

2001 DRAFTING REQUEST

Senate Amendment (SA-SSA1-SB55)

Received: 06/16/2001

Received By: **kuesejt**

Wanted: **Soon**

Identical to LRB:

For: **Senate Democratic Caucus**

By/Representing: **Keckhaver**

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

Drafter: **kuesejt**

May Contact:

Addl. Drafters:

Subject: **State Government - state bldg pr**

Extra Copies:

Submit via email: **NO**

Requester's email:

Pre Topic:

SDC:.....Keckhaver - CN2751,

Topic:

Distributed generation units in new state facilities

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>
/?	kuesejt 06/17/2001	csicilia 06/17/2001		_____			
/1			kfollet 06/17/2001	_____	lrb_docadmin 06/18/2001		

FE Sent For:

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17/1	kuesejt 6/17	1 j.s. 6/17	kl 6/17	kl/self 6/17			

FE Sent For:

<END>

Agency: Public Service Commission and Administration

caucus number 2751
LFB Sum #

duplicate flag: _____
duplicate with: _____
Other reference numbers: _____
FM 264
bill number/amendment number:
LRB draft # _____ LRB P-draft: _____

description: Require DOA to investigate and report on potential implementation and use of distributed generators in all new state facility construction projects. Would expand LFB motion 264.

other notes

drafting instructions:

more instructions:

GPR: \$0.00 PR: \$0.00 SEG: \$0.00 Other:
FED: \$0.00 TANF: \$0.00 All Funds: \$0.00
GPR-REV: \$0.00 SEG-REV: \$0.00 PR-REV: \$0.00
no fiscal impact: x unknown impact:

Agency: **Public Service Commission and Administration**

Number of Amendments: 1

MDK

CN 2751

Subject or Agency	Description	Source / connection	Fiscal effect /positions if known
PSC / DOA	Require DOA to investigate and report on potential implementation and use of distributed generators in all new state facility construction projects	Would expand LFB motion 264; see attachment	

DOA REPORT MOTION

BUDGET IDEA: Require the Department of Administration to investigate and make an official report on the potential for using distributed generators in new buildings and facilities based on cost effectiveness, potential to increase statewide generating capacity, and potential for cost savings.

The idea behind this motion is to provide incentives for the production of WI manufactured internal combustion generators for distributed generation and to increase the use of distributed generation as a form of reliable power by encouraging the State of Wisconsin to use the technology. The incentives for production would come from an increased demand in distributed generation units by state facilities.

Also, by requiring the state to investigate the use of these technologies in their own facilities, potential problems can be identified and addressed for the benefit of all potential users in Wisconsin.

SPECIFIC MOTION DRAFTING:

Require the Department of Administration to investigate the potential implementation and use of distributed generation units in all new state facilities construction projects exceeding \$5 million or with potential high-energy needs. When investigating DOA should consider the following factors: cost effectiveness, potential to increase statewide generating capacity and potential for cost savings.

The department shall then decide if they will include a plan to use internally generated power, based on the above factors, and include a report along with their "design report" to the building commission. In the report will be the department's reason to include or not include a distributed generation unit in the facility plan.

The definition of distributed generation units, for this motion, is any form of energy generation used by electric consumer for power generation (such as photovoltaic cells, wind power, fuel cells, micro turbines, and natural gas internal combustion engines).

PUBLIC SERVICE COMMISSION -- AGENCYWIDE

Administrative Rules to Facilitate the Production of Distributed Energy

OK'd
16-0

Motion:

Move to require the PSC to promulgate rules designed to facilitate, to the greatest extent possible, the interconnection and use of distributed electric power generation facilities to the state's electric power distribution grid.

Stipulate that the rules prescribe interconnection standards that shall be uniform across the state, regardless of the owner of the transmission facility to which connection is made and regardless of the distributed generation facility that is connected, except where engineering and regulatory concerns require additional interconnection standards.

Specify that engineering concerns include those related to safety and reliability of the electric grid and power quality. Specify that regulatory concerns include tariffs for a utility's distributed generation, nondiscriminatory fees that a utility may charge a distributed generation facility, the costs of upgrades to the electric grid; and other terms or conditions imposed by the utility on the distributed generation facility (such as liability insurance, indemnification and the transfer or sale of property).

Direct that the standards for the purchase of power by an electric utility from a distributive generation facility include all of the following: (1) use of a net metering tariff for a distributive generation facility of up to 20 kilowatts or the maximum load of the distributed generation facility's owner, whichever is greater; and (2) real-time pricing, so that the price paid by a utility for power placed on the grid by a distributed generation facility reflects the utility's cost of generation at that time.

Require that the draft administrative rules be submitted to the Legislative Council no later than the first day of the sixth month after the general effective date of the biennial budget act.

Note:

Distributed generation refers to any form of energy generation used by electric consumers for power generation (such as photovoltaic cells, wind power, fuel cells, and the like) and may include small generators used by independent power producers.

Currently, in cases where distributed power generation is produced at small levels (less than 20 kilowatts), the PSC requires the person or business to be reimbursed at the rate that is equal to the amount that would have been charged for the use of electricity generated by the utility. For larger amounts of distributed power, the PSC requires the reimbursement is equal to the utility's avoided costs for the production of additional electricity (including consideration of the construction of plants, their maintenance and production of electricity had no distributed electricity been available).

This motion directs the PSC to promulgate rules to encourage the development and use of more distributed power facilities in the state.

Subject: DOA report on distributed generators in state buildings

Prior Reference: None

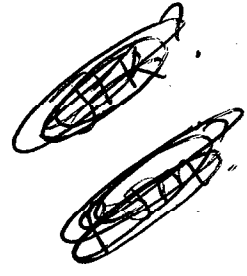
Fiscal Effect: None

Existing LRB #: None

Amendment: Require DOA to investigate and report on the potential for using distributed generators in state buildings and facilities. More detail and drafting instructions are attached.

CN8526-

JTK?



DOA REPORT MOTION

BUDGET IDEA: Require the Department of Administration to investigate and make an official report on the potential for using distributed generators in new buildings and facilities based on cost effectiveness, potential to increase statewide generating capacity, and potential for cost savings.

The idea behind this motion is to provide incentives for the production of WI manufactured internal combustion generators for distributed generation and to increase the use of distributed generation as a form of reliable power by encouraging the State of Wisconsin to use the technology. The incentives for production would come from an increased demand in distributed generation units by state facilities.

Also, by requiring the state to investigate the use of these technologies in their own facilities, potential problems can be identified and addressed for the benefit of all potential users in Wisconsin.

SPECIFIC MOTION DRAFTING:

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The definition of distributed generation units, for this motion, is any form of energy generation used by electric consumer for power generation (such as photovoltaic cells, wind power, fuel cells, micro turbines, and natural gas internal combustion engines).

2001

Date (time) needed

SOON

LRB b 1084, 1

AMDT TO BUDGET SUB AMDT

JTC: gjs

See form AMENDMENTS — COMPONENTS & ITEMS.

SENATE AMENDMENT
TO SENATE AMENDMENT _____,
~~TO SENATE SUBSTITUTE AMENDMENT 1,~~
TO 2001 SENATE BILL 55

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

Handwritten initials

#. Page , line :

#. Page , line :

#. Page , line :

#. Page , line :

#. Page , line :

#. Page , line :

2001-2002 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb1084/lins
JTK.....

72 11

1. Page 1429, line 3: after that line insert:

“SECTION 319s. 16.85 (10m) of the statutes is created to read:

16.85 (10m) In connection with the planning process for the long-range state building program under sub. (10), to investigate the potential to incorporate and use distributed generation units in any state building project that is expected to involve an expenditure of \$5,000,000 or more. In conducting its investigation, the department shall consider the cost effectiveness of such use, the potential for such use to increase statewide power generation capacity, and the potential for cost savings to be realized by the state from such use. The department shall report the results of its investigation, together with its recommendations and the reasons therefor, to the building commission prior to consideration of the project by the commission. In this subsection, “distributed generation unit” means any form of energy generation that may be used by electric consumers for the generation of electric power.”

(END)

SDC:.....Keckhaver – CN2751, Distributed generation units in new state facilities

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS SENATE AMENDMENT

TO SENATE SUBSTITUTE AMENDMENT 1,

TO 2001 SENATE BILL 55

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

2 **1.** Page 72, line 11: after that line insert:

3 “**SECTION 319s.** 16.85 (10m) of the statutes is created to read:

4 16.85 (10m) In connection with the planning process for the long-range state
5 building program under sub. (10), to investigate the potential to incorporate and use
6 distributed generation units in any state building project that is expected to involve
7 an expenditure of \$5,000,000 or more. In conducting its investigation, the
8 department shall consider the cost effectiveness of such use, the potential for such
9 use to increase statewide power generation capacity, and the potential for cost
10 savings to be realized by the state from such use. The department shall report the

1 results of its investigation, together with its recommendations and the reasons
2 therefor, to the building commission prior to consideration of the project by the
3 commission. In this subsection, “distributed generation unit” means any form of
4 energy generation that may be used by electric consumers for the generation of
5 electric power.”.

6 (END)