

**2001 DRAFTING REQUEST**

**Assembly Amendment (AA-ASA1-SB55)**

Received: **06/25/2001**

Received By: **kunkemd**

Wanted: **As time permits**

Identical to LRB:

For: **Assembly Republican Caucus**

By/Representing: **Raschka**

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**

Requester's email:

---

**Pre Topic:**

ARC:.....Raschka - AM78, items 3,

---

**Topic:**

Ominbus energy motion: public benefits program

---

**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 06/26/2001	csicilia 06/26/2001	kfollet 06/26/2001	_____	lrb_docadmin 06/27/2001		
	kunkemd 06/27/2001	csicilia 06/27/2001		_____			
/2	kunkemd 06/28/2001	csicilia 06/28/2001	rschluet 06/27/2001	_____	lrb_docadmin 06/27/2001		

Vers.      Drafted      Reviewed      Typed      Proofcd      Submitted      Jacketed      Required

/3

haugcca \_\_\_\_\_  
06/28/2001 \_\_\_\_\_

lrb\_docadmin  
06/28/2001

FE Sent For:

<END>

**2001 DRAFTING REQUEST**

**Assembly Amendment (AA-ASA1-SB55)**

Received: 06/25/2001

Received By: kunkemd

Wanted: As time permits

Identical to LRB:

For: Assembly Republican Caucus

By/Representing: Raschka

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

Requester's email:

---

**Pre Topic:**

ARC:.....Raschka - AM78, items 3,

---

**Topic:**

Ominbus energy motion: public benefits program

---

**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 06/26/2001	csicilia 06/26/2001	kfollet 06/26/2001	_____	lrb_docadmin 06/27/2001		
	kunkemd 06/27/2001	csicilia 06/27/2001		_____			
/2			rschluet 06/27/2001	_____	lrb_docadmin 06/27/2001		

1/3 jgs 6/28/01  
 ctt 6-28  
 BEW 6-28

Vers.      Drafted      Reviewed      Typed      Proofed      Submitted      Jacketed      Required

FE Sent For:

<END>

**2001 DRAFTING REQUEST**

**Assembly Amendment (AA-ASA1-SB55)**

Received: **06/25/2001**

Received By: **kunkemd**

Wanted: **As time permits**

Identical to LRB:

For: **Assembly Republican Caucus**

By/Representing: **Raschka**

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**

Requester's email:

---

**Pre Topic:**

ARC:.....Raschka - AM78, items 3,

---

**Topic:**

Ominbus energy motion: public benefits program

---

**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 06/26/2001	csicilia 06/26/2001	kfollet 06/26/2001	<i>chd</i> <i>mb</i>	lrb_docadmin 06/27/2001		

FE Sent For:

*1/2 is 6/27*  
*9*  
*chd*  
*elr* <END>

**2001 DRAFTING REQUEST**

**Assembly Amendment (AA-ASA1-SB55)**

Received: 06/25/2001

Received By: **kunkemd**

Wanted: **As time permits**

Identical to LRB:

For: **Assembly Republican Caucus**

By/Representing: **Raschka**

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**

Requester's email:

---

**Pre Topic:**

ARC:.....Raschka - AM78, items 3,

---

**Topic:**

Omnibus energy motion: public benefits program

---

**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>
1/1	kunkemd	1 gjs 6/26 01	Kyl 6/26	gy/lc 6/26			

FE Sent For:

<END>

# Budget Amendments 2001 - 2003

61662

Prepared by the Assembly Republican Caucus

Statement of Intent Omnibus Energy Motion

Legislator	Hoven	Amendment	78
Legislator 2		Pass or Fail	Pass
Legislator 3		Spending Cut	
Legislator 4		Withdrawn	
Staff contact	Mike	Package	
Agency	PSC		

**Summary**  
 1) Create an energy and reliability assessment review by the Public Service Commission of proposed administrative rules that will impact the cost of energy to consumers and the ability for the state to meet its energy demands. This review authority will allow the Public Service Commission, if it deems appropriate, to attach an energy and reliability impact statement to any rule that could impact electric reliability in the state. *→ revise @ 1-2155/1*

*Separate*

*MDK*  
*Separate*

*anything in 01-0965/1?*

*Sent on out to Reschke Separate*

*764*

2) Under current law, when a party petitions the PSC for a certificate of public convenience and necessity (CPCN) for the construction of a large generating facility or high-voltage transmission line, the party must also file an engineering plan with the DNR so the Department can determine what air and water discharge permits are needed to protect air and water quality. This motion would specify that a party petitioning the Commission for a CPCN would only have to submit an engineering plan to the DNR for the construction of a large generating facility, as transmission lines do not affect air and water quality.

3. The motion would freeze spending on low-income public benefits programs at 1999-2000 funding levels, therefore capping the maximum consumer public benefits fee (charged through electric bills) at current levels. *July 1, 2001 - June 30, 2002*

4. Effective July 1, 2002 repeal the provision in current law that requires all utilities to collect \$20,000,000 annually in public benefits for energy conservation, energy efficiency, environmental research and development, and renewable programs. *continue - Low income*

5. The motion would also give DOA authority to receive billing and use data for all the public school facilities in Wisconsin. This would allow DOA to perform accurate benchmarking and identify the highest energy cost schools and target their efforts to them. *16.95? school district loan under s. 24.61(3)?*

6. The motion requires the DOA to provide a performance based contracting program for nonresidential energy conservation programs. DOA must select a program administrator with responsibility for this program only. Under performance based contracting, energy service providers identify energy savings opportunities and manage the financing and installation of energy efficient equipment. The customer then repays the cost of the improvements out of the money saved on their utility bill.

7. The motion would also require that 25% of funding collected for energy conservation and efficiency and renewable resource programs be allocated to the performance based contracting program each fiscal year.

Request # **221** → *WEI 2*

# Budget Amendments 2001 - 2003

Prepared by the Assembly Republican Caucus

**Fiscal Impact** This motion saves \$20,000,000 (SEG).

**Drafting Inst** draft language written by the office

**ARC Analyst** Raschka

**Request #** 221

Friday, June 22, 2001

Page 22 of 28





D-NOTE

cjs

ARC:.....Raschka - AM78, items 3, Ominbus energy motion: public benefits program

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS ASSEMBLY AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2001 SENATE BILL 55

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

2 1. Page 74, line 21: delete the material beginning with that line and ending  
3 with page 75, line 2 and substitute:

- 4 ✓ SECTION 32<sup>3</sup>b. 16.957 (1) (c) of the statutes is repealed. x ✓
- 5 SECTION 32<sup>3</sup>d. 16.957 (1) (n) of the statutes is repealed. x ✓
- 6 SECTION 32<sup>3</sup>f. 16.957 (1) (o) of the statutes is repealed. x ✓
- 7 SECTION 32<sup>3</sup>h. 16.957 (1) (p) of the statutes is repealed. x ✓
- 8 SECTION 32<sup>3</sup>j. 16.957 (1) (s) of the statutes is repealed. x ✓
- 9 SECTION 32<sup>3</sup>L. 16.957 (1) (u) of the statutes is repealed. x ✓
- 10 SECTION 32<sup>3</sup>n. 16.957 (1) (v) of the statutes is repealed. x ✓

1 SECTION 324<sup>3</sup>p. 16.957 (1) (w) of the statutes is repealed. x ✓

2 SECTION 324<sup>3</sup>r. 16.957 (1) (x) of the statutes is repealed. x ✓

3 SECTION ~~324~~<sup>324b</sup> 16.957 (2) (a) (intro.) of the statutes is renumbered 16.957 (2) ✓  
4 (a) and amended to read:

5 16.957 (2) (a) *Low-income programs*. After holding a hearing, establish ✓  
6 programs to be administered by the department for awarding grants from the  
7 appropriation under s. 20.505 (10) (3) (r) to provide low-income assistance. In each  
8 fiscal year, the amount awarded under this paragraph shall be sufficient to ensure  
9 that an amount equal to 47% of the sum of the following is spent for weatherization  
10 and other energy conservation services: ✓

11 History: 1999 a. 9. SECTION ~~324~~<sup>324c</sup> 16.957 (2) (a) 1., 2., 3. and 4. of the statutes are repealed." ✓

12 2. Page 75, line 19: after that line insert:

13 "SECTION 326bb. 16.957 (2) (b) 1. am. of the statutes is created to read: ✓

14 16.957 (2) (b) 1. am. Proposals for nonresidential energy conservation under  
15 which electric providers identify energy savings opportunities for nonresidential  
16 customers and manage the installation and financing of energy efficient equipment  
17 and nonresidential customers pay for the services and equipment out of savings on  
18 utility bills. In each fiscal year, 25% of the appropriation under s. 20.505 (10) (s) shall  
19 be awarded in grants under this subd. 1 am. ✓

20 SECTION 326bd. 16.957 (2) (b) 2. of the statutes is amended to read: ✓

21 16.957 (2) (b) 2. For each fiscal year after fiscal year 2003-04, determine  
22 whether to continue, discontinue or reduce any of the programs established under  
23 subd. 1. and determine the total amount necessary to fund the programs that the  
24 department determines to continue or reduce under this subdivision. The

1 ~~department shall notify the commission if~~ If the department determines under this  
 2 subdivision to reduce funding by an amount that is greater than the portion of the  
 3 public benefits fee specified in sub. (4) (c) 2. ~~The notice shall specify the portion of~~  
 4 ~~the reduction that exceeds the amount of public benefits fees specified in sub. (4) (c)~~  
 5 ~~2~~ the total amount necessary to fund the programs, the department shall notify the  
 6 commission about the amount of the reduction.

7 History: 1999 a. 9.

**SECTION 326bf.** 16.957 (2) (c) 1. of the statutes is amended to read: ✓

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

13 History: 1999 a. 9.

**SECTION 326bh.** 16.957 (2) (c) 2m. of the statutes is amended to read: ✓

14 16.957 (2) (c) 2m. Criteria for the selection of proposals by a corporation  
 15 specified in sub. (3) (b) or a person specified in sub. (3) (bm). ✓

16 History: 1999 a. 9.

**SECTION 326bj.** 16.957 (2) (c) 5. of the statutes is repealed. x ✓

17 **SECTION 326bL.** 16.957 (2) (d) 1. of the statutes is repealed. x ✓

18 **SECTION 326bn.** 16.957 (2) (d) 3. of the statutes is amended to read: ✓

19 16.957 (2) (d) 3. Deposit all moneys received under sub. (4) (a) ~~or (5) (c) or (d)~~  
 20 in the utility public benefits fund. ✓

21 History: 1999 a. 9.

**SECTION 326bp.** 16.957 (3) (b) of the statutes is amended to read: ✓

22 16.957 (3) (b) The department shall, on the basis of competitive bids, contract  
 23 with one or more nonstock, nonprofit corporations organized under ch. 181 to

1 administer the programs established under sub. (2) (b) 1. a. and b., including  
2 soliciting proposals, processing grant applications, selecting, based on criteria  
3 specified in rules promulgated under sub. (2) (c) 2m., proposals for the department  
4 to make awards and distributing grants to recipients.



History: 1999 a. 9.

5 **SECTION 326br.** 16.957 (3) (bm) of the statutes is created to read:

6 16.957 (3) (bm) The department shall, on the basis of competitive bids, contract  
7 with a person to administer the program established under par. (b) 1. am., including  
8 soliciting proposals, processing grant applications, selecting, based on criteria  
9 specified in rules promulgated under sub. (2) (c) 2m., proposals for the department  
10 to make awards, and distributing grants to recipients.

sub. (2)

11 **SECTION 326bt.** 16.957 (3) (c) of the statutes is amended to read:

12 16.957 (3) (c) In selecting proposals and awarding grants under sub. (2) (b), the  
13 department ~~or~~, a nonprofit corporation specified in par. (b), or a person specified in  
14 par. (bm) may not discriminate against an electric provider or its affiliate or a  
15 wholesale electric supplier or its affiliate solely on the basis of its status as an electric  
16 provider, wholesale electric supplier or affiliate.

History: 1999 a. 9.

17 **SECTION 326bv.** 16.957 (4) (c) 1. (intro.) of the statutes is renumbered 16.957

18 (4) (c) 1. and amended to read:

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

1 amount that, when added to the sum of the following shall equal the low-income  
2 need target for that fiscal year determined by the department under sub. (2) (d) 1.:

3 History: 1999 a. 9.

3 SECTION 326bx. 16.957 (4) (c) 1. of the statutes, as <sup>affected</sup> ~~renumbered and amended~~  
4 by 2001 Wisconsin Act .... (this act) <sup>is</sup> repealed and recreated to read:

5 16.957 (4) (c) 1. 'Low-income funding.' In each fiscal year, the public benefits  
6 fee shall be an amount that, when added to 50% of the estimated public benefits fees  
7 charged by municipal utilities and retail electric cooperatives under 16.957 (5) (a),  
8 1999 stats., for fiscal year 1999-2000, shall equal \$24,000,000. S.

9 SECTION 326bz. 16.957 (4) (c) 1. a., b. and c. of the statutes are repealed. X ✓

10 SECTION 326cb. 16.957 (4) (c) 2. of the statutes is repealed. X ✓

11 SECTION 326cd. 16.957 (5) of the statutes is repealed." ✓ X ✓

12 3. Page 477, line 12: after that line insert:

13 "SECTION 1145m. 25.96 of the statutes is amended to read: ✓ ✓

14 25.96 Utility public benefits fund. There is established a separate  
15 nonlapsible trust fund designated as the utility public benefits fund, consisting of  
16 deposits by the public service commission under s. 196.374 (3), public benefits fees  
17 received under s. 16.957 (4) (a) and (5) (e) and (d) and contributions received under  
18 s. 16.957 (2) (c) 4. and (d) 2."

19 History: 1999 a. 9.

19 4. Page 839, line 1: before that line insert:

20 "SECTION 2232m. 76.28 (1) (d) of the statutes is amended to read: ✓

21 76.28 (1) (d) "Gross revenues" for a light, heat and power company other than  
22 a qualified wholesale electric company or a transmission company means total  
23 operating revenues as reported to the public service commission except revenues for  
24 interdepartmental sales and for interdepartmental rents as reported to the public

1 service commission and deductions from the sales and use tax under s. 77.61 (4),  
2 except that the company may subtract from revenues either the actual cost of power  
3 purchased for resale, as reported to the public service commission, by a light, heat  
4 and power company, except a municipal light, heat and power company, that  
5 purchases under federal or state approved wholesale rates more than 50% of its  
6 electric power from a person other than an affiliated interest, as defined in s. 196.52  
7 (1), if the revenue from that purchased electric power is included in the seller's gross  
8 revenues or the following percentages of the actual cost of power purchased for  
9 resale, as reported to the public service commission, by a light, heat and power  
10 company, except a municipal light, heat and power company that purchases more  
11 than 90% of its power and that has less than \$50,000,000 of gross revenues: 10% for  
12 the fee assessed on May 1, 1988, 30% for the fee assessed on May 1, 1989, and 50%  
13 for the fee assessed on May 1, 1990, and thereafter. For a qualified wholesale electric  
14 company, "gross revenues" means total business revenues from those businesses  
15 included under par. (e) 1. to 4. For a transmission company, "gross revenues" means  
16 total operating revenues as reported to the public service commission, except  
17 revenues for transmission service that is provided to a public utility that is subject  
18 to the license fee under sub. (2) (d), to a public utility, as defined in s. 196.01 (5), or  
19 to a cooperative association organized under ch. 185 for the purpose of providing  
20 electricity to its members only. For an electric utility, as defined in s. 16.957 (1) (g),  
21 "gross revenues" does not include public benefits fees collected by the electric utility  
22 under s. 16.957 (4) (a) ~~or (5) (a)~~. For a generator public utility, "gross revenues" does  
23 not include any grants awarded to the generator public utility under s. 16.958 (2) (b).  
24 ~~For a wholesale supplier, as defined in s. 16.957 (1) (w), "gross revenues" does not~~  
25 ~~include any public benefits fees that are received from a municipal utility or retail~~

1 ~~electric cooperative or under a joint program established under s. 16.957 (5) (f). For~~  
 2 ~~a municipal utility, “gross revenues” does not include public benefits fees received by~~  
 3 ~~the municipal utility from a municipal utility or retail electric cooperative under a~~  
 4 ~~joint program established under s. 16.957 (5) (f).~~

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.

5 **SECTION 2233m.** 76.28 (1) (eg) of the statutes is repealed.”

6 **5.** Page 840, line 9: after that line insert:

7 “SECTION 2234q. 76.28 (1) (gr) of the statutes is repealed.”

8 **6.** Page 842, line 4: after that line insert:

9 “SECTION 2236q. 76.48 (1g) (d) of the statutes is amended to read:

10 76.48 (1g) (d) “Gross revenues” means total operating revenues, except  
 11 revenues for interdepartmental sales and for interdepartmental rents, less  
 12 deductions from the sales and use tax under s. 77.61 (4) and, in respect to any electric  
 13 cooperative that purchases more than 50% of the power it sells, less the actual cost  
 14 of power purchased for resale by an electric cooperative, if the revenue from that  
 15 purchased electric power is included in the seller’s gross revenues or if the electric  
 16 cooperative purchased more than 50% of the power it sold in the year prior to  
 17 January 1, 1988, from a seller located outside this state. For an electric cooperative,  
 18 “gross revenues” does not include grants awarded to the electric cooperative under  
 19 s. 16.958 (2) (b). ~~For a retail electric cooperative, “gross revenues” does not include~~  
 20 ~~public benefits fees collected by the retail electric cooperative under s. 16.957 (5) (a),~~  
 21 ~~public benefits fees received by the retail electric cooperative from a retail electric~~  
 22 ~~cooperative or municipal utility under a joint program established under s. 16.957~~  
 23 ~~(5) (f). For a wholesale supplier, as defined in s. 16.957 (1) (w), “gross revenues” does~~  
 24 ~~not include any public benefits fees that are received from a municipal utility, as~~

1 defined in s. 16.957 (1) (q), or retail electric cooperative or under a joint program  
2 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.

3 SECTION 2236s. 76.48 (1g) (dm) of the statutes is repealed. X ✓

4 SECTION 2236u. 76.48 (1g) (fm) of the statutes is repealed.” X ✓

5 7. Page 847, line 5: after that line insert:

6 “SECTION 2246j. 77.54 (44) of the statutes is amended to read: ✓

7 77.54 (44) The gross receipts from the collection of public benefits fees that are  
8 charged under s. 16.957 (4) (a) or (5) (a).” ✓

History: 1971 c. 64, 154, 215, 311; 1973 c. 90, 156, 240; 1975 c. 39, 96, 102, 146, 200; 1977 c. 29; 1977 c. 83 ss. 13, 26; 1977 c. 250, 368, 418; 1979 c. 1, 34, 87, 174; 1981 c. 20; 1981 c. 79 s. 18; 1981 c. 96 s. 67; 1981 c. 264; 1981 c. 282 s. 47; 1981 c. 317; 1983 a. 27 ss. 1284d to 1284np, 2202 (38); 1983 a. 189 ss. 101, 106, 329 (5), (12), (13); 1983 a. 192, 287, 405, 426, 498, 510, 538, 544; 1985 a. 29, 149, 332; 1987 a. 27; 1987 a. 312 s. 17; 1987 a. 399; 1989 a. 31, 238, 270, 335, 359; 1991 a. 37, 39, 269, 316; 1993 a. 16, 263, 332; 1995 a. 27, 125, 225, 227; 1997 a. 27, 35, 41, 184, 237, 291; 1999 a. 9, 65, 83; 1999 a. 150 s. 672; 1999 a. 167.

9 8. Page 992, line 12: after that line insert:

10 “SECTION 2997m. 196.374 (3) of the statutes is amended to read: ✓

11 196.374 (3) In 2000, 2001 and 2002, ~~the commission shall require each utility~~  
12 ~~to spend a decreasing portion of the amount determined under sub. (2) on programs~~  
13 ~~specified in sub. (2) and contribute the remaining portion of the amount to the~~  
14 ~~commission for deposit in the fund. In each year after 2002, each Each utility shall~~  
15 contribute the entire amount determined under sub. (2) to the commission for deposit  
16 in the fund. The commission shall ensure in rate-making orders that a utility  
17 recovers from its ratepayers the amounts spent on programs or contributed to the  
18 fund under this subsection. ~~The commission shall allow each utility the option of~~  
19 ~~continuing to use, until January 1, 2002, the moneys that it has recovered under s.~~  
20 ~~196.374 (3), 1997 stats., to administer the programs that it has funded under s.~~  
21 ~~196.374 (1), 1997 stats.~~ The commission may allow each utility to spend additional



1 moneys on the programs specified in sub. (2) if the utility otherwise complies with  
2 the requirements of this section and s. 16.957 (4).

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

3 SECTION 2999m. 196.374 (4) of the statutes is amended to read:

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

History: 1999 a. 9.

11 9. Page <sup>1422</sup>1352, line <sup>23</sup>7: after that line insert:

12 9. <sup>1422</sup>(3m) ENERGY CONSERVATION AND EFFICIENCY AND RENEWABLE RESOURCES PORTION  
13 OF UTILITY PUBLIC BENEFITS FEES. The treatment of sections 16.957 (1) (c), (s), (v), (w),  
14 and (x), (2) (a) (intro.), 1., 2., 3., and 4., (b) 2., (c) 1., (d) 3., (4) (c) 2., and (5), 25.96, 76.28  
15 (1) (d), (eg), and (gr), 76.48 (1g) (d), (dm), and (fm), 77.54 (44), and 196.374 (3) and  
16 (4) of the statutes and the repeal and recreation of section 16.957 (4) (c) 1. of the  
17 statutes take effect on July 1, 2002." ✓

EFF  
DATE

18 (END)

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

LRBb1763/1dn

MDK:/.....

gjs

Adam Raschka:

This amendment accomplishes items 3, 4, 6, and 7 of ARC amendment no. 78. Please note the following:

1. Because you are eliminating public benefits fees paid to municipal utilities and cooperatives, the 47% calculation in s. 16.957 (2) (a) (intro.) no longer works. Therefore, I eliminated it. Is that okay? ✓

2. The amendment creates a grant program for nonresidential energy conservation at proposed s. 16.957 (2) (b) 1. am. However, I'm not sure what the grants are used for. Does the money go only for administration of the program? Or does it compensate electric providers for participating in the program, including covering any losses they experience? Or does it go to nonresidential customers? I think the amendment should be revised to clarify what the money is used for. ✓

3. What if a nonresidential customer does not experience any savings in utility bills? Does that mean that the electric provider does not get paid? Is that what you mean by a "performance-based" program? I didn't use the term "performance-based" because I don't know exactly what you mean. Also, it isn't necessary to use the term if the amendment otherwise accomplishes your intent.

4. DOA must select a person to administer the nonresidential energy conservation program by using a competitive bid process. Is that okay? Also, the person does not have to be a nonprofit corporation (it could be anybody). Is that okay?

5. DOA can establish the nonresidential energy program only after holding a hearing and consulting with the council on utility public benefits. See s. 16.957 (2) (intro.), stats., which is not affected by the amendment. Also, DOA must promulgate rules establishing requirements and procedures for grant applications. See s. 16.957 (2) (c) 2., stats., which the amendment does not affect. In addition, DOA could reduce funding for the program under s. 16.957 (2) (b) 2., as affected by the amendment. Are all of these provisions okay? ✓

6. DOA must promulgate rules establishing criteria that the program administrator must use for selecting proposals. See s. 16.957 (2) (c) 2m., as affected by the amendment. Is that okay? ✓

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**

LRBb1763/1dn  
MDK:cjs:kjf

June 26, 2001

Adam Raschka:

This amendment accomplishes items 3, 4, 6, and 7 of ARC amendment no. 78. Please note the following:

1. Because you are eliminating public benefits fees paid to municipal utilities and cooperatives, the 47% calculation in s. 16.957 (2) (a) (intro.) no longer works. Therefore, I eliminated it. Is that okay?
2. The amendment creates a grant program for nonresidential energy conservation at proposed s. 16.957 (2) (b) 1. am. However, I'm not sure what the grants are used for. Does the money go only for administration of the program? Or does it compensate electric providers for participating in the program, including covering any losses they experience? Or does it go to nonresidential customers? I think the amendment should be revised to clarify what the money is used for.
3. What if a nonresidential customer does not experience any savings in utility bills? Does that mean that the electric provider does not get paid? Is that what you mean by a "performance-based" program? I didn't use the term "performance-based" because I don't know exactly what you mean. Also, it isn't necessary to use the term if the amendment otherwise accomplishes your intent.
4. DOA must select a person to administer the nonresidential energy conservation program by using a competitive bid process. Is that okay? Also, the person does not have to be a nonprofit corporation (it could be anybody). Is that okay?
5. DOA can establish the nonresidential energy program only after holding a hearing and consulting with the council on utility public benefits. See s. 16.957 (2) (intro.), stats., which is not affected by the amendment. Also, DOA must promulgate rules establishing requirements and procedures for grant applications. See s. 16.957 (2) (c) 2., stats., which the amendment does not affect. In addition, DOA could reduce funding for the program under s. 16.957 (2) (b) 2., as affected by the amendment. Are all of these provisions okay?
6. DOA must promulgate rules establishing criteria that the program administrator must use for selecting proposals. See s. 16.957 (2) (c) 2m., as affected by the amendment. Is that okay?

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

ARC:.....Raschka - AM78, items 3, Ominbus energy motion: public benefits program

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

**CAUCUS ASSEMBLY AMENDMENT**

**TO ASSEMBLY SUBSTITUTE AMENDMENT 1,**

**TO 2001 SENATE BILL 55**

INSERT 1-4

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

2 1. Page 74, line 21: delete the material beginning with that line and ending  
3 with page 75, line 2, and substitute:

4 ~~SECTION 323b. 16.957 (1) (c) of the statutes is repealed.~~

5 SECTION 323d. 16.957 (1) (n) of the statutes is repealed.

6 SECTION 323f. 16.957 (1) (o) of the statutes is repealed.

7 SECTION 323h. 16.957 (1) (p) of the statutes is repealed.

8 ~~SECTION 323j. 16.957 (1) (s) of the statutes is repealed.~~

9 SECTION 323L. 16.957 (1) (u) of the statutes is repealed.

10 ~~SECTION 323n. 16.957 (1) (v) of the statutes is repealed.~~

1 ~~SECTION 323p. 16.957 (1) (w) of the statutes is repealed.~~

2 ~~SECTION 323r. 16.957 (1) (x) of the statutes is repealed.~~

3 SECTION 324b. 16.957 (2) (a) (intro.) of the statutes is renumbered 16.957 (2)  
4 (a) and amended to read:

5 16.957 (2) (a) *Low-income programs.* After holding a hearing, establish  
6 programs to be administered by the department for awarding grants from the  
7 appropriation under s. 20.505 (10) (3) (r) to provide low-income assistance. In each  
8 fiscal year, the amount awarded under this paragraph shall be sufficient to ensure  
9 that an amount equal to 47% of the sum of the following is spent for weatherization  
10 and other energy conservation services:

11 SECTION 324c. 16.957 (2) (a) 1., 2., 3. and 4. of the statutes are repealed.”.

12 2. Page 75, line 19: after that line insert:

13 “SECTION 326bb. 16.957 (2) (b) 1. am. of the statutes is created to read:

14 16.957 (2) (b) 1. am. Proposals for nonresidential energy conservation under  
15 which electric providers identify energy savings opportunities for nonresidential  
16 customers and manage the installation and financing of energy efficient equipment  
17 and nonresidential customers pay for the services and equipment out of savings on  
18 utility bills. In each fiscal year, 25% of the appropriation under s. 20.505 (3) (s) shall  
19 be awarded in grants under this subd. 1. am.

20 SECTION 326bd. 16.957 (2) (b) 2. of the statutes is amended to read:

21 16.957 (2) (b) 2. For each fiscal year after fiscal year 2003–04, determine  
22 whether to continue, discontinue or reduce any of the programs established under  
23 subd. 1. and determine the total amount necessary to fund the programs that the  
24 department determines to continue or reduce under this subdivision. The

Commitment to Community

1 department shall notify the commission if if the department determines under this  
2 subdivision to reduce funding by an amount that is greater than the portion of the  
3 public benefits fee specified in sub. (4) (e) 2. The notice shall specify the portion of  
4 the reduction that exceeds the amount of public benefits fees specified in sub. (4) (e)  
5 2 the total amount necessary to fund the programs, the department shall notify the  
6 commission about the amount of the reduction.

7 **SECTION 326bf.** 16.957 (2) (c) 1. of the statutes is amended to read:

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

13 **SECTION 326bh.** 16.957 (2) (c) 2m. of the statutes is amended to read:

14 16.957 (2) (c) 2m. Criteria for the selection of proposals by a corporation  
15 specified in sub. (3) (b) or a person specified in sub. (3) (bm).

16 **SECTION 326bj.** 16.957 (2) (c) 5. of the statutes is repealed.

17 **SECTION 326bL.** 16.957 (2) (d) 1. of the statutes is repealed.

18 **SECTION 326bn.** 16.957 (2) (d) 3. of the statutes is amended to read:

19 16.957 (2) (d) 3. Deposit all moncyys received under sub. (4) (a) or (5) (e) or (d)  
20 in the utility public benefits fund. plain

21 **SECTION 326bp.** 16.957 (3) (b) of the statutes is amended to read:

22 16.957 (3) (b) The department shall, on the basis of competitive bids, contract  
23 with one or more nonstock, nonprofit corporations organized under ch. 181 to  
24 administer the programs established under sub. (2) (b) 1. a. and b., including  
25 soliciting proposals, processing grant applications, selecting, based on criteria

1 specified in rules promulgated under sub. (2) (c) 2m., proposals for the department  
2 to make awards and distributing grants to recipients.

3 **SECTION 326br.** 16.957 (3) (bm) of the statutes is created to read:

4 16.957 (3) (bm) The department shall, on the basis of competitive bids, contract  
5 with a person to administer the program established under sub. (2) (b) 1. am.,  
6 including soliciting proposals, processing grant applications, selecting, based on  
7 criteria specified in rules promulgated under sub. (2) (c) 2m., proposals for the  
8 department to make awards, and distributing grants to recipients.

9 **SECTION 326bt.** 16.957 (3) (c) of the statutes is amended to read:

10 16.957 (3) (c) In selecting proposals and awarding grants under sub. (2) (b), the  
11 department ~~or~~, a nonprofit corporation specified in par. (b), or a person specified in  
12 par. (bm) may not discriminate against an electric provider or its affiliate or a  
13 wholesale electric supplier or its affiliate solely on the basis of its status as an electric  
14 provider, wholesale electric supplier or affiliate.

15 **SECTION 326bv.** 16.957 (4) (c) 1. (intro.) of the statutes is renumbered 16.957

16 (4) (c) 1. and amended to read:

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

24 **SECTION 326bx.** 16.957 (4) (c) 1. of the statutes, as affected by 2001 Wisconsin

25 Act .... (this act), is repealed and recreated to read:

oral fiscal year  
2002-  
2003

2001-2002

plain

g

17

20

*for that fiscal year*

*100%*

*sub.*

1 16.957 (4) (c) 1. 'Low-income funding.' In each fiscal year, the public benefits  
2 fee shall be an amount that, when added to ~~that~~ of the estimated public benefits fees  
3 charged by municipal utilities and retail electric cooperatives under ~~that~~ (5) (a)  
4 1999 stats., for fiscal year 1999-2000, shall equal \$24,000,000.

5 SECTION 326bz. 16.957 (4) (c) 1. a., b. and c. of the statutes are repealed.

6 SECTION 326cb. 16.957 (4) (c) 2. of the statutes is repealed.

7 SECTION 326cd. 16.957 (5) of the statutes is repealed.

8 3. Page 477, line 12: after that line insert:

9 "SECTION 1145m. 25.96 of the statutes is amended to read:

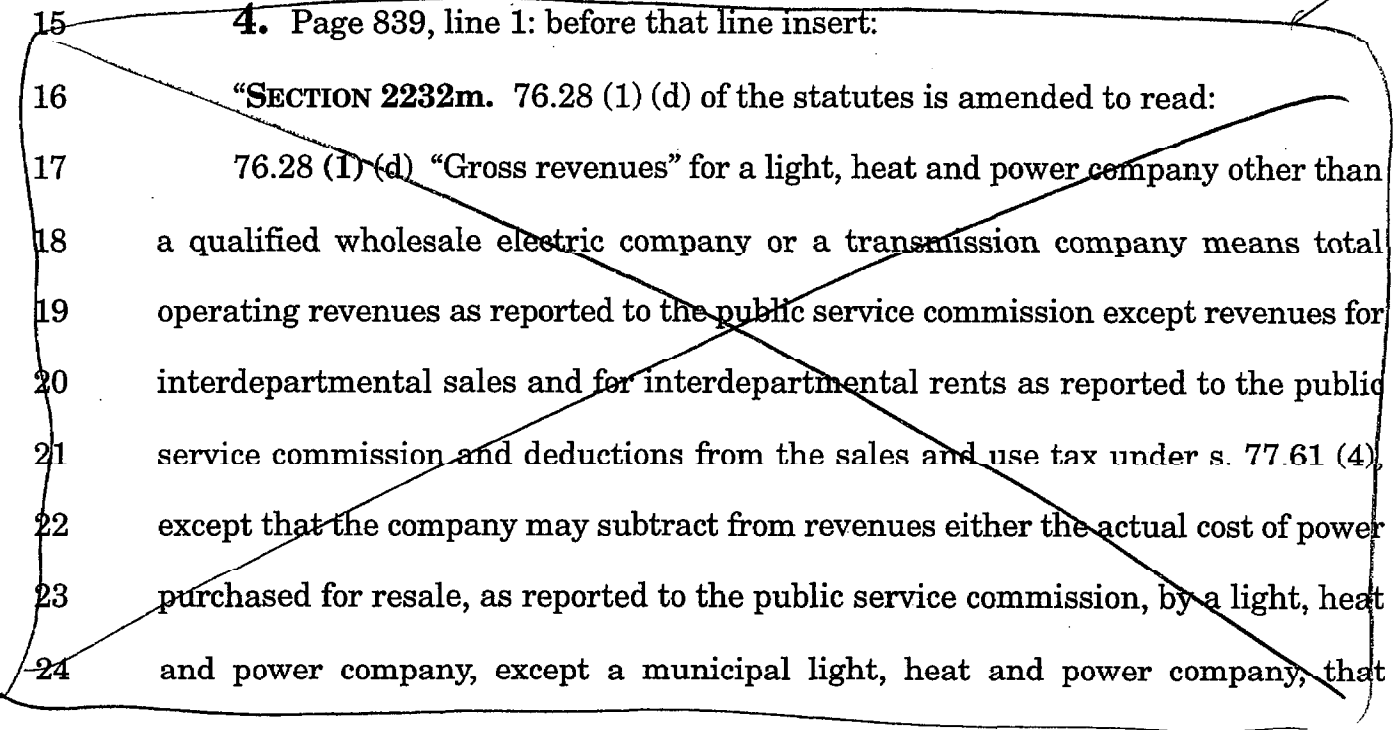
10 25.96 Utility public benefits fund. There is established a separate  
11 nonlapsible trust fund designated as the utility public benefits fund, consisting of  
12 deposits by the public service commission under s. 196.374 (3), public benefits fees  
13 received under s. 16.957 (4) (a) and (5) (c) and (d) and contributions received under  
14 s. 16.957 (2) (c) 4. and (d) 2." *plain*

15 4. Page 839, line 1: before that line insert:

16 "SECTION 2232m. 76.28 (1) (d) of the statutes is amended to read:

17 76.28 (1) (d) "Gross revenues" for a light, heat and power company other than  
18 a qualified wholesale electric company or a transmission company means total  
19 operating revenues as reported to the public service commission except revenues for  
20 interdepartmental sales and for interdepartmental rents as reported to the public  
21 service commission and deductions from the sales and use tax under s. 77.61 (4),  
22 except that the company may subtract from revenues either the actual cost of power  
23 purchased for resale, as reported to the public service commission, by a light, heat  
24 and power company, except a municipal light, heat and power company, that

*INSERT  
5-7*





1 purchases under federal or state approved wholesale rates more than 50% of its  
2 electric power from a person other than an affiliated interest, as defined in s. 196.52  
3 (1), if the revenue from that purchased electric power is included in the seller's gross  
4 revenues or the following percentages of the actual cost of power purchased for  
5 resale, as reported to the public service commission, by a light, heat and power  
6 company, except a municipal light, heat and power company that purchases more  
7 than 90% of its power and that has less than \$50,000,000 of gross revenues: 10% for  
8 the fee assessed on May 1, 1988, 30% for the fee assessed on May 1, 1989, and 50%  
9 for the fee assessed on May 1, 1990, and thereafter. For a qualified wholesale electric  
10 company, "gross revenues" means total business revenues from those businesses  
11 included under par. (e) 1. to 4. For a transmission company, "gross revenues" means  
12 total operating revenues as reported to the public service commission, except  
13 revenues for transmission service that is provided to a public utility that is subject  
14 to the license fee under sub. (2)(d), to a public utility, as defined in s. 196.01 (5), or  
15 to a cooperative association organized under ch. 185 for the purpose of providing  
16 electricity to its members only. For an electric utility, as defined in s. 16.957 (1)(g),  
17 "gross revenues" does not include public benefits fees collected by the electric utility  
18 under s. 16.957 (4) (a) <sup>plan</sup> or (5) (a). For a generator public utility, "gross revenues" does  
19 not include any grants awarded to the generator public utility under s. 16.958 (2) (b).  
20 For a wholesale supplier, as defined in s. 16.957 (1) (w), "gross revenues" does not  
21 include any public benefits fees that are received from a municipal utility or retail  
22 electric cooperative or under a joint program established under s. 16.957 (5) (f). For  
23 a municipal utility, "gross revenues" does not include public benefits fees received by  
24 the municipal utility from a municipal utility or retail electric cooperative under a  
25 joint program established under s. 16.957 (5) (f).

1 ~~SECTION 2233m. 76.28 (1) (eg) of the statutes is repealed.~~

2 ~~5. Page 840, line 9: after that line insert:~~

3 ~~"SECTION 2234q. 76.28 (1) (gr) of the statutes is repealed."~~

4 ~~6. Page 842, line 4: after that line insert:~~

5 ~~"SECTION 2236q. 76.48 (1g) (d) of the statutes is amended to read:~~

6 ~~76.48 (1g) (d) "Gross revenues" means total operating revenues, except~~  
7 ~~revenues for interdepartmental sales and for interdepartmental rents, less~~  
8 ~~deductions from the sales and use tax under s. 77.61 (4) and, in respect to any electric~~  
9 ~~cooperative that purchases more than 50% of the power it sells, less the actual cost~~  
10 ~~of power purchased for resale by an electric cooperative, if the revenue from that~~  
11 ~~purchased electric power is included in the seller's gross revenues or if the electric~~  
12 ~~cooperative purchased more than 50% of the power it sold in the year prior to~~  
13 ~~January 1, 1988, from a seller located outside this state. For an electric cooperative,~~  
14 ~~"gross revenues" does not include grants awarded to the electric cooperative under~~  
15 ~~s. 16.958 (2) (b). For a retail electric cooperative, "gross revenues" does not include~~  
16 ~~public benefits fees collected by the retail electric cooperative under s. 16.957 (5) (a),~~  
17 ~~public benefits fees received by the retail electric cooperative from a retail electric~~  
18 ~~cooperative or municipal utility under a joint program established under s. 16.957~~  
19 ~~(5) (f). For a wholesale supplier, as defined in s. 16.957 (1) (w), "gross revenues" does~~  
20 ~~not include any public benefits fees that are received from a municipal utility, as~~  
21 ~~defined in s. 16.957 (1) (q), or retail electric cooperative or under a joint program~~  
22 ~~established under s. 16.957 (5) (f).~~

23 ~~SECTION 2236s. 76.48 (1g) (dm) of the statutes is repealed.~~

24 ~~SECTION 2236u. 76.48 (1g) (fm) of the statutes is repealed."~~

1 **7.** Page 847, line 5: after that line insert:

2 “SECTION 2246j. 77.54 (44) of the statutes is amended to read:

3 77.54 (44) The gross receipts from the collection of public benefits fees that are  
4 charged under s. 16.957 (4) (a) or (5) (a).”

5 **8.** Page 992, line 12: after that line insert:

6 “SECTION 2997m. 196.374 (3) of the statutes is amended to read:

7 196.374 (3) ~~In 2000, 2001 and 2002, the commission shall require each utility~~  
8 ~~to spend a decreasing portion of the amount determined under sub. (2) on programs~~  
9 ~~specified in sub. (2) and contribute the remaining portion of the amount to the~~  
10 ~~commission for deposit in the fund. In each year after 2002, each Each utility shall~~  
11 ~~contribute the entire amount determined under sub. (2) to the commission for deposit~~  
12 ~~in the fund. The commission shall ensure in rate-making orders that a utility~~  
13 ~~recovers from its ratepayers the amounts spent on programs or contributed to the~~  
14 ~~fund under this subsection. The commission shall allow each utility the option of~~  
15 ~~continuing to use, until January 1, 2002, the moneys that it has recovered under s.~~  
16 ~~196.374 (3), 1997 stats., to administer the programs that it has funded under s.~~  
17 ~~196.374 (1), 1997 stats. The commission may allow each utility to spend additional~~  
18 ~~moneys on the programs specified in sub. (2) if the utility otherwise complies with~~  
19 ~~the requirements of this section and s. 16.957 (4).~~

20 **SECTION 2999m.** 196.374 (4) of the statutes is amended to read:

21 196.374 (4) If the department notifies the commission under s. 16.957 (2) (b)  
22 2. that the department has reduced funding for energy conservation and efficiency  
23 and renewable resource programs ~~by an amount that is greater than the portion of~~  
24 ~~the public benefits fee specified in s. 16.957 (4) (e) 2., the commission shall reduce~~

1 make a corresponding reduction in the amount that utilities are required to spend  
2 on programs or contribute to the fund under sub. (3) ~~by the portion of the reduction~~  
3 ~~that exceeds the amount of public benefits fees specified in s. 16.957 (4) (c) 2.~~”.

4 **9.** Page 1422, line 23: after that line insert:

5 “(3q) ENERGY CONSERVATION AND EFFICIENCY AND RENEWABLE RESOURCES PORTION  
6 OF UTILITY PUBLIC BENEFITS FEES. The treatment of sections 16.957 (1) (c), ~~(s) (v) (w),~~  
7 ~~and (k) (2) (a) (intro.), 1., 2., 3., and 4., (b) 2., (c) 1., (d) 3., (4) (c) 2., and (5), 25.96, 76.28~~  
8 ~~(1) (d), (eg) and (gr), 76.48 (1g) (d), (dm), and (fn), 77.54 (44),~~ and 196.374 (3) and  
9 (4) of the statutes and the repeal and recreation of section 16.957 (4) (c) 1. of the  
10 statutes take effect on July 1, ~~2002~~”.

11 (END)

2063

(a), (b) 1. and 2., (c), (d) (intro.), 1., 2.,  
(intro.),  
(and 3., 2., and b., (e) (intro.), 1., and 2.,  
(f), and (g) 1. a.



1 whether it has elected to contribute to the programs established under sub. (2) (a)  
2 ~~or (b) 1.~~ for a 3-year period.

History: 1999 a. 9.

3 **SECTION 326cj.** 16.957 (5) (c) of the statutes is amended to read:

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

History: 1999 a. 9.

9 **SECTION 326cL.** 16.957 (5) (d) (intro.), 1. and 2. of the statutes are repealed.

10 **SECTION 326cn.** 16.957 (5) (d) 3. (intro.) and 3. a. of the statutes are  
11 consolidated, renumbered 16.957 (5) (dm) and amended to read:

12 16.957 (5) (dm) *Commitment to community spending.* If ~~the a~~ a municipal utility  
13 or retail electric cooperative elects not to contribute to ~~any~~ of the programs  
14 established under sub. (2) (a) ~~or (b) 1.~~, the municipal utility or retail electric  
15 cooperative shall, in each fiscal year of the 3-year period for which it elects not to  
16 contribute under par. (b) 1. or 2., ~~do all of the following:~~ <sup>✓</sup> a. ~~Spend 50%~~ spend 100%  
17 of the public benefits fees that it charges under par. (a) on commitment to community  
18 ~~programs for low-income assistance.~~

History: 1999 a. 9.

19 **SECTION 326cp.** 16.957 (5) (d) 3. b. of the statutes is repealed.

20 **SECTION 326cr.** 16.957 (5) (e) (intro.) and 1. of the statutes are consolidated,  
21 renumbered 16.957 (5) (e) and amended to read:

22 16.957 (5) (e) *Wholesale supplier credit.* If a wholesale supplier has established  
23 a commitment to community program ~~for low-income assistance or an energy~~  
24 ~~conservation program~~, a municipal utility or retail electric cooperative that is a

1 customer or member of the wholesale supplier may ~~do any of the following:~~ 1. Include  
2 include an amount equal to the product of the municipal utility's or retail electric  
3 cooperative's wholesale supply percentage and the amount that the wholesale  
4 supplier has spent on ~~low-income assistance~~ the commitment to community  
5 program in a fiscal year in calculating the amount that the municipal utility or retail  
6 electric cooperative has spent on ~~low-income assistance~~ a commitment to  
7 community program in that fiscal year under par. (d) ~~2. b. or 3. a~~ (dm).

8 History: 1999 a. 9.

**SECTION 326ct.** 16.957 (5) (e) 2. of the statutes is repealed.

9 **SECTION 326cv.** 16.957 (5) (f) of the statutes is amended to read:

10 16.957 (5) (f) *Joint programs.* Municipal utilities or retail electric cooperatives  
11 may establish joint commitment to community programs, except that each municipal  
12 utility or retail electric cooperative that participates in a joint program is required  
13 to comply with the spending requirements under par. (d) (dm).

14 History: 1999 a. 9.

**SECTION 326cx.** 16.957 (5) (g) 1. a. of the statutes is amended to read:

15 16.957 (5) (g) 1. a. An accounting of public benefits fees charged to customers  
16 or members under par. (a) in the fiscal year and expenditures on commitment to  
17 community programs under par. (d) (dm), including any amounts included in the  
18 municipal utility's or retail electric cooperative's calculations under par. (e)."

History: 1999 a. 9.

## Kunkel, Mark

---

**From:** Eric Borgerding [eborgerding@wmc.org]  
**Sent:** Wednesday, June 27, 2001 3:53 PM  
**To:** mark.kunkel@legis.state.wi.us  
**Cc:** michael.welsh@legis.state.wi.us



Performance  
Contracting Langua...



1. Require that DOA allocate 25% of the funds in 20.505(10)(s) to a performance contracting program for nonresidential customers. Clarify that DOA can allocate the 25% to an existing program provided it meets the requirements below.

2. Define a performance contracting program as a program under which (1) DOA-approved service providers guarantee that a customer will save a minimum amount of energy if recommended energy efficiency improvements are made and (2) successful service providers (those who complete projects that achieve the energy savings promised) receive from DOA an incentive payment based upon the actual savings of electricity and natural gas verified by an independent evaluator.

3. If necessary, define service provider as any person who provides energy-related services including electric or gas energy engineering, equipment design, equipment installation, equipment maintenance, or financing of products or services.

## Kunkel, Mark

---

**From:** eborgerding@mailbag.com  
**Sent:** Wednesday, June 27, 2001 9:25 PM  
**To:** Kunkel, Mark  
**Subject:** RE: Performance contract questions

Mark,

I don't think there will ever be a situation where no one qualifies for payment, it is pretty well used right now. I'll wait to see your language, but as I read "no more than 47%", that would suggest that DOA can spend anything, including nothing, up to 47%. Our intent is to require DOA to earmark a certain percentage of funds for this program and limit their discretion in this sense.

EB

> Regarding #4:

>  
> Under s. 16.957 (2) (b) 2., for each fiscal year after 2003-04, DOA may  
> reduce or discontinue the energy conservation and efficiency and renewable  
> resource programs under the public benefits program. However, DOA has to  
> find that the program's need is satisfied by the private sector.  
>  
> Now that I understand what you want to do, I realize that it doesn't make  
> sense to subject the performance-based program to the above condition  
> (because it's already a private sector program). Also, my other questions  
> below arose because I treated the performance-based program like the current  
> energy conservation and efficiency and renewable resource programs under the  
> public benefits program. Now I realize that it doesn't make sense to treat  
> the program that way, so I will make appropriate revisions to the budget  
> amendment.  
>  
> One final note: I will provide that no more than 47% of the 20.505 (10) (s)  
> appropriation may be used on the program. The reason that you can't require  
> 47%, is that the payments are conditioned on things that DOA has no control  
> over (such as whether the energy savings actually occur). What happens in a  
> year when no one is eligible for a payment? Logically, you can't require  
> DOA to make the payment if no one qualifies. Does this make sense?

---

> Mark Kunkel  
> Legislative Attorney  
> Legislative Reference Bureau  
> (608) 266-0131 mark.kunkel@legis.state.wi.us

> -----Original Message-----

> From: Eric Borgerding [mailto:eborgerding@wmc.org]  
> Sent: Wednesday, June 27, 2001 4:39 PM  
> To: 'Kunkel, Mark'  
> Subject: RE: Performance contract questions

> Hey Mark

> #1 I think DOA already has someone administering the program (Shiller &  
> Associates). I see no reason to change current law there.

> #2 DOA should not need to hold a public hearing to use an existing program.

>

> #3 These procedures already exist, but maybe they should be done by rule,  
> given we are requiring this in statute.

>

> #4 What is this?

>

> EB

>

> -----Original Message-----

> From: Kunkel, Mark [mailto:Mark.Kunkel@legis.state.wi.us]

> Sent: Wednesday, June 27, 2001 4:32 PM

> To: Eric Borgerding

> Subject: RE: Performance contract questions

>

>

> Eric:

>

> Here a few questions about the program.

>

> As currently drafted, all of the following apply:

>

> 1. DOA must select a person to administer the nonresidential energy  
> conservation program by using a competitive bid process. Also, the person  
> does not have to be a nonprofit corporation (it could be anybody). Is that  
> okay, or do you want DOA to administer the program?

>

> 2. DOA may establish the program only after holding a hearing and consulting  
> with the council on utility public benefits. Is that okay? I assume that  
> this is not okay, and that you want to change this so that DOA can use an  
> existing program that satisfies the criteria.

>

> 3. DOA must promulgate rules establishing requirements and procedures for  
> grant applications.

>

> 4. DOA could reduce funding for the program under s. 16.957 (2) (b) 2.

>

> Please tell me whether I should change any of the above requirements.

>

>

>

>

>

---

> Mark Kunkel

> Legislative Attorney

> Legislative Reference Bureau

> (608) 266-0131 mark.kunkel@legis.state.wi.us

>

>

> -----Original Message-----

> From: Eric Borgerding [mailto:eborgerding@wmc.org]

> Sent: Wednesday, June 27, 2001 3:53 PM

> To: mark.kunkel@legis.state.wi.us

> Cc: michael.welsh@legis.state.wi.us

> Subject:

>

>

>

## Kunkel, Mark

---

**From:** Raschka, Adam  
**Sent:** Thursday, June 28, 2001 9:22 AM  
**To:** Kunkel, Mark  
**Subject:** FW: LRB Draft: 01b1763/2 Ominbus energy motion: public benefits program

Page 3, line 11. Should that read "commitment" rather than "committed"

**Adam Raschka**  
**Assembly Republican Caucus**  
**[adam.raschka@legis.state.wi.us](mailto:adam.raschka@legis.state.wi.us)**  
**Direct Line: 608-267-0892**  
**Toll-Free: 888-394-1452**  
**Fax: 608-264-6999**

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

**From:** Hanaman, Cathlene  
**Sent:** Wednesday, June 27, 2001 6:54 PM  
**To:** Raschka, Adam  
**Cc:** Legislative Fiscal Bureau; Hanaman, Cathlene; Haugen, Caroline  
**Subject:** LRB Draft: 01b1763/2 Ominbus energy motion; public benefits program

Following is the PDF version of draft 01b1763/2.



01b1763/2

O-NOTE

ARC:.....Raschka – AM78, items 3, Ominbus energy motion: public benefits program

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION  
CAUCUS ASSEMBLY AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 2001 SENATE BILL 55

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

2 1. Page 74, line 21: delete the material beginning with that line and ending  
3 with page 75, line 2, and substitute:

4 "SECTION 323b. 16.957 (1) (c) of the statutes is amended to read:

5 16.957 (1) (c) "Commitment to community program" means a program by a  
6 municipal utility or retail electric cooperative, or wholesale supplier for low-income  
7 assistance ~~or an energy conservation program by a municipal utility or retail electric~~  
8 cooperative.

9 SECTION 323d. 16.957 (1) (n) of the statutes is repealed.

10 SECTION 323f. 16.957 (1) (o) of the statutes is repealed.

1           **SECTION 323h.** 16.957 (1) (p) of the statutes is repealed.

2           **SECTION 323L.** 16.957 (1) (u) of the statutes is repealed.

3           **SECTION 324b.** 16.957 (2) (a) (intro.) of the statutes is renumbered 16.957 (2)  
4 (a) and amended to read:

5           16.957 (2) (a) *Low-income programs.* After holding a hearing, establish  
6 programs to be administered by the department for awarding grants from the  
7 appropriation under s. 20.505 ~~(10) (3)~~ (r) to provide low-income assistance. ~~In each~~  
8 ~~fiscal year, the amount awarded under this paragraph shall be sufficient to ensure~~  
9 ~~that an amount equal to 47% of the sum of the following is spent for weatherization~~  
10 ~~and other energy conservation services:~~

11           **SECTION 324c.** 16.957 (2) (a) 1., 2., 3. and 4. of the statutes are repealed.”.

12           **2.** Page 75, line 19: after that line insert:

13           ~~“SECTION 326bb. 16.957 (2) (b) 1. am. of the statutes is created to read:~~  
14           ~~16.957 (2) (b) 1. am. Proposals for nonresidential energy conservation under~~  
15           ~~which electric providers identify energy savings opportunities for nonresidential~~  
16           ~~customers and manage the installation and financing of energy efficient equipment~~  
17           ~~and nonresidential customers pay for the services and equipment out of savings on~~  
18           ~~utility bills. In each fiscal year, 25% of the appropriation under s. 20.505 (3) (s) shall~~  
19           ~~be awarded in grants under this subd. 1. am.~~

20           **SECTION 326bd.** 16.957 (2) (b) 2. of the statutes is amended to read:

21           16.957 (2) (b) 2. For each fiscal year after fiscal year 2003–04, determine  
22 whether to continue, discontinue or reduce any of the programs established under  
23 subd. 1. and determine the total amount necessary to fund the programs that the  
24 department determines to continue or reduce under this subdivision. ~~The~~

Commitment

1 department shall notify the commission if if the department determines under this  
 2 subdivision to reduce funding by an amount that is greater than the portion of the  
 3 public benefits fee specified in sub. (4) (c) 2. The notice shall specify the portion of  
 4 the reduction that exceeds the amount of public benefits fees specified in sub. (4) (c)  
 5 2 the total amount necessary to fund the programs, the department shall notify the  
 6 commission about the amount of the reduction.

7 **SECTION 326bf.** 16.957 (2) (c) 1. of the statutes is amended to read:

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

13 **SECTION 326bh.** 16.957 (2) (c) 2m. of the statutes is amended to read:

14 16.957 (2) (c) 2m. Criteria for the selection of proposals by a corporation  
 15 specified in sub. (3) (b) or a person specified in sub. (3) (bm).

16 **SECTION 326bj.** 16.957 (2) (c) 5. of the statutes is repealed.

17 **SECTION 326bL.** 16.957 (2) (d) 1. of the statutes is repealed.

18 **SECTION 326bn.** 16.957 (2) (d) 3. of the statutes is amended to read:

19 16.957 (2) (d) 3. Deposit all moneys received under sub. (4) (a) or (5) (c) ~~or (d)~~  
 20 in the utility public benefits fund.

21 ~~**SECTION 326bp.** 16.957 (3) (b) of the statutes is amended to read:~~

22 16.957 (3) (b) The department shall, on the basis of competitive bids, contract  
 23 with one or more nonstock, nonprofit corporations organized under ch. 181 to  
 24 administer the programs established under sub. (2) (b) 1. a. and b., including  
 25 soliciting proposals, processing grant applications, selecting, based on criteria

1 specified in rules promulgated under sub. (2) (c) 2m., proposals for the department  
2 to make awards and distributing grants to recipients.

3 **SECTION 326br.** 16.957 (3) (bm) of the statutes is created to read:

4 16.957 (3) (bm) The department shall, on the basis of competitive bids, contract  
5 with a person to administer the program established under sub. (2) (b) 1. am.,  
6 including soliciting proposals, processing grant applications, selecting, based on  
7 criteria specified in rules promulgated under sub. (2) (c) 2m., proposals for the  
8 department to make awards, and distributing grants to recipients.

9 **SECTION 326bt.** 16.957 (3) (c) of the statutes is amended to read:

10 16.957 (3) (c) In selecting proposals and awarding grants under sub. (2) (b), the  
11 department or, a nonprofit corporation specified in par. (b), or a person specified in  
12 par. (bm) may not discriminate against an electric provider or its affiliate or a  
13 wholesale electric supplier or its affiliate solely on the basis of its status as an electric  
14 provider, wholesale electric supplier or affiliate.

15 **SECTION 326bv.** 16.957 (4) (c) 1. (intro.) of the statutes is renumbered 16.957  
16 (4) (c) 1. and amended to read:

17 16.957 (4) (c) 1. 'Low-income funding.' In fiscal year ~~1999-2000~~ 2001-02 and  
18 fiscal year 2002-03, a portion of the public benefits fee shall be an amount that, when  
19 added to 50% of the estimated public benefits fees charged by municipal utilities and  
20 retail electric cooperatives under sub. (5) (a) for that fiscal year, shall equal  
21 \$24,000,000. In each fiscal year after fiscal year ~~1999-2000~~, a portion of the public  
22 benefits fee shall be an amount that, when added to the sum of the following shall  
23 equal the low-income need target for that fiscal year determined by the department  
24 under sub. (2) (d) 1.:

INSERT 4-15 ✓



1           **SECTION 326bx.** 16.957 (4) (c) 1. of the statutes, as affected by 2001 Wisconsin  
2 Act ... (this act), is repealed and recreated to read:

3           16.957 (4) (c) 1. ‘Low-income funding.’ In each fiscal year, the public benefits  
4 fee shall be an amount that, when added to 100% of the estimated public benefits fees  
5 charged by municipal utilities and retail electric cooperatives under sub. (5) (a) for  
6 that fiscal year shall equal \$24,000,000.

7           **SECTION 326bz.** 16.957 (4) (c) 1. a., b. and c. of the statutes are repealed.

8           **SECTION 326cb.** 16.957 (4) (c) 2. of the statutes is repealed.

9           **SECTION 326cd.** 16.957 (5) (a) of the statutes is amended to read:

10          16.957 (5) (a) *Requirement to charge public benefits fees.* Each retail electric  
11 cooperative and municipal utility shall charge a monthly public benefits fee to each  
12 customer or member in an amount that is sufficient for the retail electric cooperative  
13 or municipal utility to collect an annual average of ~~\$16~~ \$8 per meter. A retail electric  
14 cooperative or municipal utility may determine the amount that a particular class  
15 of customers or members is required to pay under this paragraph and may charge  
16 different fees to different classes of customers or members.

17          **SECTION 326cf.** 16.957 (5) (b) 1. of the statutes is amended to read:

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

21          **SECTION 326ch.** 16.957 (5) (b) 2. of the statutes is amended to read:

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

1           **SECTION 326cj.** 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           **SECTION 326cL.** 16.957 (5) (d) (intro.), 1. and 2. of the statutes are repealed.

8           **SECTION 326cn.** 16.957 (5) (d) 3. (intro.) and 3. a. of the statutes are  
9 consolidated, renumbered 16.957 (5) (dm) and amended to read:

10           16.957 (5) (dm) *Commitment to community spending.* If the a municipal utility  
11 or retail electric cooperative elects not to contribute to any of the programs  
12 established under sub. (2) (a) or (b) 1., the municipal utility or retail electric  
13 cooperative shall, in each fiscal year of the 3-year period for which it elects not to  
14 contribute under par. (b) 1. or 2., do all of the following: a. Spend 50% spend 100%  
15 of the public benefits fees that it charges under par. (a) on commitment to community  
16 programs for low-income assistance.

17           **SECTION 326cp.** 16.957 (5) (d) 3. b. of the statutes is repealed.

18           **SECTION 326cr.** 16.957 (5) (e) (intro.) and 1. of the statutes are consolidated,  
19 renumbered 16.957 (5) (e) and amended to read:

20           16.957 (5) (e) *Wholesale supplier credit.* If a wholesale supplier has established  
21 a commitment to community program for low-income assistance or an energy  
22 conservation program, a municipal utility or retail electric cooperative that is a  
23 customer or member of the wholesale supplier may do any of the following: 1. Include  
24 include an amount equal to the product of the municipal utility's or retail electric  
25 cooperative's wholesale supply percentage and the amount that the wholesale

\*. Page 249, line 4: after that line insert:

9 "(u) Performance contract program SEG S - O - - O -". ] # Sched  
1 supplier has spent on ~~low-income assistance~~ the commitment to community  
2 program in a fiscal year in calculating the amount that the municipal utility or retail  
3 electric cooperative has spent on ~~low-income assistance~~ a commitment to  
4 community program in that fiscal year under par. (d) ~~2. b. or 3. a~~ (dm).

5 SECTION 326ct. 16.957 (5) (e) 2. of the statutes is repealed.

6 SECTION 326cv. 16.957 (5) (f) of the statutes is amended to read:

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

11 SECTION 326cx. 16.957 (5) (g) 1. a. of the statutes is amended to read:

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

16 3. Page 477, line 12: after that line insert:

17 "SECTION 1145m. 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."

23 4. Page 992, line 12: after that line insert:

24 "SECTION 2997m. 196.374 (3) of the statutes is amended to read:

INSECT 7-15 ✓

INSECT 7-16 ✓

1           196.374 (3) ~~In 2000, 2001 and 2002, the commission shall require each utility~~  
2 ~~to spend a decreasing portion of the amount determined under sub. (2) on programs~~  
3 ~~specified in sub. (2) and contribute the remaining portion of the amount to the~~  
4 ~~commission for deposit in the fund. In each year after 2002, each Each utility shall~~  
5 ~~contribute the entire amount determined under sub. (2) to the commission for deposit~~  
6 ~~in the fund. The commission shall ensure in rate-making orders that a utility~~  
7 ~~recovers from its ratepayers the amounts spent on programs or contributed to the~~  
8 ~~fund under this subsection. The commission shall allow each utility the option of~~  
9 ~~continuing to use, until January 1, 2002, the moneys that it has recovered under s.~~  
10 ~~196.374 (3), 1997 stats., to administer the programs that it has funded under s.~~  
11 ~~196.374 (1), 1997 stats. The commission may allow each utility to spend additional~~  
12 ~~moneys on the programs specified in sub. (2) if the utility otherwise complies with~~  
13 ~~the requirements of this section and s. 16.957 (4).~~

14           **SECTION 2999m.** 196.374 (4) of the statutes is amended to read:

15           196.374 (4) If the department notifies the commission under s. 16.957 (2) (b)  
16 2. that the department has reduced funding for energy conservation and efficiency  
17 and renewable resource programs ~~by an amount that is greater than the portion of~~  
18 ~~the public benefits fee specified in s. 16.957 (4) (e) 2., the commission shall reduce~~  
19 make a corresponding reduction in the amount that utilities are required to spend  
20 on programs or contribute to the fund under sub. (3) ~~by the portion of the reduction~~  
21 ~~that exceeds the amount of public benefits fees specified in s. 16.957 (4) (e) 2.”.~~

22           **5.** Page 1422, line 23: after that line insert:

23           “(3q) ENERGY CONSERVATION AND EFFICIENCY AND RENEWABLE RESOURCES PORTION  
24 OF UTILITY PUBLIC BENEFITS FEES. The treatment of sections 16.957 (1) (c), (2) (a)

(3m)↑

1 (intro.), 1., 2., 3., and 4., (b) 2., (c) 1., (d) 3., (4) (c) 2., and (5) (a), (b) 1. and 2., (c), (d)  
2 (intro.), 1., 2., and 3. (intro.), a., and b., (e) (intro.), 1., and 2., (f), and (g) 1. a., 25.96,  
3 and 196.374 (3) and (4) of the statutes and the repeal and recreation of section 16.957  
4 (4) (c) 1. of the statutes take effect on July 1, 2003.”.

5

(END)



1  
2  
3  
4  
5  
6  
7  
8

**INSERT 7-15:**

~~1.~~ Page 390, line 15: after that line insert:

**SECTION 838m.** 20.505 (3) (u) of the statutes is created to read:

20.505 (3) (u) *Performance contract program.* From the utility public benefits fund, a sum sufficient equal to 25% of the amount ~~remaining~~ in the utility public benefits fund less the amounts appropriated under pars. (q) and (t) and s. 20.435 (4) (y) and the amount shown in the schedule under s. 20.005 (3) for the appropriation under par. (r), for making payments under s. 16.957 (3m).”.

INSERT 716

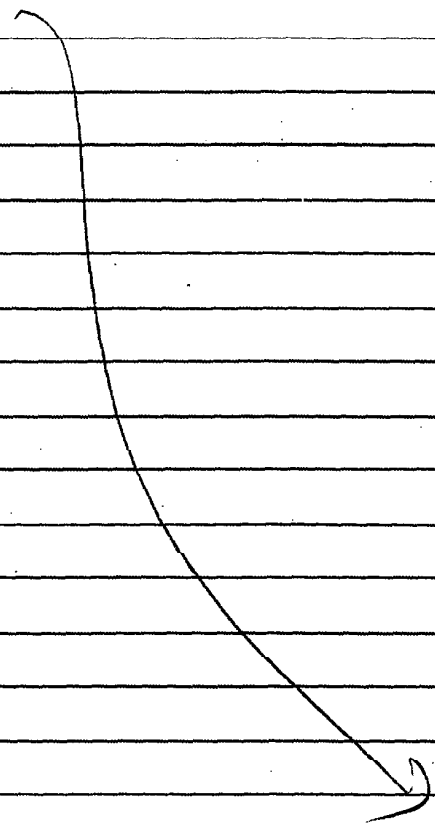
# Page 400, line 19: delete lines 19

and 20 and substitute

"SEC. 903g. RA; W. 505(10)(r);

W. 505(3)(r):

~~20~~





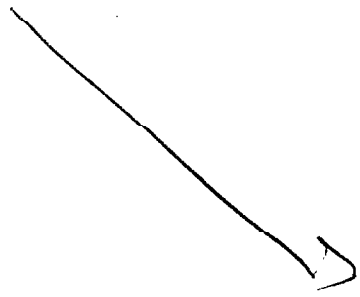
~~Section #. 20.505 (10) (r) of the statutes is amended to read:~~

(B)  
(3)

20.505 ~~(10)~~(r) *Low-income assistance grants.* From the utility public benefits fund, a sum sufficient for low-income assistance grants under s. 16.957 (2) (a).

*History:* 1971 c. 108, 125, 215; 1971 c. 270 s. 104; 1973 c. 90 and supp., 157, 305; 1975 c. 39 ss. 179 to 184f, 735 (5); 1975 Ex. Order No. 24; 1975 c. 224, 397; 1977 c. 29; 1977 c. 196 ss. 70, 131; 1977 c. 377 s. 30; 1977 c. 418 s. 929 (1), (55); 1979 c. 32 s. 92 (5); 1979 c. 34, 175, 221; 1979 c. 355 s. 241; 1979 c. 361; 1981 c. 20 ss. 400b to 421, 2202 (57) (b); 1981 c. 44 s. 3; 1981 c. 62, 121; 1981 c. 202 s. 23; 1981 c. 314, 374, 391; 1983 a. 27 ss. 439 to 456, 2202 (1); 1983 a. 36, 187, 282, 371, 393; 1985 a. 29, 31, 57, 120, 296, 297, 332; 1987 a. 27 ss. 296n, 296q, 297b, 297d, 299a to 299r, 300a, 301a, 418 to 432; 1987 a. 142, 147, 342, 399; 1989 a. 31, 56, 107, 122, 336, 339, 345, 366; 1991 a. 39 s. 469, 593q to 614; 1991 a. 105, 269, 315; 1993 a. 16 ss. 470g, 470m, 470r, 488 to 506m; 1993 a. 33, 75, 193, 349, 358, 374, 414, 437, 477, 491; 1995 a. 27, 56, 201, 216, 225, 227, 370, 403; 1997 a. 3; 1997 a. 27 ss. 199, 227 to 229m, 233, 666g to 692; 1997 a. 237, 283; 1999 a. 5, 9, 24, 52, 105, 113, 148, 185.

less the amounts appropriated  
under pars. (t) and s. 20.435 (4) (y),  
(g) and



903 K

renumber 20.505(3)(s) and

Section # 20.505 (10) (s) of the statutes is amended to read:

(3)

20.505 (10) (s) *Energy conservation and efficiency and renewable resource grants.* From the utility public benefits fund, a sum sufficient for energy conservation and efficiency and renewable resource grants under s. 16.957 (2) (b) 1. and to make the transfer to the air quality improvement fund under s. 16.958 (2) (a).

History: 1971 c. 108, 125, 215; 1971 c. 270 s. 104; 1973 c. 90 and supp., 157, 305; 1975 c. 39 ss. 179 to 184f, 735 (5); 1975 Ex. Order No. 24; 1975 c. 224, 397; 1977 c. 29; 1977 c. 196 ss. 70, 131; 1977 c. 377 s. 30; 1977 c. 418 s. 929 (1), (55); 1979 c. 32 s. 92 (5); 1979 c. 34, 175, 221; 1979 c. 355 s. 241; 1979 c. 361; 1981 c. 20 ss. 400b to 421, 2202 (57) (b); 1981 c. 44 s. 3; 1981 c. 62, 121; 1981 c. 202 s. 23; 1981 c. 314, 374, 391; 1983 a. 27 ss. 439 to 456, 2202 (1); 1983 a. 36, 187, 282, 371, 393; 1985 a. 29, 31, 57, 120, 296, 297, 332; 1987 a. 27 ss. 296n, 296q, 297b, 297d, 299a to 299r, 300a, 301a, 418 to 432; 1987 a. 142, 147, 342, 399; 1989 a. 31, 56, 107, 122, 336, 339, 345, 366; 1991 a. 39 s. 469, 593q to 614; 1991 a. 105, 269, 315; 1993 a. 16 ss. 470g, 470m, 470r, 488 to 506m; 1993 a. 33, 75, 193, 349, 358, 374, 414, 437, 477, 491; 1995 a. 27, 56, 201, 216, 225, 227, 370, 403; 1997 a. 3; 1997 a. 27 ss. 199, 227 to 229m, 233, 666g to 692; 1997 a. 237, 283; 1999 a. 5, 9, 24, 52, 105, 113, 148, 185.

less the amounts appropriated under pars. (g) and (t) and s. 20.435 (4) (y), and the amount shown in the schedule under s. 20.005 (3) for the appropriation under par. (r),

equal to 75% of the amount in the utility public benefits fund

*[Handwritten signature]*

<end insert 7-16>

DN

The references to "par. (t)" are

"S. 20.435 (4)(y)" in this draft

can be found in LRB 1828

and LRB 1820, respectively.

m.dk

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

LRBb1763/3dn  
MDK:cjs:ch

June 28, 2001

The references to "par. (t)" and "s. 20.435 (4) (y)" in this draft can be found in LRBb1828 and LRBb1820, respectively.

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



ARC:.....Raschka – AM78, items 3, Ominbus energy motion: public benefits program

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS ASSEMBLY AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2001 SENATE BILL 55

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

2 **1.** Page 74, line 21: delete the material beginning with that line and ending  
3 with page 75, line 2, and substitute:

4 “**SECTION 323b.** 16.957 (1) (c) of the statutes is amended to read:

5 16.957 (1) (c) “Commitment to community program” means a program by a  
6 municipal utility ~~or~~ retail electric cooperative, or wholesale supplier for low-income  
7 assistance ~~or an energy conservation program by a municipal utility or retail electric~~  
8 cooperative.

9 **SECTION 323d.** 16.957 (1) (n) of the statutes is repealed.

10 **SECTION 323f.** 16.957 (1) (o) of the statutes is repealed.

1           **SECTION 323h.** 16.957 (1) (p) of the statutes is repealed.

2           **SECTION 323L.** 16.957 (1) (u) of the statutes is repealed.

3           **SECTION 324b.** 16.957 (2) (a) (intro.) of the statutes is renumbered 16.957 (2)  
4 (a) and amended to read:

5           16.957 (2) (a) *Low-income programs.* After holding a hearing, establish  
6 programs to be administered by the department for awarding grants from the  
7 appropriation under s. 20.505 ~~(10) (3)~~ (r) to provide low-income assistance. ~~In each~~  
8 ~~fiscal year, the amount awarded under this paragraph shall be sufficient to ensure~~  
9 ~~that an amount equal to 47% of the sum of the following is spent for weatherization~~  
10 ~~and other energy conservation services:~~

11           **SECTION 324c.** 16.957 (2) (a) 1., 2., 3. and 4. of the statutes are repealed.”.

12           **2.** Page 75, line 19: after that line insert:

13           **“SECTION 326bd.** 16.957 (2) (b) 2. of the statutes is amended to read:

14           16.957 (2) (b) 2. For each fiscal year after fiscal year 2003–04, determine  
15 whether to continue, discontinue or reduce any of the programs established under  
16 subd. 1. and determine the total amount necessary to fund the programs that the  
17 department determines to continue or reduce under this subdivision. ~~The~~  
18 ~~department shall notify the commission if~~ If the department determines under this  
19 ~~subdivision to reduce funding by an amount that is greater than the portion of the~~  
20 ~~public benefits fee specified in sub. (4) (c) 2. The notice shall specify the portion of~~  
21 ~~the reduction that exceeds the amount of public benefits fees specified in sub. (4) (c)~~  
22 2 the total amount necessary to fund the programs, the department shall notify the  
23 commission about the amount of the reduction.

24           **SECTION 326bf.** 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 commitment to community program specified in sub. (5) ~~(d) 2. b. or 3. a. (dm)~~ from  
5 receiving low-income assistance under programs established under par. (a).

6           **SECTION 326bj.** 16.957 (2) (c) 5. of the statutes is repealed.

7           **SECTION 326bL.** 16.957 (2) (d) 1. of the statutes is repealed.

8           **SECTION 326bn.** 16.957 (2) (d) 3. of the statutes is amended to read:

9           16.957 (2) (d) 3. Deposit all moneys received under sub. (4) (a) or (5) (c) ~~or (d)~~  
10 in the utility public benefits fund.

11           **SECTION 326bs.** 16.957 (3m) of the statutes is created to read:

12           16.957 (3m) PERFORMANCE CONTRACT PROGRAM. (a) In this subsection,  
13 “energy-related services” includes electric or gas energy engineering; equipment  
14 design, installation, or maintenance; or the financing of energy-related services or  
15 products.

16           (b) From the appropriation under s. 20.505 (3) (u), the department shall make  
17 a payment to a person if all of the following are satisfied:

18           1. The person satisfies any eligibility requirements that the department may  
19 establish by rule.

20           2. The person enters into a contract with a nonresidential customer of a public  
21 utility for providing energy-related services or products to the customer for the  
22 purpose of reducing the customer’s energy utility expenses by an amount specified  
23 in the contract over a period of time specified in the contract.

24           3. An independent third party certifies to the department that, as a result of  
25 the services or products provided under a contract specified in subd. 2., the

1 customer's energy utility expenses were reduced by the specified amount over the  
2 specified period of time.

3 (c) The amount of a payment under par. (b) shall be based on the amount of the  
4 reduction in a customer's energy utility expenses.

5 (d) The department shall promulgate rules establishing requirements and  
6 procedures for making payments under par. (b). The department may contract with  
7 a person to administer the requirements and procedures established in the rules.

8 **SECTION 326bv.** 16.957 (4) (c) 1. (intro.) of the statutes is renumbered 16.957  
9 (4) (c) 1. and amended to read:

10 16.957 (4) (c) 1. 'Low-income funding.' In fiscal year ~~1999–2000~~ 2001–02 and  
11 fiscal year 2002–03, a portion of the public benefits fee shall be an amount that, when  
12 added to 50% of the estimated public benefits fees charged by municipal utilities and  
13 retail electric cooperatives under sub. (5) (a) for that fiscal year, shall equal  
14 \$24,000,000. ~~In each fiscal year after fiscal year 1999–2000, a portion of the public~~  
15 ~~benefits fee shall be an amount that, when added to the sum of the following shall~~  
16 ~~equal the low-income need target for that fiscal year determined by the department~~  
17 ~~under sub. (2) (d) 1.:~~

18 **SECTION 326bx.** 16.957 (4) (c) 1. of the statutes, as affected by 2001 Wisconsin  
19 Act .... (this act), is repealed and recreated to read:

20 16.957 (4) (c) 1. 'Low-income funding.' In each fiscal year, the public benefits  
21 fee shall be an amount that, when added to 100% of the estimated public benefits fees  
22 charged by municipal utilities and retail electric cooperatives under sub. (5) (a) for  
23 that fiscal year shall equal \$24,000,000.

24 **SECTION 326bz.** 16.957 (4) (c) 1. a., b. and c. of the statutes are repealed.

25 **SECTION 326cb.** 16.957 (4) (c) 2. of the statutes is repealed.



1           **SECTION 326cd.** 16.957 (5) (a) of the statutes is amended to read:

2           16.957 (5) (a) *Requirement to charge public benefits fees.* Each retail electric  
3 cooperative and municipal utility shall charge a monthly public benefits fee to each  
4 customer or member in an amount that is sufficient for the retail electric cooperative  
5 or municipal utility to collect an annual average of ~~\$16~~ \$8 per meter. A retail electric  
6 cooperative or municipal utility may determine the amount that a particular class  
7 of customers or members is required to pay under this paragraph and may charge  
8 different fees to different classes of customers or members.

9           **SECTION 326cf.** 16.957 (5) (b) 1. of the statutes is amended to read:

10           16.957 (5) (b) 1. No later than October 1, 2000, each municipal utility or retail  
11 electric cooperative shall notify the department whether it has elected to contribute  
12 to the programs established under sub. (2) (a) ~~or (b) 1.~~ for a 3-year period.

13           **SECTION 326ch.** 16.957 (5) (b) 2. of the statutes is amended to read:

14           16.957 (5) (b) 2. No later than every 3rd year after the date specified in subd.  
15 1., each municipal utility or retail electric cooperative shall notify the department  
16 whether it has elected to contribute to the programs established under sub. (2) (a)  
17 ~~or (b) 1.~~ for a 3-year period.

18           **SECTION 326cj.** 16.957 (5) (c) of the statutes is amended to read:

19           16.957 (5) (c) *Full contribution.* If a municipal utility or retail electric  
20 cooperative elects under par. (b) 1. or 2. to contribute to the programs established  
21 ~~both under sub. (2) (a) and under sub. (2) (b) 1.~~, it shall pay 100% of the public benefits  
22 fees that it charges under par. (a) to the department in each fiscal year of the 3-year  
23 period for which it has made the election.

24           **SECTION 326cL.** 16.957 (5) (d) (intro.), 1. and 2. of the statutes are repealed.

1           **SECTION 326cn.** 16.957 (5) (d) 3. (intro.) and 3. a. of the statutes are  
2 consolidated, renumbered 16.957 (5) (dm) and amended to read:

3           16.957 (5) (dm) Commitment to community spending. ~~If the a~~ municipal utility  
4 or retail electric cooperative elects not to contribute to any of the programs  
5 established under sub. (2) (a) ~~or (b) 1.~~, the municipal utility or retail electric  
6 cooperative shall, in each fiscal year of the 3-year period for which it elects not to  
7 contribute under par. (b) 1. or 2., ~~do all of the following: a. Spend 50%~~ spend 100%  
8 of the public benefits fees that it charges under par. (a) on commitment to community  
9 programs for low-income assistance.

10           **SECTION 326cp.** 16.957 (5) (d) 3. b. of the statutes is repealed.

11           **SECTION 326cr.** 16.957 (5) (e) (intro.) and 1. of the statutes are consolidated,  
12 renumbered 16.957 (5) (e) and amended to read:

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

23           **SECTION 326ct.** 16.957 (5) (e) 2. of the statutes is repealed.

24           **SECTION 326cv.** 16.957 (5) (f) of the statutes is amended to read:

1           16.957 (5) (f) *Joint programs*. Municipal utilities or retail electric cooperatives  
2 may establish joint commitment to community programs, except that each municipal  
3 utility or retail electric cooperative that participates in a joint program is required  
4 to comply with the spending requirements under par. (d) (dm).

5           **SECTION 326cx.** 16.957 (5) (g) 1. a. of the statutes is amended to read:

6           16.957 (5) (g) 1. a. An accounting of public benefits fees charged to customers  
7 or members under par. (a) in the fiscal year and expenditures on commitment to  
8 community programs under par. (d) (dm), including any amounts included in the  
9 municipal utility's or retail electric cooperative's calculations under par. (e).”.

10          **3.** Page 249, line 4: after that line insert:

11          “(u) Performance contract program      SEG      S                      –0–                      –0–”.

12          **4.** Page 390, line 15: after that line insert:

13          **“SECTION 838m.** 20.505 (3) (u) of the statutes is created to read:

14          20.505 (3) (u) *Performance contract program*. From the utility public benefits  
15 fund, a sum sufficient equal to 25% of the amount in the utility public benefits fund  
16 less the amounts appropriated under pars. (q) and (t) and s. 20.435 (4) (y) and the  
17 amount shown in the schedule under s. 20.005 (3) for the appropriation under par.  
18 (r), for making payments under s. 16.957 (3m).”.

19          **5.** Page 400, line 19: delete lines 19 to 20 and substitute:

20          **“SECTION 903g.** 20.505 (10) (r) of the statutes is renumbered 20.505 (3) (r) and  
21 amended to read:

22          20.505 (3) (r) *Low-income assistance grants*. From the utility public benefits  
23 fund, a sum sufficient, less the amounts appropriated under pars. (q) and (t) and s.  
24 20.435 (4) (y), for low-income assistance grants under s. 16.957 (2) (a).

1           **SECTION 903k.** 20.505 (10) (s) of the statutes is renumbered 20.505 (3) (s) and  
2 amended to read:

3           20.505 (3) (s) *Energy conservation and efficiency and renewable resource*  
4 *grants.* From the utility public benefits fund, a sum sufficient equal to 75% of the  
5 amount in the utility public benefits fund less the amounts appropriated under pars.  
6 (q) and (t) and s. 20.435 (4) (y) and the amount shown in the schedule under s. 20.005  
7 (3) for the appropriation under par. (r), for energy conservation and efficiency and  
8 renewable resource grants under s. 16.957 (2) (b) 1. and to make the transfer to the  
9 air quality improvement fund under s. 16.958 (2) (a).”.

10           **6.** Page 477, line 12: after that line insert:

11           “**SECTION 1145m.** 25.96 of the statutes is amended to read:

12           **25.96 Utility public benefits fund.** There is established a separate  
13 nonlapsible trust fund designated as the utility public benefits fund, consisting of  
14 deposits by the public service commission under s. 196.374 (3), public benefits fees  
15 received under s. 16.957 (4) (a) and (5) (c) and (d) and contributions received under  
16 s. 16.957 (2) (c) 4. and (d) 2.”.

17           **7.** Page 992, line 12: after that line insert:

18           “**SECTION 2997m.** 196.374 (3) of the statutes is amended to read:

19           196.374 (3) ~~In 2000, 2001 and 2002, the commission shall require each utility~~  
20 ~~to spend a decreasing portion of the amount determined under sub. (2) on programs~~  
21 ~~specified in sub. (2) and contribute the remaining portion of the amount to the~~  
22 ~~commission for deposit in the fund. In each year after 2002, each Each utility shall~~  
23 contribute the entire amount determined under sub. (2) to the commission for deposit  
24 in the fund. The commission shall ensure in rate-making orders that a utility

1 recovers from its ratepayers the amounts spent on programs or contributed to the  
2 fund under this subsection. ~~The commission shall allow each utility the option of~~  
3 ~~continuing to use, until January 1, 2002, the moneys that it has recovered under s.~~  
4 ~~196.374 (3), 1997 stats., to administer the programs that it has funded under s.~~  
5 ~~196.374 (1), 1997 stats.~~ The commission may allow each utility to spend additional  
6 moneys on the programs specified in sub. (2) if the utility otherwise complies with  
7 the requirements of this section and s. 16.957 (4).

8 **SECTION 2999m.** 196.374 (4) of the statutes is amended to read:

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

16 **8.** Page 1422, line 23: after that line insert:

17 “(3q) ENERGY CONSERVATION AND EFFICIENCY AND RENEWABLE RESOURCES PORTION  
18 OF UTILITY PUBLIC BENEFITS FEES. The treatment of sections 16.957 (1) (c), (2) (a)  
19 (intro.), 1., 2., 3., and 4., (b) 2., (c) 1., (d) 3., (3m), (4) (c) 2., and (5) (a), (b) 1. and 2.,  
20 (c), (d) (intro.), 1., 2., and 3. (intro.), a., and b., (e) (intro.), 1., and 2., (f), and (g) 1. a.,  
21 25.96, and 196.374 (3) and (4) of the statutes and the repeal and recreation of section  
22 16.957 (4) (c) 1. of the statutes take effect on July 1, 2003.”.

23 (END)