

**ANALYSIS PREPARED BY THE
PUBLIC SERVICE COMMISSION OF WISCONSIN**

A. Statutory Authority and Explanation of Authority

This rulemaking is authorized under Wis. Stat. §§ 196.02 (1) and (3), 196.378, 196.49 (3) and 227.11 (2).

Wis. Stat. § 227.11 authorizes agencies to promulgate administrative rules. Wis. Stat. § 196.02 (1) authorizes the Commission to do all things necessary and convenient to its jurisdiction. Wis. Stat. § 196.02 (3) grants the Commission specific authority to promulgate rules. Wis. Stat. § 196.378 authorizes the Commission to promulgate a variety of rules concerning renewable energy credits. Wis. Stat. § 196.49 (3) authorizes the Commission to promulgate rules about granting certificates.

B. Statute Interpreted

This rule interprets Wis. Stat. § 196.378.

C. Related Statutes or Rules

None.

D. Brief Summary of Rule

The purpose of the rulemaking is to amend Wis. Admin. Code ch. PSC 118, relating to allowing an electric provider, or customer or member of an electric provider, to create a renewable resource credit for heat that is a byproduct of a manufacturing process and is used to provide thermal energy for another purpose, to conform with the statutory changes made in Wis. Stat. § 196.378 (3) (a) 1m. by 2017 Wisconsin Act 53. This is accomplished by adding the definition “heat that is a byproduct of a manufacturing process” under Wis. Admin. Code PSC § 118.02(5g).

E. Comparison with Existing or Proposed Federal Legislation

The Commission is not aware of any existing or proposed federal legislation concerning the matters addressed in this rulemaking.

F. Comparison with Similar Rules in Surrounding States

The Commission is not aware of any surrounding states that allow heat that is a byproduct of a manufacturing process under definitions of resources for rules related to a state Renewable Portfolio Standard.

G. Effect on Small Business

This rule will not affect small businesses. The Wis. Stat. §. 227.114 (1) definition of “small business” states that to be considered a small business, the business must not be dominant in its field. Since electric, gas, and water utilities are monopolies in their service territories, they are dominant in their fields and, so, are not small businesses.

FISCAL ESTIMATE AND ECONOMIC IMPACT ANALYSIS

This rulemaking should have either no or minimal economic impact. A completed Economic Impact Analysis and Fiscal Estimate are included as Attachment C.

H. Comments

Comments on this rule may be submitted as outlined in the Notice of Hearing.

I. Accommodation

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to obtain this document in a different format should contact the docket coordinator listed below.

J. Agency Contact People

Questions regarding this rule should be directed to docket coordinator Andrew Kell, at (608) 266-1124 or Andrew.Kell@wisconsin.gov. Small business questions should be directed to Tara Pray at (608) 266-7165 or Tara.Pray@wisconsin.gov. Media questions should be directed to Communications Director Jerel Ballard at (608) 266-9600. Hearing or speech-impaired individuals may also use the commission's TTY number; if calling from Wisconsin, (800) 251-8345; if calling from outside Wisconsin (608) 267-1479.

TEXT OF PROPOSED RULE

SECTION 1. PSC 118.02 (5g) (e) is amended to read:

PSC 118.02 (5g) (e) ~~Any other installation under s. 196.378 (3) (a) 1m., Stats., identified by the commission that meets the criteria specified in this chapter~~ Heat that is a byproduct of a manufacturing process.

SECTION 2. PSC 118.02 (5g) (f) is created to read:

PSC 118.02 (5g) (f) Any other installation under s. 196.378 (3) (a) 1m., Stats., identified by the commission that meets the criteria specified in this chapter.

SECTION 3. Effective Date. This rule shall take effect on this first day of the month following publication in the Wisconsin Administrative Register as provided in Wis. Stat. § 227.22(2)