

### Fiscal Estimate - 2019 Session

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number <b>19-2185/1</b>	Introduction Number <b>AB-0233</b>
-----------------------------	------------------------------------

**Description**  
 charging facility grant program and making an appropriation

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate

<input checked="" type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Create New Appropriations	<input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs
--	---	---

**Local:**

No Local Government Costs  
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
--	--	--

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS	20.855(4)(h), 20.155(1)(g)

<b>Agency/Prepared By</b> PSC/ Jenna Schmidt (608) 267-7709	<b>Authorized Signature</b> Kristy Nieto (608) 261-9419	<b>Date</b> 5/30/2019
--	--	--------------------------

**Fiscal Estimate Narratives**  
**PSC 5/30/2019**

LRB Number <b>19-2185/1</b>	Introduction Number <b>AB-0233</b>	Estimate Type <b>Original</b>
<b>Description</b> charging facility grant program and making an appropriation		

**Assumptions Used in Arriving at Fiscal Estimate**

AB 233 requires the Public Service Commission (Commission) to establish a grant program to award funds to businesses for installing electric vehicle charging facilities along a Commission designated clean energy corridor. The corridor must consist of contiguous state highways that connect Wisconsin to neighboring states. The Commission must attempt to connect the corridor with similar corridors in those other states and to designate heavily-travelled highways.

AB 233 allows the Commission to award up to \$10,065,000 in grants for the installation of charging facilities. The grants are funded by moneys received under a settlement from a legal action against Volkswagen (Wis. Stats. 20.855(4)(h)). The bill provides that grant funds can be used for up to 50 percent of the total cost to purchase, install, and maintain an electric vehicle charging facility. The cost of charging facilities varies. The Commission may be able to award several hundred grants with the available funding. The Commission may award multiple grants to an individual applicant. In addition, AB 233 allows grant recipients to charge users a parking fee based on the time length of the charging session.

Additionally, the Commission shall require each electric public utility that receives revenue collected from rates charged to owners of charging facilities to remit 20 percent of that revenue to the Commission. The Commission shall deposit the amounts into the transportation fund (s. 20.395 (6) (az)). The Commission shall ensure in rate-making orders that an electric public utility recovers this amount from ratepayers. The Commission is unable to estimate how much AB 233 will generate in revenue for the transportation fund but does not believe that it will be significant.

The Commission is requesting 2.0 FTE with an estimated annualized total personnel cost of \$155,458. The Commission will require 1.0 FTE to develop and manage the grant program, as well as 1.0 FTE to perform the fiscal related grant and revenue collection tasks. Absent a different funding source, these personnel costs would likely be charged to the Commission's utility regulation appropriation (s. 20.155 (1) (g)), which is funded by ratepayers. The grant program staff member will work with others at the Commission to identify, designate and maintain the corridor. With the exception of the grant staff member discussed above, the remaining corridor related staff hours will be absorbed by existing staff resources. The Commission also anticipates that there will be tariff requests from utilities who provide service to grant recipients. This will be needed to establish the rates associated with the grant applicants' proposed charging facilities. Presumably, the rate will influence the parking fee the applicant proposes to charge users. The Commission anticipates that the processing of the first tariff will take approximately 100 hours. Subsequent tariff requests will not be as labor intensive. In addition, procedures will need to be added to utility audits and rate cases to ensure compliance with AB 233. These efforts will be absorbed by existing staff resources.

To ensure the success of the grant program, there are several important issues that the Commission needs to consider. First of all, in the designation of the corridor, the Commission will need to identify contiguous, heavily travelled state highway served by electric public utilities. Sections of highway fitting the corridor criteria provided in the bill may be served by electric cooperative utilities not subject to Commission regulation and not meeting the definition of public utility provided in Wis. Stat. § 196.01(5). In addition, the Commission will need to create grant applications that request information on: planning that has been done with the utility on installation, including appropriate metering to separately track revenues; initial discussions about any needed tariffs; costs, budgets and estimated sales; and the maximum parking fee applicants plan to charge. The planning will also need to show that the business is aware of and considering the needs of handicapped individuals, as required by the Americans with Disabilities Act. These may all be important considerations in the award determination process. The Commission will also work to design a grant program that requires periodic reporting from the

businesses on usage of the facilities to ensure data is available to measure the success of the program.

Finally, the Commission will need to consider the appropriate processes for the statutorily required utility revenue remittance.

### **Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2019 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number <b>19-2185/1</b>		Introduction Number <b>AB-0233</b>	
<b>Description</b> charging facility grant program and making an appropriation			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  \$10,065,000 for grant awards. 20.855(4)(h)			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
	State Operations - Salaries and Fringes	\$155,458	\$
	(FTE Position Changes)	(2.0 FTE)	
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	<b>TOTAL State Costs by Category</b>	<b>\$155,458</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
	GPR		
	FED		
	PRO/PRS (General Fund)	155,458	
	SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S (Transportation)		
	<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		<u>State</u>	<u>Local</u>
	NET CHANGE IN COSTS	\$155,458	\$
	NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
PSC/ Jenna Schmidt (608) 267-7709		Kristy Nieto (608) 261-9419	5/30/2019