



2013 ASSEMBLY BILL 900

March 31, 2014 - Introduced by Representatives SHANKLAND and CLARK. Referred to Committee on Energy and Utilities.

- 1 **AN ACT relating to:** energy supply and demand study and electric utility
2 integrated resource plans.

Analysis by the Legislative Reference Bureau

This bill requires each investor-owned electric public utility (electric utility) to prepare and submit an integrated resource plan to the Public Service Commission (PSC). The bill defines “integrated resource plan” as a 20-year plan of an electric utility for doing all of the following: 1) meeting forecasted demand for electric energy through a combination of supply-side and demand-side resources; 2) evaluating certain costs in meeting the forecasted demand; 3) identifying the mix of resources that would minimize future energy system costs and ensure safe and reliable electric service; and 4) decreasing the use of imported fossil fuel, increasing energy efficiency, and reducing electric bills. Regarding the second item, the costs that must be evaluated are those associated with the options specified in the state energy priorities law, which prioritizes options for meeting energy demands.

The bill requires an electric utility to submit an integrated resource plan to the PSC no later than July 1, 2016. If the PSC determines that an electric utility’s plan satisfies the above definition, the PSC must approve the plan. However, if the PSC determines that the plan does not satisfy the definition, the PSC must order the electric utility to make revisions and resubmit the plan for the PSC’s approval. Also, before approving a plan, the bill requires the PSC to provide an opportunity for the public to comment on the plan. In addition, the PSC must make approved plans available to the public through the PSC’s Internet site.

The bill also requires the PSC to submit an energy study report to the legislature no later than July 1, 2017. The report must do all of the following: 1)

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assess current and future energy supply and demand; 2) evaluate the integrated resource plans submitted under the bill; 3) demonstrate how the PSC considered the integrated resource plans in assessing energy supply and demand; 4) evaluate the costs of meeting future energy demand that are associated with the options specified in the state’s energy priorities law; 5) examine policies under state law, rules, and orders affecting energy supply and demand; 6) make a comparative analysis of those policies with policies in other states; and 7) identify challenges and opportunities for ensuring that energy supply adequately meets energy demand. In preparing the report, the bill requires the PSC to consult with the Department of Administration and the Department of Natural Resources.

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:

1 **SECTION 1. Nonstatutory provisions.**

2 (1) DEFINITIONS. In this section:

3 (a) “Commission” means the public service commission.

4 (b) “Electric utility” means a public utility, as defined in section 196.01 (5) of
5 the statutes, that is involved in the generation, transmission, distribution, or sale of
6 electric energy and that is investor-owned.

7 (c) “Integrated resource plan” means a 20-year plan of an electric utility for
8 doing all of the following:

9 1. Meeting forecasted demand for electric energy through a combination of
10 supply-side and demand-side resources and evaluating the costs associated with
11 each of the options specified in section 1.12 (4) (a) to (d) of the statutes in meeting the
12 forecasted demand.

13 2. Identifying the mix of resources that would minimize future energy system
14 costs and ensure safe and reliable electric service for residential and business
15 customers.

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1 3. Decreasing the use of imported fossil fuel, increasing energy efficiency, and
2 reducing electric bills.

3 (2) ENERGY STUDY.

4 (a) No later than July 1, 2017, the commission shall submit a report to the
5 legislature, in the manner under section 13.172 (2) of the statutes, that does all of
6 the following:

7 1. Assesses current and future energy supply and demand in this state.

8 2. Evaluates the integrated resource plans submitted under subsection (3) and
9 demonstrates how the commission considered those plans in making the assessment
10 under subdivision 1.

11 3. Evaluates the costs of meeting future energy demand that are associated
12 with each of the options specified in section 1.12 (4) (a) to (d) of the statutes.

13 4. Examines policies under state law, rules, and orders affecting energy supply
14 and demand and makes a comparative analysis of those policies with policies in other
15 states.

16 5. Identifies challenges and opportunities for ensuring that energy supply
17 adequately meets energy demand.

18 (b) The commission shall consult with the department of natural resources and
19 the department of administration in preparing the report under paragraph (a).

20 (3) INTEGRATED RESOURCE PLANS.

21 (a) No later than July 1, 2016, each electric utility shall prepare an integrated
22 resource plan and submit the plan to the commission.

23 (b) If the commission determines that a plan submitted by an electric utility
24 under paragraph (a) satisfies the requirements under subsection (1) (c), the
25 commission shall approve the plan. If the commission determines that the plan does

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1 not satisfy the requirements under subsection (1) (c), the commission shall order the
2 electric utility to make revisions and resubmit the plan to the commission for
3 approval. Before approving a plan, the commission shall provide an opportunity for
4 the public to comment on the plan.

5 (c) The commission shall make any plan or revised plan that the commission
6 approves under paragraph (b) available to the public through the commission's
7 Internet site.

8 (END)