

Fiscal Estimate Narratives

PSC 2/3/2021

LRB Number	21-1304/1	Introduction Number	SB-047	Estimate Type	Original
Description making various changes to statutes administered by the Public Service Commission and requiring investor-owned energy utilities to fund a consumer advocate					

Assumptions Used in Arriving at Fiscal Estimate

2021 SB 47 requires investor owned electric and natural gas public utilities (energy utilities) to provide annual funding of up to \$900,000 to an independent nonpartisan consumer advocate, the Citizens Utility Board (CUB). CUB must use the funding to represent and protect the interests of Wisconsin residential, small commercial, and small industrial energy customers in proceedings before the Commission. The funding cannot be used for lobbying activities or for participation in Commission proceedings that only involve municipal utilities. On an annual basis, CUB must submit for Commission approval a budget, consistent with its statutory funding purpose, for reasonable operating costs, including salaries, benefits, overhead and the maintenance of an operating reserve. Energy utilities are required to pay their proportionate share, based on the number of residential, small commercial and small industrial meters, of the approved budget directly to CUB. Under current law, the Commission may award up to \$300,000 in intervenor financing grants to offset general expenses of nonstock nonprofit corporations that have a history advocating at the Commission on behalf of ratepayers. Historically the grant funds have been awarded to CUB. 2021 SB 47 repeals this grant program and limits the amount of intervenor financing that can be provided to CUB under the current intervenor financing statute to \$100,000. Commission staff will need to work with impacted parties to implement the consumer advocate funding model and, on an annual basis, the Commission will review CUB's budget. This work effort will be absorbed by existing staff resources.

2021 SB 47 also makes various changes to the Commission's regulation of public utilities. Changes include allowing applicants for certain projects involving high-voltage transmission lines to agree with the Department of Natural Resource on deadline extensions for water-related permits; increasing the cost threshold for exempting certain natural gas projects from receiving Commission approval; allowing the Commission to approve certain public utility fuel cost plans contained in settlement agreements without a hearing; allowing for a single certificate of public convenience and necessity application and proceeding process for a person who proposes to construct both a large electric generating facility and an associated high-voltage transmission line; eliminating a requirement for the Commission to prepare an environmental assessment on its biennial strategic energy assessments; requiring the Commission to ensure in rate-making orders that public utilities recover from its ratepayers reasonable amounts spent on pension and other post-employment benefit costs; modifying the collection procedure for Commission-issued assessments to allow the Commission to collect past due amounts in accordance with established procedures; modifying the deadline for public utilities to file their annual balance sheet with the Commission; and eliminating statutory provisions related to privacy guidelines for telecommunications services. Overall, staff resources will be needed to implement and communicate the statutory changes included in 2021 SB 47. The work related to the implementation will be absorbed by current staff.

Long-Range Fiscal Implications