



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-1405/P2

KP:emw

DOA:.....Martin, BB0286 - Utility aid for battery storage systems

FOR 2025-2027 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

SHARED REVENUE

Energy and liquefied natural gas storage facilities

The bill provides utility aid payments to counties and municipalities where energy storage facilities are located. Under the bill, DOA distributes to each city and village in which an energy storage facility is located two-thirds of the amount calculated by multiplying the facility's megawatt capacity by \$2,000, and the county in which such a facility is located is distributed one-third of the amount calculated by multiplying the facility's megawatt capacity by \$2,000. DOA distributes to each town in which an energy storage facility is located one-third of the amount calculated by multiplying the facility's megawatt capacity by \$2,000, and the county in which such a facility is located is distributed two-thirds of the amount calculated by multiplying the facility's megawatt capacity by \$2,000.

The bill defines an "energy storage facility" as property that receives electrical energy, stores the energy in a different form, and converts that other form of energy back to electrical energy for sale or to use to provide reliability or economic benefits to the electrical grid. The bill also defines an "energy storage facility" as property that is owned by a light, heat, and power company, electric cooperative, or municipal electric company and includes hydroelectric pumped storage, compressed air energy storage, regenerative fuel cells, batteries, and similar technologies.

The bill also provides utility aid payments to counties and municipalities where liquefied natural gas storage facilities (LNG storage facilities) are located. The payment received by a city or village where an LNG storage facility is located is determined by multiplying the net book value of the LNG storage facility by six mills and by three mills in the case of a town. The payment received by a county where an LNG storage facility is located is determined by multiplying the net book value of the LNG storage facility by three mills if the facility is located in a city or village and by six mills if the facility is located in a town.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

BILL

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

SECTION 1. 79.005 (1j) of the statutes is created to read:

79.005 (1j) (a) “Energy storage facility” means property to which all of the following applies:

1. The property is interconnected to the electrical grid.
2. The property is designed to receive electrical energy, to store the electrical energy as another form of energy, and to convert that other form back into electrical energy.
3. The property delivers the electrical energy converted from some other form, as described in subd. 2., for sale or to use for providing reliability or economic benefits to the electrical grid.
4. The property is owned by a light, heat, and power company assessed under s. 76.28 (2) or 76.29 (2), not including property described in s. 66.0813 unless the property is owned or operated by a local governmental unit located outside of the municipality, or by an electric cooperative assessed under ss. 76.07 and 76.48, respectively, or by a municipal electric company under s. 66.0825.

(b) “Energy storage facility” includes hydroelectric pumped storage, compressed air energy storage, regenerative fuel cells, batteries, superconducting magnetic energy storage, flywheels, thermal energy storage systems, and hydrogen storage, or combination thereof, or any other similar technologies as determined by the federal energy regulatory commission.

SECTION 2. 79.005 (1L) of the statutes is created to read:

79.005 (1L) “Liquefied natural gas storage facility” means a liquefied natural

BILL**SECTION 2**

gas storage facility owned by a light, heat, and power company assessed under s. 76.28 (2) or 76.29 (2), not including property described in s. 66.0813, unless the property is owned or operated by a local governmental unit located outside of the municipality, by an electric cooperative assessed under ss. 76.07 and 76.48, respectively, or by a municipal electric company under s. 66.0825.

SECTION 3. 79.04 (7m) of the statutes is created to read:

79.04 (7m) (a) Annually, the department of administration, upon certification by the department of revenue, shall distribute a payment from the public utility account to each municipality and county in which an energy storage facility with a name-plate capacity of at least one megawatt is located. If the energy storage facility is located in a city or village, the city or village receives a payment equal to two-thirds of the product of the facility's name-plate capacity multiplied by \$2,000 and the county in which the energy storage facility is located receives a payment equal to one-third of the product of the facility's name-plate capacity multiplied by \$2,000. If the energy storage facility is located in a town, the town receives a payment equal to one-third of the product of the facility's name-plate capacity multiplied by \$2,000 and the county in which the energy storage facility is located receives a payment equal to two-thirds of the product of the facility's name-plate capacity multiplied by \$2,000.

(b) Annually, the department of administration, upon certification by the department of revenue, shall distribute a payment from the public utility account to each municipality and county in which a liquefied natural gas storage facility is located. If the liquefied natural gas storage facility is located in a city or village, the city or village receives a payment equal to 6 mills multiplied by the net book value

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of the liquefied natural gas storage facility and the county in which the liquefied natural gas storage facility is located receives a payment equal to 3 mills multiplied by the net book value of the liquefied natural gas storage facility. If the liquefied natural gas storage facility is located in a town, the town receives a payment equal to 3 mills multiplied by the net book value of the liquefied natural gas storage facility and the county in which the liquefied natural gas storage facility is located receives a payment equal to 6 mills multiplied by the net book value of the liquefied natural gas storage facility.

SECTION 9337. Initial applicability; Revenue.

(1) ENERGY AND LIQUEFIED NATURAL GAS STORAGE FACILITIES. The treatment of ss. 79.005 (1j) and (1L) and 79.04 (7m) first applies to distributions made after January 1, 2026.

(END)