

**SENATE AMENDMENT 1,
TO SENATE SUBSTITUTE AMENDMENT 1,
TO 2003 SENATE BILL 463**

March 1, 2004 – Offered by Senator COWLES.

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

2 **1.** Page 1, line 4: delete lines 4 to 8.

3 **2.** Page 1, line 9: before that line insert:

4 “**SECTION 1m.** 76.28 (1) (d) of the statutes is amended to read:

5 76.28 (1) (d) “Gross revenues” for a light, heat and power company other than
6 a qualified wholesale electric company or a transmission company means total
7 environmental control charges paid to the company under a financing order issued
8 under s. 196.027 (2) and total operating revenues as reported to the public service
9 commission except revenues for interdepartmental sales and for interdepartmental
10 rents as reported to the public service commission and deductions from the sales and
11 use tax under s. 77.61 (4), except that the company may subtract from revenues
12 either the actual cost of power purchased for resale, as reported to the public service

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

1 public benefits fees received by the municipal utility from a municipal utility or retail
2 electric cooperative under a joint program established under s. 16.957 (5) (f).”.

3 **3.** Page 3, line 16: delete “fish,”.

4 **4.** Page 3, line 17: delete “bird, animal,” and substitute “animal”.

5 **5.** Page 5, line 20: before “pricing” insert “expected”.

6 **6.** Page 6, line 11: delete “formula” and substitute “formula–based
7 mechanism”.

8 **7.** Page 7, line 4: delete “formula” and substitute “formula–based mechanism”.

9 **8.** Page 7, line 4: delete “reasonable”.

10 **9.** Page 7, line 11: after “limited to” insert “any error in the application of the
11 formula–based mechanism relating to”.

12 **10.** Page 7, line 13: delete that line and substitute:

13 “5. A financing order is irrevocable and, except as provided in subds. 2. c. and
14 4.,”.

15 **11.** Page 8, line 22: delete lines 22 to 25 and substitute:

16 “(b) The commission may not order or otherwise directly or indirectly require
17 an energy utility to use environmental trust bonds to finance any project, addition,
18 plant, facility, extension, capital improvement, environmental control equipment, or
19 any other expenditure, unless, except as provided in sub. (2) (c), the energy utility
20 has made an application under sub. (2) (a) to finance such expenditure using
21 environmental trust bonds. The commission may not refuse to allow an energy
22 utility to recover costs for environmental control activities in an otherwise

1 permissible fashion solely because of the potential availability of environmental
2 trust financing.”.

3 (END)