



**Senate Bill 49: restricting local regulation of utility service based on the type or source of energy.  
Senate Committee on Utilities and Technology  
Tuesday, May 16, 2023**

Vice-Chair Wanggaard and committee members thank you for hearing this bill today.

Like many Wisconsinites I believe in an “All of the Above” approach to energy generation in this state and I certainly believe that mantra should extend to our constituents when they are building a new home.

Over 20 states have passed bills to protect the right of consumers to make this decision without interference from local governments and that is what Senate Bill 49 would do. While this may seem like an aggressive or unnecessary step, a number of communities have taken the opposite approach. Cities like Seattle, Oakland and Eugene have all banned natural gas to some extent. New York State recently mandated all-electric heating and cooking in single family homes starting in 2026.

A local or state level ban of natural gas in Wisconsin would have a devastating impact on our state.

First, consumers benefit from lower costs when multiple options are available in the marketplace, banning natural gas would drive up prices. Second, the use of natural gas reduces the demands on our electric grid which is critically important when stress on the grid is at its highest. Finally, for a variety of reasons, some consumers may prefer to use natural gas in their home and I believe that option should remain available to them.

The substitute amendment would also ensure that electric cooperatives are covered by this policy change and that state government would be similar prohibited from banning an energy source.

Innovation and improvements are constants in this industry. The State of Wisconsin or one of our local governments arbitrarily banning natural gas or another energy source could cause significant harm to ratepayers and our state.

We are fortunate to have access to coal, natural gas, solar, wind, hydro and nuclear generation in Wisconsin. We rely on our utilities to provide adequate power by leveraging all of these options so Wisconsin families and companies can keep the lights on.

Thank you again for hearing this bill. I would encourage you to support the bill and would be happy to answer any questions.



**Senate Bill 49**  
Public Testimony  
Senate Committee on Utilities and Technology  
May 16, 2023

Thank you, Chairman Bradley and members of the committee, for holding this hearing on Senate Bill 49.

This bill protects consumer choice by prohibiting local governments from placing restrictions on utility services based on the type of fuel source used to provide energy. There is also a substitute amendment which simply expands this pre-emption beyond local governments to include any state agency.

I will begin with some background on this issue and why it is important. In 2019, the city of Berkeley, California passed the nation's first ban on natural gas connections. In implementing this ban, the city claimed that "all-electric heating technologies are cost-competitive substitutes to their natural gas counterparts." Unfortunately, that was only true because of California's onerous regulations on fossil fuels, which have completely up-ended the energy market to the point where California now has the highest energy prices in the continental United States.

Unfortunately, these sorts of ham-fisted interventions disproportionately impact the less fortunate. Low-income families spend a higher proportion of their income on energy while being disproportionately impacted by fluctuations in energy prices. They also make up the households that are least likely to be able to afford the transition to electric heat pumps and induction range stoves.

Natural gas remains a reliable and cost-effective energy source with relatively low levels of greenhouse gas and air pollutant emissions. By allowing the free market to do its work, Wisconsin can maintain a balanced energy mix. If new energy sources eventually displace existing energy sources, they should do so on their merits, not because of a government mandate.

As you know, Wisconsin is an extreme cold weather state. Removing entire sources of energy from the market will not do anything to help people heat their homes, and will only reduce the reliability of our electric grid.

This bill does have an amendment. Assembly Amendment 1 ensures that electric cooperatives are also covered under the bill. This amendment has also been rolled into the substitute amendment.

Thank you for your time, and I would be happy to answer any questions.



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**To: Assembly Committee on Energy & Utilities  
Senate Committee on Utilities & Technology**

**From: Bill Skewes, Executive Director  
Wisconsin Utilities Association, Inc.**

**Re: Support for AB 45/SB 49 - Energy Freedom Legislation**

**Date: May 16, 2023**

Good afternoon, Mr. Chairman, members of the Committee. Thank you for the opportunity to testify today. My name is Bill Skewes and I am the Executive Director of the Wisconsin Utilities Association, representing Wisconsin's investor-owned gas and electric energy providers. Joining me today is Dan Lapato, Associate VP of State Affairs for the American Gas Association.

WUA members provide safe, reliable and affordable electricity and natural gas services to approximately 80% of Wisconsin's energy customers.

Our members serve 2,512,749 Electric Customers and 2,000,518 Natural Gas Customers across Wisconsin. We employ 8,420 Wisconsinites. WUA members pay about \$214 million in Gross Receipts and Property Taxes and hold Assets totaling approximately \$42 Billion. Our members contribute \$25 million annually to charity and provide Energy assistance of over \$91 million.

All major generating members of the WUA have carbon reduction goals averaging 73% by 2030 and all are planning net-zero carbon emissions by 2050.

We are here to express our members' support for the energy freedom bills, AB 45 and its Senate companion, SB 49 which *"prohibits a state agency, city, village, town, or county from discriminating against a public utility, an electric cooperative, or a liquified petroleum gas retailer, as defined in the bill, based in whole or in part on the nature or source of the service to be provided to a consumer"*.

We thank the authors for bringing it forward and the chairs for holding hearings on this important legislation.

Dan will speak to the benefits of using natural gas as a safe, reliable and affordable fuel for home heating, cooking and electric power generation. Which it is.

Yet, WUA's chief concern is the need to preserve the ability of the Legislature of the state of Wisconsin to set energy policy. It is inappropriate to concede the field of such a broadly

used and essential resource as energy to 72 counties, 1,253 towns, 190 cities, and 411 villages, which would inevitably create a significant patchwork of varying laws between jurisdictions.

In everything from transmission and power plant siting, solar farms and yes, fuel choice, it is the state's purview, indeed, responsibility, to set energy policy, beginning with the Legislature and implemented by the PSC.

While certain jurisdictions in other states, such as Berkeley, CA in 2019 – struck down by the US Court of Appeals last month - and most recently New York State have acted to ban Natural Gas in new construction, 24 other states have proactively passed laws to prevent local governments from banning NG connections. Wisconsin should be one of those states.

Dan will review some of this information with you in his testimony.

Again, thank you for the opportunity to share the views of our industry with you. We respectfully urge you to support these bills and I will turn it over to Dan Lapato of the American Gas Association.



May 15, 2023

Wisconsin Senate Committee on Utilities and Technology

**Subject: SB-049 Utility Service Restrictions - Restricting local regulation of utility service based on the type or source of energy**

Dear Chairperson Julian Bradley and members of the Senate Committee on Utilities and Technology,

The American Petroleum Institute (API) appreciates this opportunity to share our support of Senate Bill 49, which would promote free market choice for consumers of energy.

API represents all segments of America's natural gas and oil industry, which supports more than ten million U.S. jobs and is backed by a growing grassroots movement of millions of Americans. Our 600 members produce, process and distribute the majority of the nation's energy, and participate in [API Energy Excellence](#), which is accelerating environmental and safety progress by fostering new technologies and transparent reporting. API was formed in 1919 as a standards-setting organization and has developed more than 700 standards to enhance operational and environmental safety, efficiency, and sustainability.

As an association, API is guided by a set of principles that are upheld by our member companies. One such principle is to promote free markets and free trade as the cornerstone of the natural gas and oil industry's efforts to compete and innovate to address current and future energy needs. This principle has guided API's engagement in energy policy debates and why we continue to oppose direct subsidies or preferential tax treatment for specific energy resources or products.

API supports Senate Bill 49 because it will uphold a free market-based approach in determining access to energy resources and the right for Wisconsin consumers to receive energy. Senate Substitute Amendment 1 to Senate Bill 49 prohibits state agencies and political subdivisions from placing "any restriction, either directly or in effect, on the connection or reconnection of a utility service based on the type or source of energy to be delivered to a consumer" and prohibits state agencies and political subdivisions from discriminating "against a public utility, electric cooperative or retailer . . . based in whole or in part on the nature or source of the utility service to be provided for a consumer."

Natural gas is the one energy resource, the driver and key component in solving the global energy and climate equation. It is generating the heat and power we need for our homes and businesses, reducing world-wide emissions, raising standards of living, and supporting the uptake of renewable energy.

Unfortunately, there has been a growing trend of local jurisdictions across the country that are targeting natural gas as an energy resource by enacting policies that impede or prohibit its use or seek to limit investments and development in natural gas infrastructure. These proposals are usually presented as a means of addressing climate concerns. However, preventing consumer choice as a means of promoting the aspirational goals of local jurisdictions seeking to address climate concerns is disingenuous and ineffective. Tackling the challenge of climate change will require a collaborative, cross-sector effort, with real-world policy solutions that deliver economic and environmental progress.



American Petroleum Institute

Midwest Region

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API supports a level-playing field where any type of energy resource can compete for market- share. We also believe that a system that promotes the selection of energy resource “winners and losers” disrupts effective entry and exit of economic resources resulting in an inefficient market where consumers end up paying more.

The favorable passage of Senate Bill 49 will help to ensure that Wisconsin consumers continue to enjoy all the benefits and attributes that natural gas affords our state and the continued right of consumers to choose natural gas as a reliable, cost effective and essential energy resource.

Thank you again Chairperson Julian Bradley and members of the Senate Committee on Utilities and Technology the opportunity for API to provide comments on Senate Bill 49. Please feel free to reach out with any questions or if we can be of any service.

Sincerely,

Mike Karbo  
Associate Director – Midwest Region  
American Petroleum Institute



TO: Chairman Bradley & Members, Senate Committee on Utilities and Technology

FROM: Craig Summerfield, Director of Environmental & Energy Policy

DATE: May 16, 2023

RE: WMC testimony in support of Senate Bill 49, Energy Freedom legislation

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Wisconsin Manufacturers & Commerce (WMC) appreciates the opportunity to testify in support of Senate Bill 49, which generally prohibits local governments from restricting utility service based on the energy source. WMC thanks the bill authors – Senators Bradley and Knodl and Representative Steffen – for bringing this important legislation forward. WMC also supports Senate Substitute Amendment 1 to the bill, which expands the prohibition to include state agencies.

WMC is the largest general business association in Wisconsin, representing approximately 3,800 member companies of all sizes, and from every sector of the economy. Since 1911, our mission has been to make Wisconsin the most competitive state in the nation to do business.

WMC supports an “all of the above” energy policy focused on the delivery of the most affordable and reliable energy to customers, regardless of the generation source. Wisconsin’s diverse energy portfolio of natural gas, coal, nuclear, wind, hydropower, biomass and solar provides a mix of reliable baseload capacity powered by traditional fossil fuels and nuclear together with a small but increasing amount of renewable energy production.

Natural gas, in particular, is a critical energy source in Wisconsin. In 2020, natural gas accounted for 33% of electric power generation in the state, up from just 19% in 2015. (Conversely, solar provided less than 1% of electric power generation in 2020). An estimated 75% of Wisconsin households use natural gas. The natural gas distribution system is also especially reliable; unplanned outages for natural gas customers are significantly rarer than for customers of electric distribution systems.

Unfortunately, natural gas has become a political punching bag in recent years, and a number of jurisdictions have issued burdensome government mandates restricting the use of natural gas. Such mandates are highly problematic for a number of reasons. First, energy consumers lose access to a reliable and affordable fuel, and may face significantly higher energy prices. Second, given the interconnected nature of natural gas pipelines, such mandates may also undermine reliability for other natural gas customers (including businesses) outside of the jurisdiction issuing the restriction.

It should also be noted that renewable natural gas (RNG), or biogas, is an emerging market opportunity for Wisconsin farmers. To allow local governments or a state agency in Wisconsin to simply close the door on this market with a natural gas ban would be short-sighted and deprive many Wisconsin farmers of an important revenue stream.

Senate Bill 49 prevents such problems from occurring in Wisconsin. It allows energy markets, reflecting changes in cost-effectiveness and reliability, to dictate investment decisions instead of the government picking winners and losers. It provides for a consistent energy policy set by the state, and not a confusing patchwork of energy regulations set by 1,900+ local jurisdictions. In addition, it continues to ensure that state energy policy is set by elected lawmakers in the Legislature and not unelected bureaucrats at a state agency.

Twenty-four other states have already passed similar legislation to protect energy customers, including businesses and homeowners, from burdensome government mandates restricting energy freedom. WMC urges committee members to support Senate Bill 49, as amended by Senate Substitute Amendment 1.

Thank you for the consideration of my testimony. I am happy to answer any questions.





**THE LEADING VOICE  
FOR WISCONSIN SMALL  
AND INDEPENDENT BUSINESSES**

**May 16, 2023**

**TO: Members  
Senate Committee on Utilities and Technology**

**FR: Brian Dake  
President  
Wisconsin Independent Businesses**

**RE: 2023 Senate Bill (SB) 49 relating to: restricting local regulation of utility service  
based on the type of energy source.**

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Chairman Bradley and committee members my name is Brian Dake, President of Wisconsin Independent Businesses. Thank you for the opportunity to testify in support of 2023 Senate Bill (SB) 49.

By way of background, Wisconsin Independent Businesses (WIB) was formed in 1977 to provide small, independent business owners with an effective voice in the legislative and regulatory activities of state government. Today, we proudly represent more than 2,000 small business owners throughout Wisconsin. Most of our members (approximately 85%) own and operate businesses which have fewer than 25 employees and/or annual gross revenues of less than \$5 million.

Wisconsin small businesses need affordable, reliable energy for heating, cooling, lighting, industrial production, and other essential functions and services. Wisconsin small businesses also need energy security - by that we mean the uninterrupted availability of energy.

***WIB...Helping you where you need it.***

Energy policy in the United States has long been a shared responsibility between the federal government and state governments. The boundary lines delineating federal and state authority are not always clear, but at least there are well established pathways available to resolve these jurisdictional disputes. The entry of municipal governments into the energy policymaking arena creates uncertainty and insecurity.

For these reasons, we support SB 49.

As of April 2023, the Building Decarbonization Coalition has identified 89 cities throughout the United States that have enacted so-called "Building Electrification Mandates." While the details of these local regulations vary, generally they require buildings to be all electric and prohibit the use of fossil fuels to operate and power equipment within the building.

Thankfully, there are no communities within this state that have enacted a "Building Electrification Mandate" and Wisconsin small businesses continue to have access to affordable, reliable energy for heating, cooling, lighting, industrial production, and other essential functions and services. SB 49 would keep it that way by pre-empting Wisconsin counties, cities, villages, and town from enacting "Building Electrification Mandates."

We respectfully ask for your support of SB 49.

Thank you in advance for your consideration.



**Wisconsin  
Conservation  
Voters**

Testimony in Opposition to SB 49  
Jennifer Giegerich, Government Affairs Director  
May 16, 2023

Good afternoon Chair Bradley and members of the committee. My name is Jennifer Giegerich. I am the Government Affairs Director with Wisconsin Conservation Voters. We have offices in Madison, Milwaukee, and Green Bay, where we work with our network of over 40,000 members and supporters to engage voters to protect our environment. I appreciate the opportunity to testify in opposition to Senate Bill 49.

The basic purpose of SB 49 is to prohibit the state of Wisconsin and local governments from banning any fuel source for electricity. We oppose this bill for two reasons.

First, there is no need for this bill. No community in Wisconsin or the state itself is attempting to ban any type of fuel. On its face, this bill is at best a solution in search of a problem. We oppose this legislation on principle, because once again, the legislature is attempting to take away power from local governments to make decisions about their communities. No one knows better than local governments how to identify and address problems that are impacting their community's way of life. SB 49 prevents local communities from having a say about what's happening in their very own backyards. If the legislature mandates that a local community *can't do something*, how is that any different from the legislature or federal government creating a mandate *to do something*? If there is an honest concern about keeping communities free of government interference, you have to admit it works both ways.

We are opposed to this bill because, even more problematic than being unnecessary, the bill allows the legislature to once again focus on the wrong things when it comes to energy. How we consume energy, the fuel source, and amount used has a direct impact on people's quality of life. How much and what kind of pollution is generated from an energy source? Is that fuel source generating a positive economic output – it is generated locally like wind or solar power or are we shipping our dollars out of state for a fuel source like coal or natural gas?

The legislature continues to ignore the very real shifting of the clean energy technological landscape, leaving Wisconsin residents left in an energy status quo of mostly out-of-state