; 2001 a. 16, 30.

4 **SECTION 21db.** 16.957 (4) (c) 1. c. of the statutes is amended to read:

5 16.957 (4) (c) 1. c. The total amount spent on programs or contributed to the
6 commission by utilities under s. 196.374 (3) for that fiscal year ~~for low-income~~
7 assistance.

History: 1999 a. 9; 2001 a. 16, 30.

8 **SECTION 21dd.** 16.957 (4) (c) 2. of the statutes is repealed.

9 **SECTION 21df.** 16.957 (4) (c) 3. of the statutes is amended to read:

10 16.957 (4) (c) 3. 'Limitation on electric bill increases.' For the period beginning
11 on October 29, 1999, and ending on June 30, 2008, the total increase in a customer's
12 electric bills that is based on the requirement to pay public benefits fees, including
13 any increase resulting from an electric utility's compliance with this section, may not
14 exceed ~~3% of the total of every other charge for which the customer is billed for that~~
15 ~~period or \$750 per month, whichever is less~~ an amount specified in the rules. In
16 determining the amount, the department shall adjust the limitation under ^(S) 16.957
17 (4) (c) 3., 1999 stats., to take into account the elimination of the energy conservation
18 and efficiency and renewable resource funding portion of the public benefits fee by
19 2001 Wisconsin Act (this act).

History: 1999 a. 9; 2001 a. 16, 30.

20 **SECTION 21dh.** 16.957 (5) (a) of the statutes is amended to read:

21 16.957 (5) (a) *Requirement to charge public benefits fees.* Each retail electric
22 cooperative and municipal utility shall charge a monthly public benefits fee to each
23 customer or member in an amount that is sufficient for the retail electric cooperative
24 or municipal utility to collect an annual average of ~~\$16~~ \$8 per meter. A retail electric

1 cooperative or municipal utility may determine the amount that a particular class
2 of customers or members is required to pay under this paragraph and may charge
3 different fees to different classes of customers or members.

History: 1999 a. 9; 2001 a. 16, 30.

4 **SECTION 21dj.** 16.957 (5) (am) of the statutes is amended to read:

5 16.957 (5) (am) *Public benefits fee restriction.* Notwithstanding par. (a), for the
6 period beginning on October 29, 1999, and ending on June 30, 2008, the total
7 increase in a customer's or member's electric bills that is based on the requirement
8 to pay public benefits fees, including any increase resulting from a retail electric
9 cooperative's or municipal utility's compliance with this section, may not exceed 3%
10 of the total of every other charge for which the member or customer is billed for that
11 period or \$750 per month, whichever is less an amount specified in rules
12 promulgated by the department, in consultation with the council. The amount shall
13 be identical to the amount specified in rules promulgated for purposes of sub. (4) (c)
14 3. ✓

History: 1999 a. 9; 2001 a. 16, 30.

15 **SECTION 21dL.** 16.957 (5) (b) 1. of the statutes is amended to read:

16 16.957 (5) (b) 1. No later than October 1, 2000, each municipal utility or retail
17 electric cooperative shall notify the department whether it has elected to contribute
18 to the programs established under sub. (2) (a) ~~or (b) 1.~~ for a 3-year period.

History: 1999 a. 9; 2001 a. 16, 30.

19 **SECTION 21dn.** 16.957 (5) (b) 2. of the statutes is amended to read:

20 16.957 (5) (b) 2. No later than every 3rd year after the date specified in subd.
21 1., each municipal utility or retail electric cooperative shall notify the department
22 whether it has elected to contribute to the programs established under sub. (2) (a)
23 ~~or (b) 1.~~ for a 3-year period.

History: 1999 a. 9; 2001 a. 16, 30.

1 **SECTION 21dp.** 16.957 (5) (c) of the statutes is amended to read:

2 16.957 (5) (c) *Full contribution.* If a municipal utility or retail electric
3 cooperative elects under par. (b) 1. or 2. to contribute to the programs established
4 both under sub. (2) (a) and under sub. (2) (b) 1., it shall pay 100% of the public benefits
5 fees that it charges under par. (a) to the department in each fiscal year of the 3-year
6 period for which it has made the election.

7 History: 1999 a. 9; 2001 a. 16, 30.

7 **SECTION 21dr.** 16.957 (5) (d) of the statutes is repealed and recreated to read:

8 16.957 (5) (d) *Low income assistance.* If a municipal utility or retail electric
9 cooperative elects under par. (b) 1. or 2. not to contribute to the programs established
10 under sub. (2) (a), the municipal utility or retail electric cooperative shall, in each
11 fiscal year of the 3-year period for which it elects not to contribute under par. (b) 1.
12 or 2., spend 100% of the public benefits fees that it charges under par. (a) on programs
13 for low-income assistance.

14 **SECTION 21dt.** 16.957 (5) (e) (intro.) and 1. of the statutes are consolidated,
15 renumbered 16.957 (5) (e) and amended to read:

16 16.957 (5) (e) *Wholesale supplier credit.* If a wholesale supplier has
17 established a program for low-income assistance ~~or an energy conservation~~
18 ~~program~~, a municipal utility or retail electric cooperative that is a customer or
19 member of the wholesale supplier may ~~do any of the following:~~ 1. include an
20 amount equal to the product of the municipal utility's or retail electric cooperative's
21 wholesale supply percentage and the amount that the wholesale supplier has spent
22 on low-income assistance in a fiscal year in calculating the amount that the

remove
xtra spaces

1 municipal utility or retail electric cooperative has spent on low-income assistance
2 in that fiscal year under par. (d) ~~2. b. or 3. a.~~

3 History: 1999 a. 9; 2001 a. 16, 30.

SECTION 21dv. 16.957 (5) (e) 2. of the statutes is repealed.

4 **SECTION 21dx.** 16.957 (5) (f) of the statutes is amended to read:

5 16.957 (5) (f) *Joint programs.* Municipal utilities or retail electric cooperatives
6 may establish joint ~~commitment to community~~ programs for low-income assistance,
7 except that each municipal utility or retail electric cooperative that participates in
8 a joint program is required to comply with the spending requirements under par. (d).

9 History: 1999 a. 9; 2001 a. 16, 30.

SECTION 21dz. 16.957 (5) (g) 1. a. of the statutes is amended to read:

10 16.957 (5) (g) 1. a. An accounting of public benefits fees charged to customers
11 or members under par. (a) in the fiscal year and expenditures on ~~commitment to~~
12 ~~community~~ programs for low-income assistance under par. (d), including any
13 amounts included in the municipal utility's or retail electric cooperative's
14 calculations under par. (e).

15 History: 1999 a. 9; 2001 a. 16, 30.

SECTION 21eb. 16.957 (5) (g) 1. b. of the statutes is amended to read:

16 16.957 (5) (g) 1. b. A description of ~~commitment to community~~ programs for
17 low-income assistance established by the municipal utility or retail electric
18 cooperative in the fiscal year." ✓

19 History: 1999 a. 9; 2001 a. 16, 30.

2. Page 18, line 17: delete lines 17 to 22 and substitute:

20 "SECTION 46m. 20.505 (1) (s) of the statutes, as affected by 2001 Wisconsin Act
21 (this act), is repealed." ✓ (3)

22 **3.** Page 29, line 3: after that line insert:

23 "SECTION 83g. 25.96 of the statutes is amended to read:

1 **25.96 Utility public benefits fund.** There is established a separate
2 nonlapsible trust fund designated as the utility public benefits fund, consisting of
3 deposits by the public service commission under s. 196.374 (3), public benefits fees
4 ~~received under s. 16.957 (4) (a) and (5) (c) and (d) deposited by the department of~~
5 administration under s. 16.957 (2) (d) 3., 3g., and 3r. and contributions received
6 under s. 16.957 (2) (c) 4. and (d) 2.

7 History: 1999 a. 9.

7 **SECTION 83r.** 25.96 of the statutes, as affected by 2001 Wisconsin Act (this
8 act), is repealed and recreated to read:

9 **25.96 Utility public benefits fund.** There is established a separate
10 nonlapsible trust fund designated as the utility public benefits fund, consisting of
11 deposits by the public service commission under s. 196.374 (3), public benefits fees
12 deposited by the department of administration under s. 16.957 (2) (d) 3. and
13 contributions received under s. 16.957 (2) (c) 4. and (d) 2.”

14 **4.** Page 177, line 14: after that line insert:

15 “**SECTION 346d.** 196.374 (title) of the statutes is amended to read:

16 **196.374 (title) Low-income assistance, energy efficiency and other**
17 **programs.**

18 History: 1983 a. 27; 1999 a. 9; 2001 a. 30.

18 **SECTION 346h.** 196.374 (2) (intro.) and (a) of the statutes are consolidated,
19 renumbered 196.374 (2) and amended to read:

20 **196.374 (2)** The commission shall determine the amount that each utility spent
21 in 1998 on programs for ~~each of the following:~~ (a) Low-income low-income
22 assistance, including low-income weatherization and writing off uncollectibles and
23 arrearsages.

24 History: 1983 a. 27; 1999 a. 9; 2001 a. 30.

24 **SECTION 346p.** 196.374 (2) (b), (c) and (d) of the statutes are repealed.

1 **SECTION 346t.** 196.374 (4) of the statutes is repealed.” ✓

2 **5.** Page 182, line 16: after that line insert:

3 “**SECTION 369g.** 285.48 (4) (a) of the statutes is amended to read:

4 285.48 (4) (a) The use of renewable energy, including renewable energy that
5 is provided by electric providers for the purpose of complying with the requirements
6 of s. 196.378 (2) (a), ~~or renewable energy that is used under programs specified in s.~~
7 ~~196.374 (2) (d) that are funded by expenditures under s. 196.374 (3).~~

8 History: 1999 a. 9, 75.

8 **SECTION 369r.** 285.48 (4) (b) of the statutes is amended to read:

9 285.48 (4) (b) The implementation of low-income weatherization and energy
10 conservation measures, including programs established under s. 16.957 (2) (a) ~~or (b)~~
11 or programs specified in s. 196.374 (2) (a) ~~or (b)~~ that are funded by expenditures
12 under s. 196.374 (3).” ✓

13 History: 1999 a. 9, 75.

13 **6.** Page 362, line 12: after that line insert:

14 “~~(a)~~ ^{1t} ENERGY CONSERVATION.

15 (a) In this subsection:

16 1. “Commission” means the public service commission. ✓

17 2. “Utility” has the meaning given in section 196.374 (1) (c) of the statutes.

18 (b) Notwithstanding the requirement under section 196.374 (3) of the statutes
19 for a utility to make specified contributions to the commission in a fiscal year of the
20 amounts determined by the commission under section 196.374 (2) of the statutes, the
21 commission may allow a utility to retain in fiscal year 2002–03 a portion of the
22 amounts determined by the commission under section 196.374 (2) (b), (c), and (d) of
23 the statutes, instead of contributing the portion to the commission, if the commission
24 determines that the portion is attributable to energy conservation programs for

1 industrial, commercial, and agricultural customers in the utility's service area. If the
2 commission allows a utility to retain a portion under this paragraph, the utility must
3 contribute 1.75% of the portion to the commission for research and development for
4 energy conservation and efficiency and must contribute 4.5% of the portion to the
5 commission for renewable resource programs." ✓

6 7. Page 444, line 21: delete lines 21 and 22 and substitute:

7 ^{3a}
8 "~~(6)~~ UTILITY PUBLIC BENEFITS; ENERGY CONSERVATION CHANGES. The amendment
9 of sections 16.957 (2) (d) 3. and 25.96 of the statutes, and the creation of section
10 16.957 (2) (d) 3g. and 3r. of the statutes take effect on July 1, 2002. ✓

11 (3r) UTILITY PUBLIC BENEFITS; OTHER CHANGES. The treatment of sections 16.957
12 (1) (c), (d), (h), (o) 2., and (r), (2) (a) 4., (b), (c) 1., 2., 2m., 2n., and 4., and (d) 2. and
13 4. a. and c., (3) (a), (b), and (c), (4) (c) 1. (intro.), 1. a. and c., 2., and 3., and (5) (a), (am),
14 (b) 1. and 2., (c), (d), (e) (intro.), 1., and 2., (f), (g) 1. a. and b., 196.374 ^(+title) (2) (intro.), (a),
15 (b), (c), and (d), and (4) of the statutes, the repeal of section 16.957 (2) (d) 3g. and 3r.,
16 20.505 (3) (s) and 285.48 (4) (a) and (b) of the statutes, and the repeal and recreation
of sections 16.957 (2) (d) 3. and 25.96 of the statutes take effect on July 1, 2003." ✓

keep comma ✓

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb2436/1dn

MDK...:....
/

CS

Darin Renner:

Note that this amendment accomplishes the motion relating to utility public benefits and the motion relating to retention of energy conservation money by utilities.

Under this amendment, DOA must, in fiscal year 2002-03, deposit all of the following into the general fund: 1) the portion of the public benefits fees collected by utilities that is attributable to energy conservation, etc., programs; 2) 50% of the public benefits fees paid by municipal utilities and cooperatives who elect to contribute to both low income and energy conservation, etc., programs; and 3) 100% of the public benefits fees paid by municipal utilities and cooperatives who elect only to contribute to energy conservation, etc., programs. (Note that, regarding the last item, municipal utilities and cooperatives pay 50% of the public benefits fees to DOA, and, under the amendment, DOA deposits 100% of that 50% into the general fund.)

In fiscal year 2002-03, DOA must deposit all of the following into the utility public benefits fund: 1) the portion of the public benefits fees collected by utilities that is attributable to low-income programs; 2) 50% of the public benefits fees paid by municipal utilities and cooperatives who elect to contribute to both low income and energy conservation, etc., programs; and 3) 100% of the public benefits fees paid by municipal utilities and cooperatives who elect only to contribute to low-income programs. (Note that, regarding the last item, municipal utilities and cooperatives pay 50% of the public benefits fees to DOA, and, under the amendment, DOA deposits 100% of that 50% into the general fund.)

After fiscal year 2002-03, utilities are only required to charge a low-income public benefits fee, which is deposited in the utility public benefits fund. Also, if a municipal utility or cooperative elects to contribute to low-income programs, 100% of the fees that they pay to DOA are deposited into the utility public benefits fund.

Also, as under current law, any voluntary contributions received by utilities are deposited into the utility public benefits fund.

Finally, all the money that utilities contribute to the PSC under s. 196.374, stats., are deposited into the utility public benefits fund in fiscal year 2002-03, unless the PSC allows a utility to retain the energy conservation, etc., money, as provided in the amendment. After that fiscal year, utilities are only required to contribute low-income money to the PSC, which is deposited into the utility public benefits fund.

If you need any changes, please get in touch.

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**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb2436/1dn
MDK:cs:kjf

March 13, 2002

Darin Renner:

Note that this amendment accomplishes the motion relating to utility public benefits and the motion relating to retention of energy conservation money by utilities.

Under this amendment, DOA must, in fiscal year 2002-03, deposit all of the following into the general fund: 1) the portion of the public benefits fees collected by utilities that is attributable to energy conservation, etc., programs; 2) 50% of the public benefits fees paid by municipal utilities and cooperatives who elect to contribute to both low income and energy conservation, etc., programs; and 3) 100% of the public benefits fees paid by municipal utilities and cooperatives who elect only to contribute to energy conservation, etc., programs. (Note that, regarding the last item, municipal utilities and cooperatives pay 50% of the public benefits fees to DOA, and, under the amendment, DOA deposits 100% of that 50% into the general fund.)

In fiscal year 2002-03, DOA must deposit all of the following into the utility public benefits fund: 1) the portion of the public benefits fees collected by utilities that is attributable to low-income programs; 2) 50% of the public benefits fees paid by municipal utilities and cooperatives who elect to contribute to both low income and energy conservation, etc., programs; and 3) 100% of the public benefits fees paid by municipal utilities and cooperatives who elect only to contribute to low-income programs. (Note that, regarding the last item, municipal utilities and cooperatives pay 50% of the public benefits fees to DOA, and, under the amendment, DOA deposits 100% of that 50% into the general fund.)

After fiscal year 2002-03, utilities are only required to charge a low-income public benefits fee, which is deposited in the utility public benefits fund. Also, if a municipal utility or cooperative elects to contribute to low-income programs, 100% of the fees that they pay to DOA are deposited into the utility public benefits fund.

Also, as under current law, any voluntary contributions received by utilities are deposited into the utility public benefits fund.

Finally, all the money that utilities contribute to the PSC under s. 196.374, stats., are deposited into the utility public benefits fund in fiscal year 2002-03, unless the PSC allows a utility to retain the energy conservation, etc., money, as provided in the amendment. After that fiscal year, utilities are only required to contribute low-income money to the PSC, which is deposited into the utility public benefits fund.

If you need any changes, please get in touch.

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State of Wisconsin
2001 - 2002 LEGISLATURE
January 2002 Special Session

LRBb2436/1
MDK:cs:kjf

LFB:.....Renner – Public benefits fees for energy conservation and efficiency programs

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO ASSEMBLY BILL 1

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 11, line 9: after that line insert:

3 "SECTION 21bb. 16.957 (1) (c) of the statutes is repealed.

4 SECTION 21bd. 16.957 (1) (d) of the statutes is repealed.

5 SECTION 21bf. 16.957 (1) (h) of the statutes is repealed.

6 SECTION 21bh. 16.957 (1) (o) 2. of the statutes is amended to read:

7 16.957 (1) (o) 2. The total amount expended by utilities under s. 196.374 ~~related~~

8 ~~to low-income assistance.~~

9 SECTION 21bj. 16.957 (1) (r) of the statutes is repealed.

10 SECTION 21bL. 16.957 (2) (a) 4. of the statutes is amended to read:

1 16.957 (2) (a) 4. ~~Fifty percent~~ All of the moneys collected in public benefits fees
2 under sub. (5).

3 **SECTION 21bn.** 16.957 (2) (b) of the statutes, as affected by 2001 Wisconsin Act
4 16, is repealed.

5 **SECTION 21bp.** 16.957 (2) (c) 1. of the statutes is amended to read:

6 16.957 (2) (c) 1. Eligibility requirements for low-income assistance under
7 programs established under par. (a). The rules shall prohibit a person who receives
8 low-income assistance from a municipal utility or retail electric cooperative under
9 a program specified in sub. (5) (d) ~~2. b. or 3. a.~~ from receiving low-income assistance
10 under programs established under par. (a).

11 **SECTION 21br.** 16.957 (2) (c) 2. of the statutes is amended to read:

12 16.957 (2) (c) 2. Requirements and procedures for applications for grants
13 awarded under programs established under par. (a) ~~or (b) 1.~~

14 **SECTION 21bt.** 16.957 (2) (c) 2m. of the statutes is repealed.

15 **SECTION 21bv.** 16.957 (2) (c) 2n. of the statutes is repealed.

16 **SECTION 21bx.** 16.957 (2) (c) 4. of the statutes is amended to read:

17 16.957 (2) (c) 4. Requirements for electric utilities to allow customers to include
18 voluntary contributions to assist in funding a program established under par. (a) ~~or~~
19 ~~(b) 1.~~ with bill payments for electric service. The rules may require an electric utility
20 to provide a space on an electric bill in which a customer may indicate the amount
21 of a voluntary contribution ~~and the customer's preference regarding whether a~~
22 ~~contribution should be used for a program established under par. (a) or (b) 1. a. or b.~~
23 The rules shall establish requirements and procedures for electric utilities to pay to
24 the department any voluntary contributions included with bill payments ~~and to~~
25 ~~report to the department customer preferences regarding use of the contributions.~~

1 The department shall deposit all contributions received under this paragraph in the
2 utility public benefits fund.

3 **SECTION 21bz.** 16.957 (2) (d) 2. of the statutes is amended to read:

4 16.957 (2) (d) 2. Encourage customers or members to make voluntary
5 contributions to assist in funding the programs established under ~~pars. par. (a) and~~
6 ~~(b)~~ 1. The department shall deposit all contributions received under this paragraph
7 in the utility public benefits fund.

8 **SECTION 21cb.** 16.957 (2) (d) 3. of the statutes is amended to read:

9 16.957 (2) (d) 3. Deposit in the utility public benefits fund all moneys received
10 under sub. (4) (a) ~~or (5) (c) or (d) in the utility public benefits fund that are~~
11 attributable to the portion of the public benefits fee specified in sub. (4) (c) 1. and
12 deposit in the general fund all moneys received under sub. (4) (a) that are
13 attributable to the portion of the public benefits fee specified in sub. (4) (c) 2.

14 **SECTION 21cd.** 16.957 (2) (d) 3. of the statutes, as affected by 2001 Wisconsin
15 Act (this act), is repealed and recreated to read:

16 16.957 (2) (d) 3. Deposit all moneys received under sub. (4) (a) or (5) (c) in the
17 utility public benefits fund.

18 **SECTION 21cf.** 16.957 (2) (d) 3g. of the statutes is created to read:

19 16.957 (2) (d) 3g. Deposit 50% of the moneys received under sub. (5) (c) in the
20 utility public benefits fund and 50% of the moneys received under sub. (5) (c) in the
21 general fund.

22 **SECTION 21ch.** 16.957 (2) (d) 3g. of the statutes, as created by 2001 Wisconsin
23 Act (this act), is repealed.

24 **SECTION 21cj.** 16.957 (2) (d) 3r. of the statutes is created to read:

1 16.957 (2) (d) 3r. Deposit the moneys received under sub. (5) (d) 1. a. in the
2 utility public benefits fund and deposit the moneys received under sub. (5) (d) 2. a.
3 in the general fund.

4 **SECTION 21cL.** 16.957 (2) (d) 3r. of the statutes, as created by 2001 Wisconsin
5 Act (this act), is repealed.

6 **SECTION 21cn.** 16.957 (2) (d) 4. a. of the statutes is amended to read:

7 16.957 (2) (d) 4. a. The expenses of the department, other state agencies and
8 grant recipients in administering or participating in the programs under ~~pars.~~ par.
9 (a) and (b).

10 **SECTION 21cp.** 16.957 (2) (d) 4. c. of the statutes is repealed.

11 **SECTION 21cr.** 16.957 (3) (a) of the statutes is renumbered 16.957 (3).

12 **SECTION 21ct.** 16.957 (3) (b) of the statutes is repealed.

13 **SECTION 21cv.** 16.957 (3) (c) of the statutes is repealed.

14 **SECTION 21cx.** 16.957 (4) (c) 1. (intro.) of the statutes is amended to read:

15 16.957 (4) (c) 1. (intro.) 'Low-income funding.' ~~In fiscal year 1999–2000, a~~
16 ~~portion of the public benefits fee shall be an amount that, when added to 50% of the~~
17 ~~estimated public benefits fees charged by municipal utilities and retail electric~~
18 ~~cooperatives under sub. (5) (a) for that fiscal year, shall equal \$24,000,000. In each~~
19 ~~fiscal year after fiscal year 1999–2000, a portion of the public benefits fee shall be an~~
20 ~~amount that, when added to the sum of the following shall equal the low-income~~
21 ~~need target for that fiscal year determined by the department under sub. (2) (d) 1.:~~

22 **SECTION 21cz.** 16.957 (4) (c) 1. a. of the statutes is amended to read:

23 16.957 (4) (c) 1. a. ~~Fifty percent~~ All of the estimated public benefits fees charged
24 by municipal utilities and retail electric cooperatives under sub. (5) (a) for that fiscal
25 year.

1 **SECTION 21db.** 16.957 (4) (c) 1. c. of the statutes is amended to read:

2 16.957 (4) (c) 1. c. The total amount spent on programs or contributed to the
3 commission by utilities under s. 196.374 (3) for that fiscal year ~~for low-income~~
4 ~~assistance.~~

5 **SECTION 21dd.** 16.957 (4) (c) 2. of the statutes is repealed.

6 **SECTION 21df.** 16.957 (4) (c) 3. of the statutes is amended to read:

7 16.957 (4) (c) 3. 'Limitation on electric bill increases.' For the period beginning
8 on October 29, 1999, and ending on June 30, 2008, the total increase in a customer's
9 electric bills that is based on the requirement to pay public benefits fees, including
10 any increase resulting from an electric utility's compliance with this section, may not
11 exceed ~~3% of the total of every other charge for which the customer is billed for that~~
12 ~~period or \$750 per month, whichever is less~~ an amount specified in the rules. In
13 determining the amount, the department shall adjust the limitation under s. 16.957
14 (4) (c) 3., 1999 stats., to take into account the elimination of the energy conservation
15 and efficiency and renewable resource funding portion of the public benefits fee by
16 2001 Wisconsin Act (this act).

17 **SECTION 21dh.** 16.957 (5) (a) of the statutes is amended to read:

18 16.957 (5) (a) *Requirement to charge public benefits fees.* Each retail electric
19 cooperative and municipal utility shall charge a monthly public benefits fee to each
20 customer or member in an amount that is sufficient for the retail electric cooperative
21 or municipal utility to collect an annual average of ~~\$16~~ \$8 per meter. A retail electric
22 cooperative or municipal utility may determine the amount that a particular class
23 of customers or members is required to pay under this paragraph and may charge
24 different fees to different classes of customers or members.

25 **SECTION 21dj.** 16.957 (5) (am) of the statutes is amended to read:

1 16.957 (5) (am) *Public benefits fee restriction.* Notwithstanding par. (a), for the
2 period beginning on October 29, 1999, and ending on June 30, 2008, the total
3 increase in a customer's or member's electric bills that is based on the requirement
4 to pay public benefits fees, including any increase resulting from a retail electric
5 cooperative's or municipal utility's compliance with this section, may not exceed 3%
6 of the total of every other charge for which the member or customer is billed for that
7 period or \$750 per month, whichever is less an amount specified in rules
8 promulgated by the department, in consultation with the council. The amount shall
9 be identical to the amount specified in rules promulgated for purposes of sub. (4) (c)
10 3.

11 **SECTION 21dL.** 16.957 (5) (b) 1. of the statutes is amended to read:

12 16.957 (5) (b) 1. No later than October 1, 2000, each municipal utility or retail
13 electric cooperative shall notify the department whether it has elected to contribute
14 to the programs established under sub. (2) (a) ~~or (b) 1.~~ for a 3-year period.

15 **SECTION 21dn.** 16.957 (5) (b) 2. of the statutes is amended to read:

16 16.957 (5) (b) 2. No later than every 3rd year after the date specified in subd.
17 1., each municipal utility or retail electric cooperative shall notify the department
18 whether it has elected to contribute to the programs established under sub. (2) (a)
19 ~~or (b) 1.~~ for a 3-year period.

20 **SECTION 21dp.** 16.957 (5) (c) of the statutes is amended to read:

21 16.957 (5) (c) *Full contribution.* If a municipal utility or retail electric
22 cooperative elects under par. (b) 1. or 2. to contribute to the programs established
23 ~~both~~ under sub. (2) (a) ~~and under sub. (2) (b) 1.~~, it shall pay 100% of the public benefits
24 fees that it charges under par. (a) to the department in each fiscal year of the 3-year
25 period for which it has made the election.

1 **SECTION 21dr.** 16.957 (5) (d) of the statutes is repealed and recreated to read:

2 16.957 (5) (d) *Low income assistance.* If a municipal utility or retail electric
3 cooperative elects under par. (b) 1. or 2. not to contribute to the programs established
4 under sub. (2) (a), the municipal utility or retail electric cooperative shall, in each
5 fiscal year of the 3–year period for which it elects not to contribute under par. (b) 1.
6 or 2., spend 100% of the public benefits fees that it charges under par. (a) on programs
7 for low–income assistance.

8 **SECTION 21dt.** 16.957 (5) (e) (intro.) and 1. of the statutes are consolidated,
9 renumbered 16.957 (5) (e) and amended to read:

10 16.957 (5) (e) *Wholesale supplier credit.* If a wholesale supplier has established
11 a program for low–income assistance ~~or an energy conservation program~~, a
12 municipal utility or retail electric cooperative that is a customer or member of the
13 wholesale supplier may ~~do any of the following:~~ 1. ~~Include~~ include an amount equal
14 to the product of the municipal utility’s or retail electric cooperative’s wholesale
15 supply percentage and the amount that the wholesale supplier has spent on
16 low–income assistance in a fiscal year in calculating the amount that the municipal
17 utility or retail electric cooperative has spent on low–income assistance in that fiscal
18 year under par. (d) ~~2. b. or 3. a.~~

19 **SECTION 21dv.** 16.957 (5) (e) 2. of the statutes is repealed.

20 **SECTION 21dx.** 16.957 (5) (f) of the statutes is amended to read:

21 16.957 (5) (f) *Joint programs.* Municipal utilities or retail electric cooperatives
22 may establish joint ~~commitment to community~~ programs for low–income assistance,
23 except that each municipal utility or retail electric cooperative that participates in
24 a joint program is required to comply with the spending requirements under par. (d).

25 **SECTION 21dz.** 16.957 (5) (g) 1. a. of the statutes is amended to read:

1 16.957 (5) (g) 1. a. An accounting of public benefits fees charged to customers
2 or members under par. (a) in the fiscal year and expenditures on ~~commitment to~~
3 ~~community~~ programs for low-income assistance under par. (d), including any
4 amounts included in the municipal utility's or retail electric cooperative's
5 calculations under par. (e).

6 **SECTION 21eb.** 16.957 (5) (g) 1. b. of the statutes is amended to read:

7 16.957 (5) (g) 1. b. A description of ~~commitment to community~~ programs for
8 low-income assistance established by the municipal utility or retail electric
9 cooperative in the fiscal year.”.

10 **2.** Page 18, line 17: delete lines 17 to 22 and substitute:

11 “**SECTION 46m.** 20.505 (3) (s) of the statutes, as affected by 2001 Wisconsin Act
12 (this act), is repealed.”.

13 **3.** Page 29, line 3: after that line insert:

14 “**SECTION 83g.** 25.96 of the statutes is amended to read:

15 **25.96 Utility public benefits fund.** There is established a separate
16 nonlapsible trust fund designated as the utility public benefits fund, consisting of
17 deposits by the public service commission under s. 196.374 (3), public benefits fees
18 ~~received under s. 16.957 (4) (a) and (5) (e) and (d)~~ deposited by the department of
19 administration under s. 16.957 (2) (d) 3., 3g., and 3r. and contributions received
20 under s. 16.957 (2) (c) 4. and (d) 2.

21 **SECTION 83r.** 25.96 of the statutes, as affected by 2001 Wisconsin Act (this
22 act), is repealed and recreated 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

1 deposits by the public service commission under s. 196.374 (3), public benefits fees
2 deposited by the department of administration under s. 16.957 (2) (d) 3. and
3 contributions received under s. 16.957 (2) (c) 4. and (d) 2.”.

4 **4.** Page 177, line 14: after that line insert:

5 “**SECTION 346d.** 196.374 (title) of the statutes is amended to read:

6 **196.374 (title) Low-income assistance, ~~energy efficiency and other~~**
7 **programs.**

8 **SECTION 346h.** 196.374 (2) (intro.) and (a) of the statutes are consolidated,
9 renumbered 196.374 (2) and amended to read:

10 196.374 (2) The commission shall determine the amount that each utility spent
11 in 1998 on programs for ~~each of the following: (a) Low income~~ low-income
12 assistance, including low-income weatherization and writing off uncollectibles and
13 arrearages.

14 **SECTION 346p.** 196.374 (2) (b), (c) and (d) of the statutes are repealed.

15 **SECTION 346t.** 196.374 (4) of the statutes is repealed.”.

16 **5.** Page 182, line 16: after that line insert:

17 “**SECTION 369g.** 285.48 (4) (a) of the statutes is amended to read:

18 285.48 (4) (a) The use of renewable energy, including renewable energy that
19 is provided by electric providers for the purpose of complying with the requirements
20 of s. 196.378 (2) (a), ~~or renewable energy that is used under programs specified in s.~~
21 ~~196.374 (2) (d) that are funded by expenditures under s. 196.374 (3).~~

22 **SECTION 369r.** 285.48 (4) (b) of the statutes is amended to read:

23 285.48 (4) (b) The implementation of low-income weatherization and energy
24 conservation measures, including programs established under s. 16.957 (2) (a) ~~or (b)~~

1 or programs specified in s. 196.374 (2) ~~(a) or (b)~~ that are funded by expenditures
2 under s. 196.374 (3).”

3 **6.** Page 362, line 12: after that line insert:

4 “(1t) ENERGY CONSERVATION.

5 (a) In this subsection:

6 1. “Commission” means the public service commission.

7 2. “Utility” has the meaning given in section 196.374 (1) (c) of the statutes.

8 (b) Notwithstanding the requirement under section 196.374 (3) of the statutes
9 for a utility to make specified contributions to the commission in a fiscal year of the
10 amounts determined by the commission under section 196.374 (2) of the statutes, the
11 commission may allow a utility to retain in fiscal year 2002–03 a portion of the
12 amounts determined by the commission under section 196.374 (2) (b), (c), and (d) of
13 the statutes, instead of contributing the portion to the commission, if the commission
14 determines that the portion is attributable to energy conservation programs for
15 industrial, commercial, and agricultural customers in the utility’s service area. If the
16 commission allows a utility to retain a portion under this paragraph, the utility must
17 contribute 1.75% of the portion to the commission for research and development for
18 energy conservation and efficiency and must contribute 4.5% of the portion to the
19 commission for renewable resource programs.”

20 **7.** Page 444, line 21: delete lines 21 and 22 and substitute:

21 “(3q) UTILITY PUBLIC BENEFITS; ENERGY CONSERVATION CHANGES. The amendment
22 of sections 16.957 (2) (d) 3. and 25.96 of the statutes, and the creation of section
23 16.957 (2) (d) 3g. and 3r. of the statutes take effect on July 1, 2002.

