

2001 DRAFTING REQUEST

Senate Amendment (SA-SSA1-SB55)

Received: **07/18/2001**

Received By: **kunkemd**

Wanted: **As time permits**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Renner**

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

Drafter: **kunkemd**

May Contact:

Addl. Drafters:

Subject: **Public Util. - electric**

Extra Copies:

Submit via email: **NO**

Requester's email:

Pre Topic:

LFB:.....Renner -

Topic:

Distributed generation 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>
/1	kunkemd 07/18/2001	csicilia 07/19/2001	jfrantze 07/19/2001	_____	lrb_docadmin 07/19/2001		
/2	kunkemd 07/19/2001	wjackson 07/19/2001	jfrantze 07/20/2001	_____	lrb_docadmin 07/20/2001		

FE Sent For:

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1/?	kunkemd	1 ijs 7/19/01	7/19	Self 7/19			

FE Sent For:

<END>

62142



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-5873

Date: _____

DELIVER TO: Mark Kenkel

Addressee Fax #: _____ Addressee Phone #: _____

of Pages, Including Cover: 4 Sender's Initials: DR

From: Darin Renner

Message:

① Distributed Generation Standards (attached)
- This will replace the Joint Finance draft 3/16/1

② On draft 1821/2 - make the cap effective beginning 2001-02 in the ~~over~~ amounts of \$5,250,000 in 2001-02 and \$6,250,000 in 2002-03.

③ Draft 1991/3 will be a conference committee draft

④ Stray voltage + electrical rewiring assistance (1504/1)
- PSC will be required to require utilities (including co-operatives) to establish farm rewiring programs. There is no specified amount they need to contribute. Further modify the Public Benefit energy efficiency language to include eligibility for agricultural energy conservation programs.

Distributed Generation Standards

DLL:tlu:jal;rv

WLC: 0179/3

07/12/2001

1 **AN ACT** to create 196.191 of the statutes; relating to: distributed generation and
2 creating rule-making authority.

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

3 SECTION 1. 196.191 of the statutes is created to read:

4 **196.191 Distributed generation; interconnection standards.** (1) **DEFINITION.** In this
5 section, "distributed generation facility" means a facility for the generation of electricity that
6 is located near the point where the electricity will be used or in a location that will support
7 the functioning of the electric power distribution grid and that has a capacity of not more than
8 15 megawatts.

9 (2) **COMMISSION RULES.** The commission shall promulgate rules establishing standards
10 for the connection of distributed generation facilities to electric distribution facilities that are
11 owned by public utilities. To the extent technically feasible and cost effective, the standards
12 shall be uniform and shall promote the development of distributed generation facilities ~~by~~
13 ~~persons that are not public utilities.~~ The standards shall address engineering, electric
14 reliability, safety and methods for determining charges for interconnection.

15 SECTION 2. **Nonstatutory provisions.**

16 (1) **DISTRIBUTED GENERATION RULES.** The public service commission shall submit in
17 proposed form the rules required under section 196.191 (2) of the statutes, as created by this
18 act, to the legislative council staff under section 227.15 (1) of the statutes no later than the first
19 day of the 6th month beginning after the effective date of this subsection.

DISTRIBUTED GENERATION INTERCONNECTION STANDARDS

Sec. 196.____ is created to read:

Sec. 196.____. Distributed generation interconnection standards.

- (1) In this section, "distributed generation" means electric generation facilities owned by a public utility customer which may be interconnected with a public utility's distribution facilities.
- (2) The commission shall develop interconnection standards for public utilities with customer-owned distributed generation facilities. In developing these standards, the commission shall address engineering, electric reliability, and safety.
- (3) The commission shall seek to make the interconnection standards uniform among public utilities statewide to the maximum extent practicable, taking into account the issues listed in subsection (2).
- (4) The commission shall adopt rules to implement this section.

NONSTATUTORY PROVISIONS

- (1) The public service commission shall submit in proposed form the rules required under s. 196.____ of the statutes, as created by this act, to the legislative council staff under s. 227.15(1) of the statutes no later than the first day of the 13th month beginning after the effective date of this paragraph.
- (2) In developing the rules required under s. 196____, the commission shall establish an advisory committee pursuant to s. 227.13. The advisory committee shall consist of interested stakeholders including, but not limited to, distributed generation equipment installers and manufacturers, customers, energy advocacy groups, utility workers, environmental groups, public utilities, electric cooperatives, and representatives of the department of natural resources and department of administration.



D-NOTE

LFB:.....Renner – Distributed generation facilities

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

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 987, line 17: delete the material beginning with that line and ending
3 with page 989, line 3.

4 2. Page 993, line 12: after that line insert:

5 "SECTION 3001p. 196.496 of the statutes is created to read:

6 **196.496 Distributed generation facilities.** (1) DEFINITION. In this section,
7 "distributed generation facility" means a facility for the generation of electricity with
8 a capacity of no more than 15 megawatts that is located near the point where the
9 electricity will be used or is in a location that will support the functioning of the
10 electric power distribution grid.

1 (2) RULES. The commission shall promulgate rules establishing standards for
2 the connection of distributed generation facilities to electric distribution facilities
3 that are owned by public utilities. To the extent technically feasible and cost
4 effective, the standards shall be uniform and shall promote the development of
5 distributed generation facilities. The standards shall address engineering, electric
6 reliability, and safety concerns and the methods for determining charges for
7 interconnection.”

8 **3.** Page 1352, line 3: delete lines 3 to 7 and substitute:

9 “(2) DISTRIBUTED GENERATION RULES.

10 (a) The public service commission shall submit in proposed form the rules
11 required under section 196.496 (2) of the statutes, as created by this act, to the
12 legislative council staff under section 227.15 (1) of the statutes no later than the first
13 day of the 9th month beginning after the effective date of this paragraph.

14 (b) The public service commission shall create a committee under section
15 227.13 of the statutes to advise the commission with respect to promulgating the
16 rules required under section 196.496 (2) of the statutes, as created by this act. The
17 advisory committee shall consist of one employee each of the department of
18 administration and the department of natural resources, designated by the
19 secretaries of the respective departments, and members who represent interests
20 regarding distributed generation facilities, including distributed generation
21 equipment manufacturers and installers, customers, energy advocacy groups, utility
22 workers, environmental groups, public utilities, and electric cooperative
23 associations.”

24 (END)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb2142/1dn

MDK:~:~:~

gjs

Darin Renner:

Regarding the definition of "distributed generation facility", I think that the PSC's rules will probably have to address which locations are "near" a point where electricity will be used because the word "near" is not very specific. Also, the rules will probably also have to address what is meant by "supporting the functioning of the electric power distribution grid", unless that phrase has a meaning that is commonly understood in the electric utility world. ✓

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

LRBb2142/1dn
MDK:cjs:jf

July 19, 2001

Darin Renner:

Regarding the definition of "distributed generation facility", I think that the PSC's rules will probably have to address which locations are "near" a point where electricity will be used because the word "near" is not very specific. Also, the rules will probably also have to address what is meant by "supporting the functioning of the electric power distribution grid", unless that phrase has a meaning that is commonly understood in the electric utility world.

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LFB:.....Renner – Distributed generation facilities

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2 **1.** Page 987, line 17: delete the material beginning with that line and ending
3 with page 989, line 3.

4 **2.** Page 993, line 12: after that line insert:

5 **“SECTION 3001p.** 196.496 of the statutes is created to read:

6 **196.496 Distributed generation facilities. (1) DEFINITION.** In this section,
7 “distributed generation facility” means a facility for the generation of electricity with
8 a capacity of no more than 15 megawatts that is located near the point where the
9 electricity will be used or is in a location that will support the functioning of the
10 electric power distribution grid.

1 (2) RULES. The commission shall promulgate rules establishing standards for
2 the connection of distributed generation facilities to electric distribution facilities
3 that are owned by public utilities. To the extent technically feasible and cost
4 effective, the standards shall be uniform and shall promote the development of
5 distributed generation facilities. The standards shall address engineering, electric
6 reliability, and safety concerns and the methods for determining charges for
7 interconnection.”.

8 **3.** Page 1352, line 3: delete lines 3 to 7 and substitute:

9 “(2zq) DISTRIBUTED GENERATION RULES.

10 (a) The public service commission shall submit in proposed form the rules
11 required under section 196.496 (2) of the statutes, as created by this act, to the
12 legislative council staff under section 227.15 (1) of the statutes no later than the first
13 day of the 9th month beginning after the effective date of this paragraph.

14 (b) The public service commission shall create a committee under section
15 227.13 of the statutes to advise the commission with respect to promulgating the
16 rules required under section 196.496 (2) of the statutes, as created by this act. The
17 advisory committee shall consist of one employee each of the department of
18 administration and the department of natural resources, designated by the
19 secretaries of the respective departments, and members who represent interests
20 regarding distributed generation facilities, including distributed generation
21 equipment manufacturers and installers, customers, energy advocacy groups, utility
22 workers, environmental groups, public utilities, and electric cooperative
23 associations.”.

24 (END)



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13 (b) The public service commission shall create a committee under section
14 227.13 of the statutes to advise the commission with respect to promulgating the
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23 (END)