2003 WISCONSIN ACT 89

AN ACT to repeal 196.491 (3) (g) 1m.; to renumber 85.02 and 196.491 (3) (h); to renumber and amend 30.025 (1), 196.491 (3) (g) 1. and 196.491 (4) (c); to amend 15.795 (1), 16.969 (4), 30.02 (1), 30.02 (2), 30.025 (title), 30.025 (2), 30.025 (3) (intro.), 30.025 (4), 66.0119 (1) (a), 79.04 (7) (c) 1m., 91.75 (4), 196.025 (2) (intro.), 196.491 (3) (a) 1., 196.491 (3) (a) 3. a., 196.491 (3) (b), 196.491 (3) (d) (intro.), 196.491 (3) (e), 196.491 (3) (gm) and 196.491 (3) (j); and to create 1.12 (6), 23.09 (22m), 30.025 (1b), 30.025 (1e), 30.025 (1m), 30.025 (1s) (title), 30.025 (1s) (b), 30.025 (2g), 30.025 (2s), 30.025 (3m), 30.206 (1m), 32.03 (5) (c), 79.04 (6) (c) 3., 79.04 (7) (d), 85.02 (2), 196.02 (5m), 196.025 (1m), 196.025 (2m), 196.20 (7), 196.49 (4), 196.491 (3) (d) 8., 196.491 (3b), 196.491 (4) (c) 2., 196.491 (4) (c) 3. and 196.491 (6) (title) of the statutes; relating to: construction of certain public utility facilities, utility aid payments, utility condemnations, and granting rule-making authority.

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

SECTION 1. 1.12 (6) of the statutes is created to read:

1.12 (6) SITING OF ELECTRIC TRANSMISSION FACILITIES. In the siting of new electric transmission facilities, including high-voltage transmission lines, as defined in s. 196.491 (1) (f), it is the policy of this state that, to the greatest extent feasible that is consistent with economic and engineering considerations, reliability of the electric system, and protection of the environment, the following corridors should be utilized in the following order of priority:

(a) Existing utility corridors.
(b) Highway and railroad corridors.
(c) Recreational trails, to the extent that the facilities may be constructed below ground and that the facilities do not significantly impact environmentally sensitive areas.
(d) New corridors.

SECTION 2. 15.795 (1) of the statutes is amended to read:

15.795 (1) OFFICE OF THE COMMISSIONER OF RAILROADS. There is created an office of the commissioner of railroads which is attached to the public service commission under s. 15.03, provided that s. 85.02 (1) does not apply to the office of the commissioner of railroads. The commissioner of railroads shall have expertise in railroad issues and may not have a financial interest in a railroad, as defined in s. 195.02 (1). The commissioner may not serve on or under any committee of a political party. The commissioner shall hold office until a successor is appointed and qualified.

SECTION 3. 16.969 (4) of the statutes is amended to read:

16.969 (4) A county, town, village, or city that receives a distribution under sub. (3) (b) may use the distribution only for park, conservancy, wetland or other similar environmental programs, unless the commission approves a different use under this subsection. A county,
town, village, or city that receives a distribution may request in writing at any time that the commission approve a different use. The commission shall make a decision no later than 14 days after receiving such a request. The commission shall approve a request if it finds that the request is in the public interest.

**SECTION 4.** 23.09 (22m) of the statutes is created to read:

23.09 (22m) **SITING OF ELECTRIC TRANSMISSION FACILITIES.** The department shall implement the policy specified in s. 1.12 (6) in making all decisions, orders, and rules affecting the siting of new electric transmission facilities.

**SECTION 5.** 30.02 (1) of the statutes is amended to read:

30.02 (1) **In** Except as provided in s. 30.025, in any proceeding under this chapter where public notice is required, the department shall follow the procedures in subs. (3) and (4).

**SECTION 6.** 30.02 (2) of the statutes is amended to read:

30.02 (2) **In** Except as provided in s. 30.025, in any proceeding under this chapter where public notice is not required, the department shall follow the procedures in subs. (3) and (4) if it determines that substantial interests of any party may be adversely affected by the proceeding.

**SECTION 7.** 30.025 (title) of the statutes is amended to read:

30.025 **(title) Optional permit Permit procedure for certain electric generating facilities and high-voltage transmission lines utility facilities.**

**SECTION 8.** 30.025 (1) of the statutes is renumbered 30.025 (1s) (a) and amended to read:

30.025 (1s) (a) **Any** electric utility, as defined in s. 196.491 (1) (d), person proposing to construct a utility facility, as defined in s. 196.491 (1) (e), which facility is to be located adjacent to a waterway in such a manner as to require one or more permits to be issued under this chapter and ch. 31 may to which this section applies shall, in lieu of separate application for permits under those chapters, submit an engineering plan one application for permits together with any additional information required by the department. Such plan The application shall be filed with the department within 20 days after the same time that an application for a certificate of public convenience and necessity is filed with the public service commission under s. 196.49 or in a manner consistent with s. 196.491 (3) and shall include the detailed information that the department requires to determine whether an application is complete and to carry out its obligations under sub. (4). The department may require supplemental information to be furnished thereafter.

**SECTION 9.** 30.025 (1b) of the statutes is created to read:

30.025 (1b) **Definitions.** In this section:

(a) “Commission” means the public service commission.

(b) “Permit” means a permit or approval required under this chapter or ch. 31, a storm water discharge permit required under s. 283.33 (1) (a), or a water quality certification required under s. 281.36 or under rules promulgated under subch. II of ch. 281 to implement 33 USC 1341 (a).

(c) “Utility facility” means a project, as defined in s. 196.49 (3) (a), or a facility, as defined in s. 196.491 (1) (e).

**SECTION 10.** 30.025 (1e) of the statutes is created to read:

30.025 (1e) **APPLICABILITY.** (a) Except as provided in par. (b), this section applies to a proposal to construct a utility facility if the utility facility is required to obtain one or more permits.

(b) This section does not apply to a proposal to construct a utility facility if the only permit that the utility facility is required to obtain from the department is a storm water discharge permit under s. 283.33 (1) (a).

**SECTION 11.** 30.025 (1m) of the statutes is created to read:

30.025 (1m) **PREAPPLICATION PROCESS.** Before filing an application under this section, a person proposing to construct a utility facility shall notify the department of the intention to file an application. After receiving such notice, the department shall confer with the person, in cooperation with the commission, to make a preliminary assessment of the project’s scope, to make an analysis of alternatives, to identify potential interested persons, and to ensure that the person making the proposal is aware of all of the following:

(a) The permits that the person may be required to obtain.

(b) The information that the person will be required to provide.

(c) The timing of information submissions that the person will be required to provide in order to enable the department to participate in commission review procedures and to process the application in a timely manner.

**SECTION 12.** 30.025 (1s) (title) of the statutes is created to read:

30.025 (1s) (title) **APPLICATION FOR PERMITS.**

**SECTION 13.** 30.025 (1s) (b) of the statutes is created to read:

30.025 (1s) (b) A person who applies to the commission for a certificate under s. 196.49 or 196.491 (3) is eligible to apply under par. (a) for any permit that the utility facility may require and to receive such permit.

**SECTION 14.** 30.025 (2) of the statutes is amended to read:

30.025 (2) **HEARING.** Once electric utilities have met the requirements of sub. (4) (1s) (a), the department shall may schedule the matter for a public
Section 15. 30.025 (2g) of the statutes is created to read:

30.025 (2g) Participation in commission proceedings. (a) The department shall review every proposed utility facility subject to this section, including each location, site, or route proposed for the utility facility, to assess whether each proposed location, site, or route can meet the criteria for obtaining the required permits, and shall provide that information to the commission.

(b) The department shall participate in commission investigations or proceedings under s. 196.49 or 196.491 (3) with regard to any proposed utility facility that is subject to this section. In order to ensure that the commission’s decision is consistent with the department’s responsibilities, the department shall provide the commission with information that is relevant to only the following:

1. Environmental issues that concern the proposed utility facility.
2. Public rights in navigable waters that may be affected by the proposed utility facility.
3. Location, site, or route issues concerning the proposed utility facility, including alternative locations, sites, or routes.

Section 16. 30.025 (2s) of the statutes is created to read:

30.025 (2s) Consideration of alternatives. (a) The department shall treat the commission’s decision under s. 196.49 or 196.491 (3) as concluding that there is no practicable alternative for the utility facility if all of the following apply:

1. The department has participated in the commission’s investigations or proceedings under sub. (2g).
2. The commission’s decision under s. 196.49 or 196.491 (3) is consistent with the department’s assessment and information under sub. (2g) considering those factors required to be considered by the commission under s. 196.49 or 196.491 (3).

(b) If par. (a) applies, the department may not require the applicant for the proposed utility facility to undertake further analysis of any utility facility alternatives, including an analysis of alternative methods of meeting the need for the project or alternative locations, sites, or routes in order to satisfy the criteria under sub. (3). The department may identify adjustments that may be required to address permitting issues within the location, site, or route approved by the commission under s. 196.49 or 196.491 (3).

Section 17. 30.025 (3) (intro.) of the statutes is amended to read:

30.025 (3) Permit issuance. (intro.) The department shall grant the necessary permits if, after hearing, it finds that the applicant has shown that the proposal:

Section 18. 30.025 (3m) of the statutes is created to read:

30.025 (3m) Environmental assessments for certain projects. The department is not required to prepare an environmental impact statement under s. 1.11 (2) (c) for the construction of a project that is specified in s. 196.491 (4) (c) 1. and for which one or more permits are required, but shall prepare an environmental assessment regarding the construction if the department’s rules require an environmental assessment.

Section 19. 30.025 (4) of the statutes is amended to read:

30.025 (4) Permit conditions. The permit may be issued upon stated conditions deemed necessary to assure compliance with the criteria designated under sub. (3). The department shall grant or deny the application within the time limit applicable under s. 196.491 (3) (a) 3. b. for a permit for the utility facility within 30 days of the date on which the commission issues its decision under s. 196.49 or 196.491 (3).

Section 20. 30.206 (1m) of the statutes is created to read:

30.206 (1m) The department shall issue a general permit under this section for the construction of projects for which the commission is considered to have issued a certificate under s. 196.491 (3b).

Section 21. 32.03 (5) (c) of the statutes is created to read:

32.03 (5) (c) This subsection does not prohibit an electric utility from negotiating with the owner, or one of the owners, of a property, or the representative of an owner, before the issuance of a certificate of public convenience and necessity, if the electric utility advises the owner or representative that the electric utility does not have the authority to acquire the property by condemnation until the issuance of a certificate of public convenience and necessity.

Section 22. 66.0119 (1) (a) of the statutes is amended to read:

66.0119 (1) (a) “Inspection purposes” includes such purposes as building, housing, electrical, plumbing, heating, gas, fire, health, safety, environmental pollution, water quality, waterways, use of water, food, zoning, property assessment, meter and obtaining data required to be submitted in an initial site report or feasibility report under subch. III of ch. 289 or s. 291.23, 291.25, 291.29 or 291.31 or an environmental impact
statement related to one of those reports. “Inspection purposes” also includes purposes for obtaining information specified in s. 196.02 (5m) by or on behalf of the public service commission.

Section 23. 79.04 (6) (c) 3. of the statutes is created to read:

79.04 (6) (c) 3. For the purpose of determining the amount of the payment under par. (b), if a production plant is located in more than one county, the payment amount under par. (b) shall be divided among the counties in which the plant is located based on the net book value of that portion of the plant located in each county as of December 31, 2004, or as of the date on which the plant is operational, whichever is later.

Section 24. 79.04 (7) (c) 1m. of the statutes, as created by 2003 Wisconsin Act 31, is amended to read:

79.04 (7) (c) 1m. Beginning with payments in 2005, if a cogeneration production plant, as described in sub. (6) (a), is built and completed after December 31, 2003, and has a name-plate capacity of at least one megawatt, each municipality and county in which such a cogeneration production plant is located shall receive annually from the public utility account a payment in an amount that is equal to the number of megawatts that represents the cogeneration production plant’s name-plate capacity, multiplied by $1,000. Any municipality or county that receives a payment under this subdivision in any year may not receive a payment under subd. 1. in that year, if the payment under subd. 1. is based on the same production plant as the payment under this subdivision.

Section 25. 79.04 (7) (d) of the statutes is created to read:

79.04 (7) (d) For the purpose of determining the amount of any payment under this subsection, if a production plant is located in more than one municipality or county, the payment amount shall be divided among the municipalities or counties in which the plant is located based on the net book value of that portion of the plant located in each municipality or county as of December 31, 2004, or as of the date on which the plant is operational, whichever is later.

Section 26. 85.02 of the statutes is renumbered 85.02 (1).

Section 27. 85.02 (2) of the statutes is created to read:

85.02 (2) The department shall implement the policy specified in s. 1.12 (6) in making all decisions, orders, and rules affecting the siting of new electric transmission facilities.

Section 28. 91.75 (4) of the statutes is amended to read:

91.75 (4) Such ordinances shall be considered local ordinances for purposes of s. 196.491 (3) (i) and (4) (c) 3., and shall provide that gas and electric utility uses not requiring authorization under s. 196.491 (3) are special exceptions or permitted or conditional uses and are uses that are consistent with agricultural use.

Section 29. 196.02 (5m) of the statutes is created to read:

196.02 (5m) Property inspections. The commission may inspect property for the purpose of obtaining any information related to the preparation or review of an application for a certificate under s. 196.49 or 196.491 (3), including any information necessary to evaluate any environmental features or effects that are relevant to such an application.

Section 30. 196.025 (1m) of the statutes is created to read:

196.025 (1m) The commission shall implement the policy specified in s. 1.12 (6) in making all decisions, orders, and rules affecting the siting of new electric transmission facilities.

Section 31. 196.025 (2) (intro.) of the statutes is amended to read:

196.025 (2) (intro.) The commission shall promulgate rules establishing requirements and procedures for the commission to carry out the duties under s. 1.11. Rules promulgated under this subsection shall include requirements and procedures for the commission to comply with sub. (2m) and for each of the following:

Section 32. 196.025 (2m) of the statutes is created to read:

196.025 (2m) (a) In this subsection:
1. “Department” means the department of natural resources.
2. “Project” means a project or construction requiring a certificate under s. 196.49 or 196.491 (3) and requiring a permit or approval from the department.
3. Paragraph (b) does not waive any duty of the commission or the department to comply with s. 1.11 or to take any other action required by law regarding a project,
except that, in the consideration of alternative locations, sites, or routes for a project, the commission and the department are required to consider only the location, site, or route for the project identified in an application for a certificate under s. 196.49 and no more than one alternative location, site, or route; and, for a project identified in an application for a certificate under s. 196.491 (3), the commission and the department are required to consider only the location, site, or route for the project identified in the application and one alternative location, site, or route.

**Section 33.** 196.20 (7) of the statutes is created to read:

196.20 (7) (a) In this subsection, “mitigation payment” means, as approved by the commission, an unrestricted or recurring monetary payment to a local unit of government in which an electric generating facility is located to mitigate the impact of the electric generating facility on the local unit of government. “Mitigation payment” does not include payments made or in-kind contributions for restricted purposes to directly address health or safety impacts of the electric generating facility on the local unit of government.

(b) Except as provided in par. (c), an electric public utility may not recover in rates any of the following:

1. The cost of mitigation payments paid by the utility.
2. The cost of mitigation payments paid by the owner or operator of an electric generating facility that the owner or operator recovers from the utility by selling electricity to the utility, by leasing the facility to the utility, or by any agreement between the owner or operator of the electric generating facility and the public utility.

(c) The commission shall only approve a mitigation payment agreement that is received by the commission before June 10, 2003, and, if the commission finds the agreement to be reasonable, shall not subsequently modify the agreement.

**Section 34.** 196.49 (4) of the statutes is created to read:

196.49 (4) The commission may not issue a certificate under sub. (1), (2), or (3) for the construction of electric generating equipment and associated facilities unless the commission determines that brownfields, as defined in s. 560.13 (1) (a), are used to the extent practicable.

**Section 35.** 196.491 (3) (a) 1. of the statutes is amended to read:

196.491 (3) (a) 1. **No Except as provided in sub. (3b),** no person may commence the construction of a facility unless the person has applied for and received a certificate of public convenience and necessity from the commission as provided in this section. An application for a certificate issued under this subsection shall be in the form and containing contain the information required by commission rules for such certificate and shall be filed with the commission not less than 6 months prior to the commencement of construction of a facility. Within 10 days after filing the an application under this subdivision, the commission shall send a copy of the application to the clerk of each municipality and town in which the proposed facility is to be located and to the main public library in each such county.

**Section 36.** 196.491 (3) (a) 3. a. of the statutes is amended to read:

196.491 (3) (a) 3. a. At least 60 days before a person files an application under subd. 1., the person shall provide the department with an engineering plan showing if the facility is a large electric generating facility or a detailed project plan if the facility is a high−voltage transmission line. The engineering or project plan shall show the location of the facility, a description of the facility, including the major components of the facility that have a significant air, water or solid waste pollution potential, and a brief description of the anticipated effects of the facility on air and quality, water quality, wetlands, solid waste disposal capacity, and other natural resources. Within 30 days after a person provides an engineering or project plan, the department shall provide the person with a listing of each department permit or approval which, on the basis of the information contained in the engineering or project plan, appears to be required for the construction or operation of the facility.

**Section 37.** 196.491 (3) (b) of the statutes is amended to read:

196.491 (3) (b) The commission shall hold a public hearing on an application filed under par. (a) 1., that is determined or considered to be complete in the area affected pursuant to s. 227.44. A class I notice, under ch. 985, shall be given at least 30 days prior to the hearing.

**Section 38.** 196.491 (3) (d) (intro.) of the statutes is amended to read:

196.491 (3) (d) (intro.) Except as provided under par. (e) and s. 985, the commission shall approve an application filed under par. (a) 1., for a certificate of public convenience and necessity only if the commission determines all of the following:

**Section 39.** 196.491 (3) (d) 8. of the statutes is created to read:

196.491 (3) (d) 8. For a large electric generating facility, brownfields, as defined in s. 560.13 (1) (a), are used to the extent practicable.

**Section 40.** 196.491 (3) (e) of the statutes is amended to read:

196.491 (3) (e) If the an application filed under par. (a) 1., does not meet the criteria under par. (d), the commission shall reject the application or approve the application with such modifications as are necessary for an affirmative finding under par. (d). The commission may not issue a certificate of public convenience and necessity under this subsection until the department has issued all permits and approvals identified in the listing specified in par. (a) 3. a. that are required prior to construction.
SECTION 41. 196.491 (3) (g) 1. of the statutes is renumbered 196.491 (3) (g) and amended to read:

196.491 (3) (g) The commission shall take final action on an application filed under par. (a) 1., within 180 days after the application is determined or considered to be complete under par. (a) 2. If the commission fails to take final action within the 180–day period, the commission is considered to have issued a certificate of public convenience and necessity with respect to the application, unless the commission, within the 180–day period, petitions the circuit court for Dane County for an extension of time for taking final action on the application and the court grants an extension. Upon a showing of good cause, the court may extend the 180–day period for no more than an additional 180 days. If the commission fails to take final action within the extended period, the commission is considered to have issued a certificate of public convenience and necessity with respect to the application.

SECTION 42. 196.491 (3) (g) 1m. of the statutes is repealed.

SECTION 43. 196.491 (3) (gm) of the statutes is amended to read:

196.491 (3) (gm) The commission may not approve an application filed after October 29, 1999, under this section subsection for a certificate of public convenience and necessity for a high–voltage transmission line that is designed for operation at a nominal voltage of 345 kilovolts or more unless the approval includes the condition that the applicant shall pay the fees specified in sub. (3g) (a). If the commission has approved an application under this section subsection for a certificate of public convenience and necessity for a high–voltage transmission line that is designed for operation at a nominal voltage of 345 kilovolts or more that was filed after April 1, 1999, and before October 29, 1999, the commission shall require the applicant to pay the fees specified in sub. (3g) (a). For any application subject to this paragraph, the commission shall determine the cost of the high–voltage transmission line, identify the counties, towns, villages and cities through which the high–voltage transmission line is routed and allocate the amount of investment associated with the high–voltage transmission line to each such county, town, village and city.

SECTION 44. 196.491 (3) (h) of the statutes is renumbered 196.491 (6).

SECTION 45. 196.491 (3) (j) of the statutes is amended to read:

196.491 (3) (j) Any person whose substantial rights may be adversely affected or any county, municipality or town having jurisdiction over land affected by a certificate of public convenience and necessity for which an application is filed under par. (a) 1., may petition for judicial review, under ch. 227, of any decision of the commission regarding the certificate.

SECTION 46. 196.491 (3b) of the statutes is created to read:

196.491 (3b) EXPEDITED REVIEW. (a) A person who proposes to construct a high–voltage transmission line may apply for a certificate under this subsection if the construction is limited to adding conductors to existing transmission poles or towers and if all related construction activity takes place entirely within the area of an existing electric transmission line right–of–way.

(b) The commission shall promulgate rules specifying the information that must be included in an application under this subsection. If the commission receives an application that complies with rules, the commission shall, as soon as practicable, notify the applicant that the commission has received a complete application.

(c) The commission is considered to have issued a certificate of public convenience and necessity under sub. (3) for construction specified in an application under par. (a) unless the commission notifies the applicant, no later than 30 business days after the date on which the commission notifies an applicant under par. (b) that the application is complete, that the commission has determined that the public interest requires the applicant to obtain a certificate under s. 196.49.

SECTION 47. 196.491 (4) (c) of the statutes is renumbered 196.491 (4) (c) 1. and amended to read:

196.491 (4) (c) 1. A certificate under sub. (3) is not required for a person to construct a high–voltage transmission line designed for operation at a nominal voltage of less than 230 345 kilovolts if all related construction activity takes place entirely within the area of an existing electric transmission line right–of–way.

SECTION 48. 196.491 (4) (c) 2. of the statutes is created to read:

196.491 (4) (c) 2. The commission is not required to prepare an environmental impact statement under s. 1.11 (2) (c) for construction that is specified in subd. 1., but shall prepare an environmental assessment regarding the construction if an environmental assessment is required under the commission’s rules.

SECTION 49. 196.491 (4) (c) 3. of the statutes is created to read:

196.491 (4) (c) 3. If construction or utilization of a high–voltage transmission line described in subd. 1. is precluded or inhibited by a local ordinance, the construction and utilization of the line may nevertheless proceed.

SECTION 50. 196.491 (6) (title) of the statutes is created to read:

196.491 (6) (title) WAIVER.

SECTION 51. Initial applicability.

(1) UTILITY AID PAYMENTS. The treatment of section 79.04 (6) (c) 3. and (7) (c) 1m. and (d) of the statutes first applies to distributions made on the 4th Monday of July 2005.
(2) **Department of Natural Resources Procedures.** The treatment of sections 30.02 (1) and (2), 30.025 (title), (1), (1b), (1e), (1m), (1s) (title) and (b), (2), (2g), (2s), (3) (intro.), (3m), and (4), and 30.206 (1m) of the statutes first applies to applications for permits, as defined in section 30.025 (1b) (b) of the statutes, as created by this act, filed with the department of natural resources on the effective date of this subsection.

(3) **Public Service Commission Procedures.** The treatment of sections 196.49 (4) and 196.491 (3) (a) 1. and 3. a., (b), (d) (intro.) and 8., (e), (g) 1. and 1m., (gm), and (j), (3b), and (4) (c) 2. and 3. of the statutes and the renumbering and amendment of section 196.491 (4) (c) of the statutes first apply to applications submitted on the effective date of this subsection.