

2007 BILL

1 AN ACT *to amend* 196.491 (3) (dm) of the statutes; **relating to:** requiring the
2 Public Service Commission to investigate future electric supplies after the
3 operating licenses of nuclear power plants in the state expire.

Analysis by the Legislative Reference Bureau

This bill is explained in the NOTE provided by the Joint Legislative Council in the bill.

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

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

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This bill was prepared for the Joint Legislative Council's Special Committee on Nuclear Power. The bill directs the Public Service Commission (PSC) to undertake an investigation of alternative strategies that the state could pursue to meet the anticipated demand for electricity in 2033, by which date it is expected that the operating licenses of the nuclear power plants currently operating in Wisconsin will have expired. The investigation must be based on the development of scenarios that project in the forecast period the total demand for electricity and the proportions of electricity that are expected to be generated by different types of fuel. The bill specifies certain elements and assumptions that the PSC must incorporate into the design and preparation of these scenarios.

The bill directs the PSC to appoint a committee to advise the PSC on the investigation and its report on the investigation. The bill requires the Energy Institute

BILL

of the University of Wisconsin–Madison to assist the PSC in conducting the investigation. The bill directs the PSC to submit its report on the investigation to the legislature within 18 months after the bill's effective date.

The bill provides that, in making a determination necessary for the PSC to approve a certificate of public convenience and necessity (CPCN) for a new large power plant or high-voltage transmission line, the PSC may not consider a factual conclusion in the PSC's report on the investigation unless the conclusion is independently corroborated in the PSC's hearing on the CPCN application.

1 **SECTION 1.** 196.491 (3) (dm) of the statutes is amended to read:

2 196.491 (3) (dm) In making a determination required under par. (d), the
3 commission may not consider a factual conclusion in a strategic energy assessment
4 or the report required under 2007 Wisconsin Act (this act), section 2 (6), unless
5 the conclusion is independently corroborated in the hearing under par. (b).

6 **SECTION 2. Nonstatutory provisions.**

7 (1) In this section, “commission” means the public service commission.

8 (2) The commission shall undertake an investigation of alternative strategies
9 that the state could pursue to meet the expected demand for electricity in the state
10 in 2033, which is the final year in which the operating licenses of the nuclear power
11 plants in Wisconsin are set or expected to expire. The study shall be designed to
12 provide guidance to the commission, the legislature, and the electric power industry
13 in formulating policy and conducting planning regarding the future sources of
14 electric power that will be available in this state, including intermediate and
15 longer-term strategies for achieving alternative outcomes identified in the
16 investigation.

17 (3) The commission shall base the investigation under subsection (2) on the
18 development of scenarios that project in the forecast period the total demand for
19 electricity and the proportions of electricity that are expected to be generated by
20 different types of fuels. The commission shall do all of the following in designing and
21 preparing these scenarios:

BILL

1 (a) Incorporate appropriate factors, including the continuation of a reliable and
2 adequate supply of electricity, the expected retirement of existing electric generating
3 facilities, and construction of new electric generating facilities, the importation of
4 electricity into the state, and expected improvements in the electric transmission
5 system.

6 (b) Include scenarios that include electric generating technologies that use coal
7 as a fuel and produce no or minimal emissions of carbon dioxide, that use nuclear fuel
8 in advanced light water reactors, and that use both types of technologies.

9 (c) Base the scenarios on the assumed implementation of a range of energy
10 efficiency programs, ranging from continuation of the current programs to
11 implementation of programs that produce the maximum energy savings foreseen by
12 the commission, and of a range of regulatory programs that result in an effective cost
13 of air emissions of carbon dioxide ranging from \$0 per ton to the highest amount per
14 ton foreseen by the commission.

15 (d) Identify the expected economic costs and environmental impacts of each
16 scenario using established methodologies that facilitate comparisons of the
17 scenarios.

18 (4) The commission shall appoint an advisory committee under section 15.04
19 (1) (c) of the statutes to assist in the investigation and report required under this
20 section.

21 (5) The Energy Institute of the University of Wisconsin–Madison shall assist
22 the commission in conducting the investigation under this section.

23 (6) The commission shall prepare a report on the results of its investigation
24 under this section and shall submit the report to the legislature in the manner

BILL

1 provided under section 13.172 (3) of the statutes, no later than the first day of the
2 19th month beginning after the effective date of this subsection.

3 (END)