



State of Wisconsin
2009 - 2010 LEGISLATURE

LRBs0431/1
ALL:all:jf

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2009 ASSEMBLY BILL 649**

April 13, 2010 – Offered by Representatives BLACK and SOLETSKI.

1 **AN ACT** *to repeal* 20.155 (3) (s), 196.374 (1) (i), 196.374 (1) (o), 196.374 (3) (b)
2 (title), 2. (intro.) and a. and 4., 196.374 (5) (bm) (title), 196.374 (5) (bm) 1.,
3 196.374 (7) (a), 196.374 (7) (b) 2., 196.374 (7) (c), 196.374 (7) (d), 196.377 (title),
4 196.377 (2), 196.378 (1) (am), 196.378 (1) (b), 196.378 (1) (fr), 196.378 (1) (h) 1.,
5 1m. and 2., 196.378 (1) (j), 196.378 (1) (o), 196.378 (2) (b) 2., 196.378 (2) (b) 4.
6 and 5. and 196.378 (4); **to renumber** 16.965 (1) (a), 16.965 (4) (a) to (f), 84.185
7 (4), 196.025 (1) (ag) 1., 196.25 (1), 196.374 (3) (b) 2. c., d., e., f., g. and h., 196.374
8 (7) (b) (title), 196.377 (1), 196.378 (1) (c) and (d), 196.378 (1) (fm) (intro.),
9 196.378 (1) (g), 196.378 (1) (k), 196.378 (1) (p), 196.49 (1), 196.491 (5), 196.493
10 (2) (b) 3., 196.65 (1), 196.66 (1) and 292.75 (5); **to renumber and amend** 26.38
11 (2m) (b), 101.027 (1), 196.025 (1) (b) 1., 196.374 (3) (b) 2. b., 196.374 (3) (b) 3.,
12 196.374 (3) (e), 196.374 (5) (bm) 2., 196.374 (7) (b) 1., 196.374 (8), 196.378 (1)
13 (intro.) and (ag), 196.378 (1) (ar), 196.378 (1) (fg), 196.378 (1) (fm) 1., 196.378

1 (1) (fm) 2., 196.378 (1) (h) (intro.), 196.378 (1) (i), 196.378 (2) (c), 196.491 (1) (g),
2 196.491 (1) (w) 2., 196.491 (3m) (d), 196.493 (1), 196.493 (2) (intro.), 196.493 (2)
3 (a), 196.493 (2) (b) (intro.), 196.493 (2) (b) 1., 196.493 (2) (b) 2., 292.75 (7),
4 560.032 (1), 560.032 (2), 560.302 and 560.305 (4); **to consolidate, renumber**
5 **and amend** 196.374 (3) (a) and (b) 1., 196.374 (3) (c) 2. (intro.), a. and b. and
6 196.374 (5) (b) 1. and (bm) 3.; **to amend** 16.75 (12) (a) 4., 16.965 (2), 16.965 (4)
7 (intro.), 25.96, 66.0602 (2), 66.0627 (title), 66.0627 (1) (a), 66.0627 (8), 77.54 (30)
8 (a) 1m., 79.005 (1b), 79.005 (4) (d), 79.04 (6) (a), 84.185 (3) (a) (intro.), 101.027
9 (2), 101.027 (3) (a) 1., 101.027 (3) (b) 1., 101.62, 101.63 (1) (intro.), 101.80 (1j),
10 196.025 (1) (b) 2., 196.025 (1) (c) 1., 196.025 (1) (c) 2., 196.025 (2m) (c), 196.374
11 (1) (b), 196.374 (1) (c), 196.374 (1) (d), 196.374 (1) (f), 196.374 (1) (j) (intro.),
12 196.374 (1) (L), 196.374 (2) (a) 1., 196.374 (2) (a) 2. (intro.), 196.374 (2) (a) 2. a.,
13 196.374 (2) (a) 2. b., 196.374 (2) (a) 2. d., 196.374 (2) (a) 3., 196.374 (2) (b) (title),
14 196.374 (2) (b) 1., 196.374 (2) (b) 2., 196.374 (2) (b) 3., 196.374 (2) (c), 196.374
15 (3) (c) (title), 196.374 (3) (c) 1., 196.374 (3) (d), 196.374 (3) (f) 1., 196.374 (3) (f)
16 2., 196.374 (3) (f) 3., 196.374 (3) (f) 4., 196.374 (4) (a) (intro.), 196.374 (4) (a) 1.,
17 196.374 (4) (a) 2., 196.374 (4) (b), 196.374 (5) (a), 196.374 (5) (b) 2., 196.374 (5)
18 (d), 196.374 (5m) (a), 196.374 (5m) (b), 196.374 (6), 196.374 (7) (e) 1. (intro.),
19 196.374 (7) (e) 1. a., 196.374 (7) (e) 1. b., 196.374 (7) (e) 1. c., 196.378 (2) (a) 1.,
20 196.378 (2) (a) 2. (intro.), 196.378 (2) (a) 2. c., 196.378 (2) (a) 2. d., 196.378 (2)
21 (a) 2. e., 196.378 (2) (b) (intro.), 196.378 (2) (b) 1m. (intro.), 196.378 (2) (b) 1m.
22 a., 196.378 (2) (d) (intro.), 196.378 (2) (e) (intro.), 196.378 (2) (f), 196.378 (2) (g)
23 2., 196.378 (4m) (a), 196.378 (4m) (b), 196.378 (5) (intro.), 196.378 (5) (a), 196.49
24 (2), 196.49 (3) (a), 196.49 (4), 196.49 (6), 196.491 (3) (d) (intro.), 196.491 (3) (d)
25 2., 196.491 (3) (d) 3., 196.491 (3) (g), 196.491 (3m) (title), 196.491 (3m) (a)

1 (intro.), 196.491 (3m) (b) 1. am., 196.491 (3m) (b) 3. b., 196.491 (3m) (c) 1. a.,
2 196.493 (title), 196.494 (1) (a), 196.52 (9) (g), 196.65 (2), 196.66 (2), 196.66 (4)
3 (b), 196.795 (11) (b), 196.85 (1m) (a), 299.97 (1), 560.032 (4), 560.081 (2) (e),
4 560.13 (2) (b) 2., 560.13 (3) (intro.) and 560.205 (1) (g); **to repeal and recreate**
5 196.374 (7) (e) (title) and 196.378 (3); **to create** 15.347 (3), 16.856, 16.954,
6 16.956 (1) (bk) and (bn) and (3) (f) to (i), 16.956 (3) (j), 16.965 (1) (ad), 16.965 (1)
7 (ah), 16.965 (1) (ap), 16.965 (1) (c), 16.965 (4) (bm), 16.965 (5), 20.115 (4) (d),
8 26.38 (2m) (b) 2., 26.38 (3) (d), 26.42, 36.605, 66.0602 (3) (e) 9., 66.0627 (1) (d),
9 76.28 (1) (gm) 3., 84.185 (1) (br) and (cr), 84.185 (2) (b) 15., 84.185 (2) (d), 84.185
10 (2m), 84.185 (4) (b), 93.47, 93.475, 101.02 (22m), 101.02 (23), 101.027 (1g),
11 101.027 (1r), 101.027 (4), 101.028, 101.63 (1m), 101.80 (2m), 196.025 (1) (ag) 1g.,
12 196.025 (1) (b) 1. b., 196.025 (1) (c) 3., 196.025 (7), 196.25 (1g), 196.374 (1) (am),
13 196.374 (1) (dm), 196.374 (1) (er), 196.374 (1) (hm), 196.374 (1) (ig), 196.374 (1)
14 (ir), 196.374 (1) (j) 8., 196.374 (1) (mb), 196.374 (1) (me), 196.374 (1) (mh),
15 196.374 (1) (mL), 196.374 (1) (mo), 196.374 (1) (mr), 196.374 (1) (mu), 196.374
16 (2) (a) 2. e. and f., 196.374 (3) (bc), (bg) (title), 1., 1m. (intro) and 2., (bn), (br) and
17 (bw) (title), 1., 2., 3., 3r. and 4., 196.374 (3) (c) 2. bm., c., d. and e., 196.374 (3)
18 (dm), 196.374 (3) (e) 2m., 196.374 (5) (b) 4., 196.374 (5m) (am), 196.374 (7) (am),
19 196.374 (7) (bg), 196.374 (7) (cm), 196.374 (7) (dm), 196.374 (7) (e) 1. e., 196.374
20 (8) (a), (b) and (c), 196.374 (9) and (10), 196.378 (1g), 196.378 (1r) (at), 196.378
21 (1r) (de), 196.378 (1r) (dm), 196.378 (1r) (ds), 196.378 (1r) (dw), 196.378 (1r)
22 (em), 196.378 (1r) (fg) 2., 196.378 (1r) (fg) 3., 196.378 (1r) (fg) 4., 196.378 (1r)
23 (fm) 3., 196.378 (1r) (gm), 196.378 (1r) (kg), 196.378 (2) (a) 2. f., 196.378 (2) (a)
24 2. g., 196.378 (2) (a) 2. h., 196.378 (2) (a) 2. i., 196.378 (2) (am), 196.378 (2) (b)
25 1g., 196.378 (2) (b) 1j., 196.378 (2) (b) 1r., 196.378 (2) (b) 2m., 196.378 (2) (h),

1 196.378 (3m), 196.378 (6), 196.49 (1g), 196.49 (3) (cm), 196.49 (5m), 196.491 (1)
2 (g) 2., 196.491 (1) (i), 196.491 (1) (j), 196.491 (1) (w) 2. b., 196.491 (3) (em),
3 196.491 (3m) (d) 1., 196.491 (3m) (d) 2., 196.491 (5) (am), 196.491 (5) (c) 1. am.,
4 196.491 (5) (c) 2. bm., 196.493 (1g), 196.493 (1r) (ag), 196.493 (1r) (b), 196.493
5 (2) (am) 1m., 196.493 (2) (am) 2. c., 196.493 (2) (am) 3., 196.493 (2) (am) 4.,
6 196.493 (2) (c), 196.493 (3), 196.493 (4), 196.494 (1) (am), 196.65 (1g), 196.66
7 (1g), 196.795 (6m) (a) 4m., 196.795 (6m) (cm), 196.80 (1r), 196.85 (1m) (e),
8 285.60 (11), 292.75 (5) (a) 2m., 292.75 (5) (b), 292.75 (5m), 292.75 (7) (b), 299.03,
9 299.035, 299.04, 299.045, 343.32 (2) (bs), 346.947, 346.95 (11), 560.032 (1g),
10 560.032 (1r) (b), 560.032 (2) (b), 560.081 (1m), 560.081 (2) (f) 6., 560.13 (2) (b)
11 3., 560.13 (3) (em), 560.13 (3m), 560.302 (1m) and 560.305 (4) (b) of the statutes;
12 and *to affect* 1983 Wisconsin Act 401, section 1; **relating to:** allocating a
13 portion of existing tax-exempt industrial development revenue bonding to
14 clean energy manufacturing facilities and renewable power generating
15 facilities; air pollution permits for certain stationary sources reducing
16 greenhouse gas emissions; greenhouse gas emissions and energy use by certain
17 state agencies and state assistance to school districts in achieving energy
18 efficiencies; creating an exception to local levy limits for amounts spent on
19 energy efficiency measures; requiring a report on certain programs to limit
20 greenhouse gas emissions; idling limits for certain motor vehicles; energy
21 efficiency and renewable resource programs; renewable energy requirements
22 of electric utilities and retail cooperatives; authority of the Public Service
23 Commission over nuclear power plants; creating an energy crop reserve
24 program; identification of private forest land; promoting sequestration of
25 carbon in forests, qualifying practices, and cost-share requirements under the

1 forest grant program established by the Department of Natural Resources;
2 grants to local governments for planning activities; model parking ordinances;
3 the brownfield site assessment grant program; the main street program; the
4 brownfields grant program; the forward innovation fund; the transportation
5 facilities economic assistance and development program; a study of biomass
6 availability; goals for reductions in greenhouse gas emissions, for construction
7 of zero net energy buildings, and for energy conservation; information,
8 analyses, reports, education, and training concerning greenhouse gas
9 emissions and climate change; energy conservation codes for public buildings,
10 places of employment, one- and two-family dwellings, and agricultural
11 facilities; design standards for state buildings; granting rule-making
12 authority; requiring the exercise of rule-making authority; and providing a
13 penalty.

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

14 **SECTION 1.** 15.347 (3) of the statutes is created to read:

15 15.347 (3) CLIMATE CHANGE COORDINATING COUNCIL. (a) *Creation; membership.*
16 There is created in the department of natural resources a climate change
17 coordinating council consisting of the following members:

- 18 1. The secretary of administration or his or her designee.
- 19 2. The secretary of natural resources or his or her designee.
- 20 3. The secretary of commerce or his or her designee.
- 21 4. The secretary of agriculture, trade and consumer protection or his or her
22 designee.
- 23 5. The secretary of health services or his or her designee.

- 1 6. The secretary of transportation or his or her designee.
- 2 7. The president of the University of Wisconsin System or his or her designee.
- 3 8. The chairperson of the public service commission or his or her designee.
- 4 9. The executive director of the office of energy independence or his or her
- 5 designee.
- 6 10. One person to represent the governor, appointed to a 4-year term.

7 (b) *Designees*. A person who is authorized under par. (a) to appoint a designee
8 may only appoint a designee who is an employee or appointive officer of the person's
9 agency.

10 **SECTION 2.** 16.75 (12) (a) 4. of the statutes is amended to read:

11 16.75 (12) (a) 4. "Renewable resource" has the meaning given in s. ~~196.378 (1)~~
12 ~~(h) 1. or 2. and includes a resource, as defined in s. 196.378 (1) (j), that derives~~
13 ~~electricity from hydroelectric power~~ 196.374 (1) (j).

14 **SECTION 3.** 16.856 of the statutes is created to read:

15 **16.856 Design standards for state buildings. (1)** In this section:

16 (a) "Major construction project" means a project to construct or expand a state
17 building; a project to repair, renew, or renovate an existing state building that affects
18 at least 35,000 square feet of enclosed space; or a project that affects the envelope or
19 heating, ventilation, or air conditioning system of an existing state building.

20 (b) "Minor construction project" means a project to construct, repair, renew,
21 renovate, or expand a state building that is not a major construction project.

22 **(2)** The department shall ensure that the plans and specifications for each
23 major construction project conform to the design standards promulgated by the
24 department of commerce under s. 101.027 (4) unless the department or the building

1 commission is required by another law to apply a stricter standard for the plans or
2 specifications.

3 (3) The department shall ensure that the plans and specifications for each
4 minor construction project conform to the design standards promulgated by the
5 department of commerce under s. 101.027 (4) if the department determines that
6 compliance is technically feasible and cost effective. This subsection does not apply
7 if the department or the building commission is required by another law to apply a
8 stricter standard for the plans or specifications.

9 **SECTION 4.** 16.954 of the statutes is created to read:

10 **16.954 Greenhouse gas emission; energy use.** (1) In this section:

11 (a) "Agency" has the meaning given in s. 16.70 (1e).

12 (b) "Biomass" has the meaning given in s. 196.374 (1) (am).

13 (c) "Greenhouse gas" has the meaning given in s. 299.03 (1) (d).

14 (2) The department shall prescribe guidelines and protocols for use by agencies
15 to which s. 299.045 applies in:

16 (a) Estimating the amount of greenhouse gas emissions that are attributable
17 to activities of each of those agencies under s. 299.045 (2).

18 (b) Establishing achievable goals for the reduction in greenhouse gas emissions
19 that are attributable to each of those agencies under s. 299.045 (3) (a).

20 (c) Developing plans to achieve the goals established under s. 299.045 (3) (a).

21 (3) The department shall assist agencies to which s. 299.045 applies in
22 complying with s. 299.045 with regard to energy use in facilities used by the agencies.

23 (4) The department shall establish a schedule of energy efficiency goals for
24 each agency to which s. 299.045 applies that are designed to ensure that, by 2030,

1 the overall energy use by all agencies is reduced to a level that is 30 percent lower
2 than the overall energy use by all agencies in 2005.

3 (5) The department shall establish goals for each agency to which s. 299.045
4 applies that are designed to ensure that overall use by all agencies of energy derived
5 from biomass sources is at least equivalent to the following percentages by the dates
6 specified:

7 (a) Ten percent by 2010.

8 (b) Fifteen percent by 2015.

9 (c) Twenty percent by 2020.

10 (d) Twenty-five percent by 2025.

11 (6) No later than July 1 of each odd-numbered year, the department of
12 administration shall prepare and submit to the department of natural resources a
13 report that summarizes the reports received under s. 299.045 (5) in that year.

14 **SECTION 5.** 16.956 (1) (bk) and (bn) and (3) (f) to (i) of the statutes are created
15 to read:

16 16.956 (1) (bk) “Biomass” has the meaning given in s. 196.374 (1) (am).

17 (bn) “Greenhouse gas” has the meaning given in s. 299.03 (1) (d).

18 (3) (f) Assist agencies to which s. 299.045 applies in complying with s. 299.045
19 with regard to the use of transportation fuels by the agencies and their officers,
20 employees, and agents.

21 (g) Provide information to school districts regarding opportunities to minimize
22 expenses and environmental impacts through the modification of facilities and
23 operational practices that maximize the efficiency of energy use, maximize the use
24 of renewable energy resources, and otherwise minimize emissions of greenhouse
25 gases.

1 (h) Encourage and assist school districts to voluntarily conduct the analyses
2 described in s. 299.045 (2), establish achievable goals for the reduction of greenhouse
3 gas emissions identified in their analyses as provided in s. 299.045 (3), and develop
4 and implement a plan for achieving their goals by means of specific actions to be
5 taken by specific dates.

6 (i) No later than July 1 of each odd-numbered year, report to the departments
7 of administration and natural resources regarding the voluntary participation of
8 school districts in the establishment of goals and the development and
9 implementation of plans for achieving goals under par. (h), the accomplishments of
10 school districts in implementing those plans, and the verifiable reductions of energy
11 use, greenhouse gas emissions, and school district expenses attributable to
12 implementation of those plans.

13 **SECTION 6.** 16.956 (3) (j) of the statutes is created to read:

14 16.956 (3) (j) Annually compile a report containing statistics on energy use and
15 production in this state and make the report available on its Internet site.

16 **SECTION 7.** 16.965 (1) (a) of the statutes is renumbered 16.965 (1) (at).

17 **SECTION 8.** 16.965 (1) (ad) of the statutes is created to read:

18 16.965 (1) (ad) "Comprehensive plan" has the meaning given in s. 66.1001 (1)
19 (a).

20 **SECTION 9.** 16.965 (1) (ah) of the statutes is created to read:

21 16.965 (1) (ah) "Conservation subdivision" has the meaning given in s. 66.1027
22 (1) (a).

23 **SECTION 10.** 16.965 (1) (ap) of the statutes is created to read:

24 16.965 (1) (ap) "Greenhouse gas" has the meaning given in s. 299.03 (1) (d).

25 **SECTION 11.** 16.965 (1) (c) of the statutes is created to read:

1 16.965 (1) (c) “Traditional neighborhood development” has the meaning given
2 in s. 66.1027 (1) (c).

3 **SECTION 12.** 16.965 (2) of the statutes is amended to read:

4 16.965 (2) From the appropriations under s. 20.505 (1) (cm) and (if), the
5 department may provide grants to local governmental units to be used to finance the
6 cost of planning activities, including contracting for planning consultant services,
7 public planning sessions and other planning outreach and educational activities, or
8 for the purchase of computerized planning data, planning software or the hardware
9 required to utilize that data or software. The department shall require any local
10 governmental unit that receives a grant under this ~~section~~ subsection to finance a
11 percentage of the cost of the product or service to be funded by the grant from the
12 resources of the local governmental unit. The department shall determine the
13 percentage of the cost to be funded by a local governmental unit based on the number
14 of applications for grants and the availability of funding to finance grants for the
15 fiscal year in which grants are to be provided. A local governmental unit that desires
16 to receive a grant under this subsection shall file an application with the department.
17 The application shall contain a complete statement of the expenditures proposed to
18 be made for the purposes of the grant. No local governmental unit is eligible to
19 receive a grant under this subsection unless the local governmental unit agrees to
20 utilize the grant to finance planning for all of the purposes specified in s. 66.1001 (2).

21 **SECTION 13.** 16.965 (4) (intro.) of the statutes is amended to read:

22 16.965 (4) (intro.) In determining whether to approve a proposed grant under
23 sub. (2), preference shall be accorded to ~~applications of local~~ all of the following:

24 (am) Local governmental units that whose applications contain all of the
25 following elements:

1 **SECTION 14.** 16.965 (4) (a) to (f) of the statutes are renumbered 16.965 (4) (am)
2 1. to 6.

3 **SECTION 15.** 16.965 (4) (bm) of the statutes is created to read:

4 16.965 (4) (bm) Local governmental units that have in effect comprehensive
5 plans that achieve the goals in par. (am) 2., have adopted ordinances for traditional
6 neighborhood development or conservation subdivisions, and have submitted
7 applications that include planning efforts to increase overall residential densities
8 through measures such as the following:

- 9 1. Allowing construction of a mix of residential uses within one zoning district.
- 10 2. Allowing construction of a mix of residential and commercial uses within one
11 zoning district.
- 12 3. Allowing 2–family residences to be built in all zoning districts in which
13 single–family residences may be built.
- 14 4. Establishing a maximum lot size for single–family residences.
- 15 5. In rural areas, eliminating 35–acre minimum lot sizes for residences.
- 16 6. Reducing residential street widths.

17 **SECTION 16.** 16.965 (5) of the statutes is created to read:

18 16.965 (5) (a) In addition to grants under sub. (2), from the appropriations
19 under s. 20.505 (1) (cm) and (if), the department may provide grants to local
20 governmental units to be used to finance the development or implementation of
21 ordinances for traditional neighborhood development or conservation subdivisions
22 or to finance planning efforts to increase overall residential densities through
23 measures such as those described in sub. (4) (bm) 1. to 6. Only local governmental
24 units that have in effect comprehensive plans that achieve the goals in sub. (4) (am)
25 2. are eligible for grants under this subsection. The department shall require any

1 local governmental unit that receives a grant under this subsection to finance a
2 percentage of the cost of the product or service to be funded by the grant from the
3 resources of the local governmental unit. The department shall determine the
4 percentage of the cost to be funded by a local governmental unit based on the number
5 of applications for grants and the availability of funding to finance grants for the
6 fiscal year in which grants are to be provided. A local governmental unit that desires
7 to receive a grant under this subsection shall file an application with the department.
8 A local governmental unit shall include in its application a complete statement of the
9 expenditures proposed to be made for the purposes of the grant.

10 (b) The department may not limit the eligibility of a local governmental unit
11 for a grant under this subsection on grounds related to the previous receipt of a grant
12 under sub. (2) by the local governmental unit.

13 **SECTION 17.** 20.115 (4) (d) of the statutes is created to read:

14 20.115 (4) (d) *Energy crop reserve program; payments.* The amounts in the
15 schedule for payments under the energy crop reserve program under s. 93.47.

16 **SECTION 18.** 20.155 (3) (s) of the statutes is repealed.

17 **SECTION 19.** 25.96 of the statutes is amended to read:

18 **25.96 Utility public benefits fund.** There is established a separate
19 nonlapsible trust fund designated as the utility public benefits fund, consisting of
20 low-income assistance fees received under s. 16.957 (4) (a) and (5) (b) 2. ~~and all~~
21 ~~moneys received under s. 196.374 (3) (b) 4.~~

22 **SECTION 20.** 26.38 (2m) (b) of the statutes is renumbered 26.38 (2m) (b) 1. and
23 amended to read:

24 26.38 (2m) (b) 1. ~~Each~~ Except as provided under subd. 2., each recipient of a
25 grant under this section shall provide a matching contribution in an amount to be

1 determined by the department for that particular grant based on criteria
2 promulgated by rule under sub. (3). The matching contribution may be in the form
3 of money or in-kind goods or services or both.

4 **SECTION 21.** 26.38 (2m) (b) 2. of the statutes is created to read:

5 26.38 **(2m)** (b) 2. If a grant to implement a forest stewardship management
6 plan includes a requirement that the recipient plant and maintain trees, the
7 recipient shall provide a matching contribution of not more than 25 percent of that
8 portion of the grant that is for the cost of planting and maintaining the trees, subject
9 to the availability of funds.

10 **SECTION 22.** 26.38 (3) (d) of the statutes is created to read:

11 26.38 **(3)** (d) A description of the forest stewardship management plan
12 practices that are eligible for funding under this section. Eligible practices shall
13 include establishing and maintaining trees; implementing measures to protect those
14 trees from damage caused by deer; and implementing measures that promote forest
15 health, including insect and disease control.

16 **SECTION 23.** 26.42 of the statutes is created to read:

17 **26.42 Carbon sequestration in forests. (1) DEFINITIONS.** In this section:

18 (a) “Cap and trade program” has the meaning given in s. 299.04 (1) (a).

19 (am) “Carbon sequestration” has the meaning given in s. 299.03 (1) (bm).

20 (b) “Greenhouse gas” has the meaning given in s. 299.03 (1) (d).

21 (c) “Sustainable forestry” has the meaning given in s. 28.04 (1) (e).

22 **(2) STANDARDS AND PRACTICES.** (a) Subject to par. (b), the department, in
23 cooperation with the department of agriculture, trade and consumer protection, the
24 University of Wisconsin-Extension, and the council on forestry, shall specify
25 standards and practices for monitoring and measuring carbon sequestration by

1 forests, including standards and practices for voluntary carbon accounting on forest
2 lands of the state. The department shall design the standards and practices to
3 conform with regional or national systems for trading credits for greenhouse gas
4 emissions.

5 (b) Paragraph (a) does not apply until a regional or national cap and trade
6 program that applies to any person in this state is enacted or adopted.

7 **(3) TECHNICAL ASSISTANCE.** The department, in cooperation with the
8 department of agriculture, trade and consumer protection and the University of
9 Wisconsin–Extension, shall provide technical assistance to promote the use of
10 sustainable forestry practices that increase carbon sequestration by persons who
11 own forest lands of the state and to assist them, through the use of those practices,
12 to generate credits that may be used to satisfy limits on emissions of greenhouse
13 gases and to sell the credits.

14 **(4) IDENTIFICATION AND NOTIFICATION OF OWNERS OF PRIVATE FOREST LANDS.** Using
15 the land cover database developed under s. 299.03 (5) (b) 3., county land records,
16 geographic information systems, and other methods, the department shall identify,
17 to the extent practicable, persons who own private forest lands and who do not
18 participate in forestry programs administered by the department. The department
19 shall notify persons identified under this subsection about information and technical
20 assistance that is available from the department concerning carbon sequestration
21 and sustainable forest management.

22 **SECTION 24.** 36.605 of the statutes is created to read:

23 **36.605 Extension’s model parking ordinances.** (1) The extension, in
24 consultation with the advisory committee appointed under sub. (3), shall develop 2
25 or more model market pricing parking ordinances. At least one ordinance shall be

1 tailored to parking in urban areas and at least one ordinance shall be tailored to
2 parking in nonurban areas. Each ordinance shall include market pricing methods
3 for on-street parking, parking structures, and fee lots. Each ordinance shall also
4 include preferred parking opportunities for vehicles with relatively low emissions of
5 greenhouse gases, as defined in s. 299.03 (1) (d), considering the complexities of
6 determining whether particular vehicles should be eligible for preferred parking
7 opportunities. In developing these model ordinances, the extension shall evaluate
8 current practices with respect to mandatory minimum parking space requirements
9 for public buildings.

10 (2) Upon completion of the model ordinances under sub. (1), the extension shall
11 make these model ordinances publicly available to interested persons and shall
12 provide these model ordinances to organizations representing local units of
13 government in this state.

14 (3) The extension shall appoint and convene an advisory committee to provide
15 guidance to the extension in the development of the model ordinances under sub. (1).
16 The advisory committee shall include at least one member from the department of
17 transportation. The provisions of s. 15.04 (1) (c) shall apply to the members of the
18 advisory committee as if the committee had been created and appointed by the board.

19 **SECTION 25.** 66.0602 (2) of the statutes, as affected by 2009 Wisconsin Act 28,
20 is amended to read:

21 66.0602 (2) **LEVY LIMIT.** Except as provided in subs. (3), (4), and (5), no political
22 subdivision may increase its levy in any year by a percentage that exceeds the
23 political subdivision's valuation factor. The base amount in any year, to which the
24 limit under this section applies, shall be the maximum allowable levy for the
25 immediately preceding year. In determining its levy in any year, a city, village, or

1 town shall subtract any tax increment that is calculated under s. 59.57 (3) (a), 60.85
2 (1) (L), or 66.1105 (2) (i). The base amount in any year, to which the limit under this
3 section applies, may not include any amount to which sub. (3) (e) 8. or 9. applies.

4 **SECTION 26.** 66.0602 (3) (e) 9. of the statutes is created to read:

5 66.0602 (3) (e) 9. The amount that a political subdivision levies in that year to
6 pay for energy efficiency measures and renewable energy products that result in the
7 avoidance of, or reduction in, energy costs. The department of administration shall
8 promulgate rules to facilitate the implementation of this subdivision by creating
9 standards and definitions for terms including energy efficiency measures, renewable
10 energy products, and energy costs.

11 **SECTION 27.** 66.0627 (title) of the statutes, as affected by 2009 Wisconsin Act
12 11, is amended to read:

13 **66.0627 (title) Special charges for current services and energy and**
14 **water efficiency improvement loans.**

15 **SECTION 28.** 66.0627 (1) (a) of the statutes, as created by 2009 Wisconsin Act
16 11, is amended to read:

17 66.0627 (1) (a) “Energy efficiency improvement” means an improvement to a
18 residential, commercial, or industrial premises that reduces the usage of energy, or
19 increases the efficiency of energy usage, at the premises.

20 **SECTION 29.** 66.0627 (1) (d) of the statutes is created to read:

21 66.0627 (1) (d) “Water efficiency improvement” means an improvement to a
22 residential, commercial, or industrial premises that reduces the usage of water, or
23 increases the efficiency of water usage, at the premises.

24 **SECTION 30.** 66.0627 (8) of the statutes, as created by 2009 Wisconsin Act 11,
25 is amended to read:

1 66.0627 (8) A political subdivision may make a loan to ~~a resident of an owner~~
2 or lessee of a premises located in the political subdivision for making or installing an
3 energy efficiency improvement, a water efficiency improvement, or a renewable
4 resource application to the ~~resident's residential property premises~~, or enter into an
5 agreement with the owner or lessee regarding loan repayments to a 3rd party for
6 owner-arranged or lessee-arranged financing for such purposes. If a political
7 subdivision makes such a loan or enters into such an agreement, the political
8 subdivision may collect the loan repayment as a special charge under this section.
9 Notwithstanding the provisions of sub. (4), a special charge imposed under this
10 subsection may be collected in installments and may be included in the current or
11 next tax roll for collection and settlement under ch. 74 even if the special charge is
12 not delinquent.

13 **SECTION 31.** 76.28 (1) (gm) 3. of the statutes is created to read:

14 76.28 (1) (gm) 3. A nonutility nuclear power plant, as defined in s. 196.491 (1)
15 (i), that has a total power production capacity of at least 50 megawatts. This
16 subdivision takes effect on the date specified in the notice published under s. 196.493
17 (3) (b).

18 **SECTION 32.** 77.54 (30) (a) 1m. of the statutes is amended to read:

19 77.54 (30) (a) 1m. Biomass, as defined in s. ~~196.378 (1) (ar)~~ 196.374 (1) (am),
20 that is used for fuel sold for residential use.

21 **SECTION 33.** 79.005 (1b) of the statutes is amended to read:

22 79.005 (1b) "Alternative energy resource" means a renewable resource, as
23 defined in s. ~~196.378 (1) (h)~~ 196.374 (1) (j); garbage, as defined in s. 289.01 (9); or
24 nonvegetation-based industrial, commercial, or household waste.

25 **SECTION 34.** 79.005 (4) (d) of the statutes is amended to read:

1 79.005 (4) (d) Replacing steam generating equipment at a combustion-based
2 renewable facility, as defined in s. 196.378 ~~(1)~~ (1r) (g), that is located in this state, to
3 increase efficiency or capacity, if the facility remains a combustion-based renewable
4 facility, as defined in s. 196.378 ~~(1)~~ (1r) (g), after replacing the equipment.

5 **SECTION 35.** 79.04 (6) (a) of the statutes is amended to read:

6 79.04 (6) (a) Annually, beginning in 2005, for production plants that begin
7 operation after December 31, 2003, or begin operation as a repowered production
8 plant after December 31, 2003, except as provided in sub. (4m), the department of
9 administration, upon certification by the department of revenue, shall distribute
10 payments from the public utility account, as determined under par. (b), to each
11 municipality and county in which a production plant is located, if the production
12 plant has a name-plate capacity of at least one megawatt and is used by a light, heat,
13 or power company assessed under s. 76.28 (2) or 76.29 (2), except property described
14 in s. 66.0813, unless the production plant is owned or operated by a local
15 governmental unit located outside of the municipality; by a qualified wholesale
16 electric company, as defined in s. 76.28 (1) (gm); by a wholesale merchant plant, as
17 defined in s. 196.491 (1) (w); by an electric cooperative assessed under ss. 76.07 and
18 76.48, respectively; ~~or~~ by a municipal electric company under s. 66.0825; or,
19 beginning on the date specified in the notice published under s. 196.493 (3) (b), by
20 a nonutility nuclear power plant, as defined in s. 196.491 (1) (i).

21 **SECTION 36.** 84.185 (1) (br) and (cr) of the statutes are created to read:

22 84.185 (1) (br) “Greenhouse gas” has the meaning given in s. 299.03 (1) (d).

23 (cr) “Traditional neighborhood development” has the meaning given in s.
24 66.1027 (1) (c).

25 **SECTION 37.** 84.185 (2) (b) 15. of the statutes is created to read:

1 84.185 (2) (b) 15. Whether the improvement is a qualifying improvement under
2 sub. (2m).

3 **SECTION 38.** 84.185 (2) (d) of the statutes is created to read:

4 84.185 (2) (d) The secretary may give greater weight to the criterion under par.
5 (b) 15. than to the other criteria under par. (b) in determining whether to approve an
6 improvement.

7 **SECTION 39.** 84.185 (2m) of the statutes is created to read:

8 84.185 (2m) **QUALIFYING IMPROVEMENTS.** An improvement is a qualifying
9 improvement for the purposes of subs. (2) (b) 15. and (4) (b) if the improvement will
10 result in a reduction of travel, energy use, or emissions of greenhouse gases or if any
11 of the following applies:

12 (a) The improvement is located in an area that is both designated for traditional
13 neighborhood development in a comprehensive plan adopted under s. 66.1001 and
14 to be developed as a traditional neighborhood development under an ordinance
15 consistent with the model ordinance under s. 66.1027 (2) and any of the following
16 applies:

17 1. The area is surrounded by or is adjacent to existing development.

18 2. The area is within a sewer service territory in the sewer service area
19 provisions of an areawide water quality management plan under s. 283.83 approved
20 by the department of natural resources.

21 3. The area consists primarily of blighted properties.

22 4. The area meets other criteria, specified by the department by rule, designed
23 to ensure that the project reduces greenhouse gas emissions.

1 (b) The political subdivision in which the improvement is located has adopted
2 the design standards under s. 101.027 (4) and the improvement is in an area that is
3 subject to the design standards.

4 (c) All of the following apply:

5 1. The improvement is located in an area that is subject to either a charter
6 under s. 299.83 (7e) issued to an association of entities that includes the political
7 subdivision in which the area is located or a participation contract under s. 299.83
8 (6) entered into by the city, village, town, or county in which the area is located.

9 2. The department of natural resources determines, in consultation with the
10 department of commerce, the department of administration, the public service
11 commission, and the office of energy independence, that implementation of the
12 charter is likely to result in significant reductions in emissions of greenhouse gases
13 or in energy use by public or private entities within the political subdivision.

14 (d) The improvement is located in a political subdivision that participates in
15 tier I under s. 299.83 (3), the area in which the improvement is located is affected by
16 the participation in tier I, and the department of natural resources determines, in
17 consultation with the department of commerce, the department of administration,
18 the public service commission, and the office of energy independence, that the
19 participation in tier I is likely to result in significant reductions in emissions of
20 greenhouse gases or in energy use by public or private entities within the political
21 subdivision.

22 **SECTION 40.** 84.185 (3) (a) (intro.) of the statutes is amended to read:

23 84.185 (3) (a) (intro.) When awarding a grant under this section, the
24 department shall establish a grant ceiling. Except as provided in par. (b) 2., the grant
25 ceiling shall not be amended after the secretary has approved an application for

1 funding. Except as provided in par. (b) and sub. (4) (b), the grant ceiling shall be the
2 lesser of the following:

3 **SECTION 41.** 84.185 (4) of the statutes is renumbered 84.185 (4) (a).

4 **SECTION 42.** 84.185 (4) (b) of the statutes is created to read:

5 84.185 (4) (b) The rules promulgated under this subsection may provide for all
6 of the following with respect to an improvement that is a qualifying improvement
7 under sub. (2m) and that is the subject of an agreement under sub. (7m) between the
8 department and a governing body:

9 1. A grant ceiling that is higher than the grant ceiling specified in sub. (3).

10 2. Different standards related to job creation or retention, or both, than those
11 that would apply under sub. (2) (b) 3. and 4. to an improvement that is not a
12 qualifying improvement.

13 **SECTION 43.** 93.47 of the statutes is created to read:

14 **93.47 Energy crop reserve program. (1) DEFINITIONS.** In this section:

15 (a) "Agronomic practices" means agricultural practices generally associated
16 with row cropping, including row crop production, soil management, and cultivation.

17 (b) "Native sod" means land on which the plant cover is composed principally
18 of native grasses, grass-like plants, forbs, or shrubs suitable for grazing and
19 browsing, and that has never been tilled for the production of an annual crop.

20 (c) "Short rotation woody crop" means a woody crop, including willows and
21 poplars, grown using agronomic practices.

22 **(2) PROGRAM.** The department shall administer a program in which it pays
23 persons to establish and produce any eligible perennial herbaceous crop or short
24 rotation woody crop for the production of energy or fuel.

1 **(3) CONTRACT.** (a) The department may enter into a contract, for a period not
2 to exceed 10 years, with a person who applies to participate in the program under this
3 section if all of the following are satisfied:

4 1. The person is eligible under sub. (5).

5 2. The person's land is eligible for enrollment under sub. (6).

6 3. The person is producing or will produce an energy crop eligible under sub.
7 (7).

8 (b) The department may renew a contract entered into under this section.

9 (c) A person who has entered into a contract with the department and enrolled
10 eligible land in the program under this section may enter into additional contracts
11 with the department to enroll additional eligible land in the program under this
12 section.

13 (d) If applicable, a person who enters into a contract under this section shall
14 comply with each of the following on all lands under the person's control:

15 1. Sustainable planting and harvesting requirements established by the
16 department by rule for perennial herbaceous crops or for short rotation woody crops.

17 2. Notwithstanding s. 281.16 (3) (e), the performance standards, prohibitions,
18 conservation practices, and technical standards under s. 281.16 (3) (a) to (c).

19 **(4) PAYMENTS; LIMITATIONS.** (a) Subject to the limitations under par. (b), from
20 the appropriation under s. 20.115 (4) (d), the department may make any of the
21 following payments to a person with whom the department has entered into a
22 contract under sub. (3) if the person is eligible for the payment:

23 1. Cost-sharing payments equal to a percentage, specified by the department
24 under sub. (8) (c), of the cost to establish an energy crop on the land enrolled under
25 the contract.

1 2. Income replacement payments of a percentage, specified by the department
2 under sub. (8) (d), of the average annual net income the person earned from the land
3 enrolled under the contract in the 5 consecutive years before the land was enrolled
4 in the program under this section. The person may receive an annual payment under
5 this subsection until the person is eligible to receive or has received a production
6 payment under subd. 3. for energy crops harvested on land enrolled under the
7 contract, or for the number of years specified by the department under sub. (8) (d)
8 1., whichever is less. A payment under this subdivision may replace a portion of the
9 payment, as specified by the department under sub. (8) (d) 2., the person had received
10 under the conservation reserve program under 16 USC 3831 to 3836.

11 3. Production payments, of an amount determined by the department under
12 sub. (8) (e), for each ton of energy crop harvested and used to produce energy or fuel
13 or sold to a person that will use the crop to produce energy or fuel.

14 (b) 1. If the total amount of payments to be made under par. (a) in a fiscal year
15 would exceed the amount available from the appropriation under s. 20.115 (4) (d), the
16 department shall prorate the payments among all persons eligible to receive a
17 payment under par. (a) in that fiscal year.

18 2. No person eligible to receive a payment under par. (a) may receive payments
19 in excess of the amount established by the department under sub. (8) (g).

20 **(5) ELIGIBILITY.** A person is eligible to participate in the program under this
21 section if any of the following applies:

22 (a) The person owns land eligible to be enrolled in the program.

23 (b) The person controls land eligible to be enrolled in the program under a lease
24 that covers the contract period established under sub. (3).

1 **(6) ENROLLMENT.** (a) Except as provided in par. (b), a person eligible under sub.
2 (5) may apply to enroll in the program under this section any land in this state that
3 is used or suitable for growing the crops identified under sub. (7).

4 (b) The following land may not be enrolled in the program under this section:

5 1. Federally owned land, other than land in this state held in trust by the
6 federal government for an American Indian or a federally recognized American
7 Indian tribe or band.

8 2. Land owned by a municipality. In this subdivision, “municipality” has the
9 meaning given in s. 66.0301 (1) (a).

10 3. Land that is in native sod on the effective date of this subdivision [LRB
11 inserts date].

12 4. Land enrolled in the program under subch. I or subch. VI of ch. 77.

13 5. Land enrolled in any of the following:

14 a. The conservation reserve program under 16 USC 3831 to 3836.

15 b. The wetlands reserve program under 16 USC 3837 to 3837f.

16 c. The grassland reserve program under 16 USC 3838n to 3838q.

17 d. The biomass crop assistance program under 7 USC 8111.

18 **(7) ELIGIBLE ENERGY CROPS.** (a) Except as provided in par. (b), a person may
19 receive payments under this section for the production of any perennial herbaceous
20 crop or short rotation woody crop to be harvested and used to produce energy or fuel.

21 (b) No payments may be received under this section for the growth of any of the
22 following:

23 1. A crop that is produced and harvested for a purpose other than the
24 production of energy or fuel, even if the residue of the crop may be used to produce
25 energy or fuel.

1 2. Any plant identified by the department of natural resources under s. 23.22
2 as invasive or having the potential to become invasive.

3 3. Any other crop specified by the department by rule.

4 **(8) RULE MAKING.** The department of agriculture, trade and consumer
5 protection shall promulgate the following by rule and shall consult with the
6 department of natural resources in the preparation of any rules that affect the
7 natural resources of this state:

8 (a) Rules to implement and administer the program under this section,
9 including all of the following:

10 1. The application form and procedures for applying.

11 2. Procedures and criteria for the review and approval or rejection of an
12 application.

13 3. Procedures and criteria for disbursing payments under the program,
14 including prorating of payments under sub. (4) (b) 1.

15 4. Reporting required of persons who have entered into a contract with the
16 department under sub. (3).

17 5. Conditions under which a person may reenroll land under this section.

18 (b) Crops ineligible for payments, as described under sub. (7) (b).

19 (c) The amount of, limits on, and procedures for calculating cost-sharing
20 payments available to persons under sub. (4) (a) 1., including the manner in which
21 the amounts of or limits on cost-sharing payments will vary with the energy crops
22 being established and the costs required to establish that energy crop.

23 (d) The amount of, limits on, and procedures for calculating income
24 replacement payments under sub. (4) (a) 2., including all of the following:

1 1. The maximum number of years a person may receive payments under sub.
2 (4) (a) 2., which number shall depend upon the time required to establish the energy
3 crop being established by the person.

4 2. Limits on the amount or percent of income from payments received under
5 the federal conservation reserve program, 7 USC 3831 to 3836, that may be included
6 in the calculation of income replacement under sub. (4) (a) 2. The rules promulgated
7 under this subdivision shall be designed to provide an incentive for persons who
8 remove their land from the federal conservation reserve program to enroll the land
9 in the program under this section, but small enough that those persons will not
10 choose to withdraw their land from the federal conservation reserve program solely
11 for the purpose of receiving payments under sub. (4) (a) 2.

12 (e) The amount of and limits on production payments made under sub. (4) (a)
13 3., including the manner in which the amount of the payment available to a person
14 under sub. (4) (a) 3. will vary depending upon the energy or fuel derived from the
15 particular energy crop produced, the costs to produce the energy crop, and other
16 factors consistent with the objectives of the program under this section.

17 (f) Procedures and criteria for allocating funds available from the
18 appropriation under s. 20.115 (4) (d) between cost-sharing payments, income
19 replacement payments, and production payments.

20 (g) Limits on the amount of payments that a person with whom the department
21 has entered into a contract under sub. (3) may receive in any payment category under
22 sub. (4) (a), in any contract year, and over the duration of the contract.

23 (h) Requirements for sustainable planting and harvesting practices, including
24 practices to minimize consumptive water use and maximize water conservation,

1 applicable to persons with whom the person has entered into a contract under sub.
2 (3).

3 (i) Rules to establish priorities for entering into contracts with persons and
4 enrolling land in the program under this section, and for making payments to a
5 person who has entered into a contract under sub. (3), based upon the attributes of
6 the land, the agricultural practices of the person, or any other pertinent factors to
7 advance all of the following objectives:

8 1. Maximizing carbon sequestration, as defined in s. 299.03 (1) (bm).

9 2. Minimizing life-cycle greenhouse gas emissions of the production,
10 harvesting, processing, and distribution of the energy crop by minimizing any of the
11 following:

12 a. The distance the energy crop must be transported between the point of
13 production and the point of end use.

14 b. The use of fossil fuels to plant, cultivate, and harvest the energy crop.

15 c. The application of fertilizer and pesticide in connection with the production
16 of the energy crop.

17 d. Other energy-consuming practices.

18 3. The preservation of farmland through a farmland preservation agreement
19 or farmland preservation zoning.

20 4. Providing soil and water conservation or wildlife preservation benefits.

21 **(9) PROGRAM OUTCOMES AND REPORTS.** The department of agriculture, trade and
22 consumer protection shall, no later than July 1 of each odd year, submit to the
23 departments of administration and natural resources a report containing all of the
24 following information about the program under this section:

25 (a) The number of acres of land enrolled in the program.

1 (b) The number of tons and the energy content of each energy crop harvested
2 under the program.

3 (c) Costs of the program.

4 (d) The extent to which the program under this section complements and is
5 coordinated with the biomass crop assistance program under 7 USC 8111.

6 (e) Any recommendations for legislation to improve the program under this
7 section.

8 **SECTION 44.** 93.475 of the statutes is created to read:

9 **93.475 Bioenergy feedstock production, sustainable forestry, carbon**
10 **sequestration and biomass and agricultural production incentive studies.**

11 **(1)** In this section:

12 (a) “Bioenergy feedstock” means biomass used to produce energy, including
13 heat or electricity, or to produce a fuel, including transportation fuel.

14 (b) “Biomass” has the meaning given in s. 196.374 (1) (am).

15 (c) “Cap and trade program” has the meaning given in s. 299.04 (1) (a).

16 **(2)** (a) The department of agriculture, trade and consumer protection shall, in
17 consultation with the department of natural resources, do all of the following:

18 1. Study whether current and projected markets for bioenergy feedstocks and
19 state and federal programs in effect on the effective date of this subdivision [LRB
20 inserts date], provide adequate financial incentives to prompt producers of bioenergy
21 feedstocks to sustainably produce a supply of biomass that, as a result of the use of
22 that biomass as bioenergy feedstocks, will significantly contribute to the
23 achievement of the state greenhouse gas emission reduction goals established under
24 s. 299.03 (2).

1 2. Study whether current and projected markets and state and federal
2 programs in effect on the effective date of this subdivision [LRB inserts date],
3 provide adequate financial incentives to prompt entities to engage in sustainable
4 forestry, carbon sequestration, and biomass and agricultural production practices in
5 this state that will significantly contribute to the achievement of the state
6 greenhouse gas emission reduction goals established under s. 299.03 (2).

7 3. Prepare reports on the studies required under subs. 1. and 2.

8 (b) The department of agriculture, trade and consumer protection and the
9 department of natural resources shall prepare the studies required under this
10 subsection in consultation with the office of energy independence in the department
11 of administration, the public service commission, the University of Wisconsin
12 System, the administrator of the statewide energy efficiency and renewable resource
13 programs under s. 196.374 (2) (a) 1., representatives of natural resources and
14 environmental organizations, and representatives of sectors of the economy in this
15 state that are affected by the programs.

16 **(3)** (a) If, after conducting the study under sub. (2) (a) 1., the department of
17 agriculture, trade and consumer protection and the department of natural resources
18 determine that the financial incentives under state and federal law are inadequate
19 to prompt producers of bioenergy feedstocks to sustainably produce a supply of
20 biomass that will significantly contribute to the achievement of the state greenhouse
21 gas emission reduction goals established under s. 299.03 (2), and that additional
22 financial incentives are warranted, the department of agriculture, trade and
23 consumer protection and the department of natural resources shall recommend
24 changes to improve the effectiveness of financial incentives under existing state
25 programs and propose new legislation offering additional financial incentives to

1 prompt bioenergy feedstock producers to sustainably produce additional biomass in
2 order to help achieve the state greenhouse gas emission reduction goals. The
3 department of agriculture, trade and consumer protection and the department of
4 natural resources shall consider all of the following when making the
5 recommendations required under this paragraph:

6 1. Methods to reduce financial risks of bioenergy feedstock producers, such as
7 loan guarantees and insurance.

8 2. Expansion of a cap and trade program or a voluntary greenhouse gas
9 emission reduction offset program to create credits for producers of bioenergy
10 feedstocks who reduce greenhouse gas emissions during the production of bioenergy
11 feedstocks by adopting appropriate management practices.

12 3. Expansion of the renewable resource credits created under s. 196.378 (3) (a)

13 1. to authorize the creation of credits from the production or generation of nonelectric
14 energy, as defined in s. 196.378 (1r) (dm), that is produced or generated from biomass.

15 (b) If, after conducting the study under sub. (2) (a) 2., the department of
16 agriculture, trade and consumer protection and the department of natural resources
17 determine that financial incentives under state and federal law are inadequate to
18 prompt entities to engage in sustainable forestry, carbon sequestration, and biomass
19 and agricultural production practices in this state that will significantly contribute
20 to the achievement of the state greenhouse gas emission reduction goals established
21 under s. 299.03 (2), and that additional financial incentives are warranted, the
22 department of agriculture, trade and consumer protection and the department of
23 natural resources shall recommend changes to improve the effectiveness of financial
24 incentives under existing state programs and propose new legislation offering
25 additional financial incentives to prompt entities to engage in sustainable forestry,

1 carbon sequestration, and biomass and agricultural production practices in order to
2 help achieve the state greenhouse gas emission reduction goals. The department of
3 agriculture, trade and consumer protection and the department of natural resources
4 shall consider all of the following when making the recommendations required under
5 this paragraph:

6 1. Methods to reduce financial risks of entities engaged in sustainable forestry,
7 carbon sequestration, and biomass and agricultural production practices, such as
8 loan guarantees and insurance.

9 2. Expansion of a cap and trade program or a voluntary greenhouse gas
10 emission reduction offset program to create credits for entities who engage in
11 sustainable forestry, carbon sequestration, and biomass and agricultural production
12 practices who reduce greenhouse gas emissions as a result of such practices.

13 3. Expansion of the renewable resource credits created under s. 196.378 (3) (a)
14 1. to authorize the creation of credits from the amount of greenhouse gas reductions
15 occurring from sustainable forestry, carbon sequestration, and biomass and
16 agricultural production practices.

17 (c) No later than July 1, 2013, the department of agriculture, trade and
18 consumer protection and the department of natural resources shall submit a report
19 on the studies required under sub. (2) together with any recommended changes to
20 current law or recommended new legislation proposed under par. (a) or (b) to the
21 climate change coordinating council.

22 **SECTION 45.** 101.02 (22m) of the statutes is created to read:

23 101.02 (22m) The department shall inform owners of construction sites of their
24 responsibilities under s. 346.947 (7). The department may fulfill this duty by any

1 reasonable means, including notice on any applicable form prepared by the
2 department.

3 **SECTION 46.** 101.02 (23) of the statutes is created to read:

4 101.02 (23) No later than July 1, 2013, and at least every 4 years thereafter,
5 the department shall prepare and provide to the department of natural resources an
6 assessment of progress toward meeting the new building energy use goal in s. 299.03
7 (3).

8 **SECTION 47.** 101.027 (1) of the statutes is renumbered 101.027 (1m) and
9 amended to read:

10 101.027 (1m) ~~In this section, “energy conservation code” means the~~ The
11 department shall, by rule, promulgate an energy conservation code promulgated by
12 the department that sets minimum design requirements standards for construction
13 and equipment for the purpose of energy conservation in public buildings and places
14 of employment. Except as provided in sub. (1r), the rules shall conform to the energy
15 design standards contained in a generally accepted code.

16 **SECTION 48.** 101.027 (1g) of the statutes is created to read:

17 101.027 (1g) In this section, “generally accepted code” means the International
18 Energy Conservation Code or an energy efficiency code that provides at least as great
19 an energy conservation benefit as the energy design standards contained in the
20 International Energy Conservation Code and that is generally accepted and used by
21 architects, engineers, and the construction industry in the construction of public
22 buildings and places of employment.

23 **SECTION 49.** 101.027 (1r) of the statutes is created to read:

24 101.027 (1r) (a) The department may set particular design standards that are
25 less strict than those contained in the generally accepted code used by the

1 department to promulgate the energy conservation code under sub. (1m) if all of the
2 following apply:

3 1. Application of the generally accepted code is unreasonably burdensome
4 because of specific conditions existing in this state.

5 2. The less strict standards provide the greatest energy conservation benefits
6 that are consistent with the specific conditions.

7 (b) The department may set particular design standards that are stricter than
8 those contained in the generally accepted code used by the department to promulgate
9 the energy conservation code under sub. (1m) if the department takes into account
10 the cost of complying with the stricter standards in relationship to the benefits
11 derived from complying with the stricter standards, including the reasonably
12 foreseeable economic and environmental benefits to this state from any reduction in
13 the use of fossil fuel and in emissions of greenhouse gasses.

14 **SECTION 50.** 101.027 (2) of the statutes is amended to read:

15 101.027 (2) The department shall review the energy conservation code
16 promulgated under sub. (1m), and shall, subject to the requirements of sub. (1r),
17 promulgate rules that change the requirements of the energy conservation code to
18 improve energy conservation. ~~No rule may be promulgated that has not taken into~~
19 ~~account the cost of the energy conservation code requirement, as changed by the rule,~~
20 ~~in relationship to the benefits derived from that requirement, including the~~
21 ~~reasonably foreseeable economic and environmental benefits to the state from any~~
22 ~~reduction in the use of imported fossil fuel. The proposed rules changing the energy~~
23 ~~conservation code shall be submitted to the legislature in the manner provided under~~
24 ~~s. 227.19. In conducting a review under this subsection, the department shall~~
25 ~~consider incorporating, into the energy conservation code, design requirements from~~

1 ~~the most current national energy efficiency design standards, including the~~
2 ~~International Energy Conservation Code or an energy efficiency code other than the~~
3 ~~International Energy Conservation Code if that energy efficiency code is used to~~
4 ~~prescribe design requirements for the purpose of conserving energy in buildings and~~
5 ~~is generally accepted and used by engineers and the construction industry.~~

6 **SECTION 51.** 101.027 (3) (a) 1. of the statutes is amended to read:

7 101.027 (3) (a) 1. A revision of the International Energy Conservation Code
8 generally accepted code used by the department to promulgate the energy efficiency
9 code under sub. (1m) is published.

10 **SECTION 52.** 101.027 (3) (b) 1. of the statutes is amended to read:

11 101.027 (3) (b) 1. If the department begins a review under sub. (2) because a
12 revision of the International Energy Conservation Code generally accepted code
13 used by the department to promulgate the energy efficiency code under sub. (1m) is
14 published, the department shall complete its review of the energy conservation code,
15 ~~as defined in sub. (1),~~ and submit to the legislature proposed rules changing the
16 energy conservation code, ~~as defined in sub. (1),~~ no later than 18 months after the
17 date on which the revision of the International Energy Conservation Code generally
18 accepted code is published.

19 **SECTION 53.** 101.027 (4) of the statutes is created to read:

20 101.027 (4) The department shall promulgate rules that set voluntary design
21 standards for the purpose of reducing the environmental impact of constructing,
22 maintaining, and using public buildings and places of employment. The department
23 shall base the design standards on standards jointly established by the American
24 National Standards Institute, the American Society of Heating, Refrigerating and
25 Air Conditioning Engineers, the U.S. Green Building Council, and the Illuminating

1 Engineering Society of North America or on similar standards that are generally
2 accepted and used by architects, engineers, and the construction industry in the
3 construction of public buildings and places of employment if the similar standards
4 provide benefits in reducing the environmental impact of constructing, maintaining,
5 and using public buildings and places of employment that are at least as great as the
6 benefits provided in the jointly established standards. The department shall
7 promulgate rules under this subsection that set design standards that provide
8 significantly greater energy conservation benefits than those provided by the design
9 standards contained in the energy conservation code under sub. (1m).
10 Notwithstanding s. 101.02 (7) (a), no county, city, village, or town may enact any
11 ordinance or adopt any regulation that requires compliance with the voluntary
12 design standards set by the department under rules promulgated under this
13 subsection.

14 **SECTION 54.** 101.028 of the statutes is created to read:

15 **101.028 Agricultural building code.** The department shall, by rule,
16 promulgate an energy conservation code that sets minimum design standards for
17 agricultural facilities. The department shall define, for purposes of that code,
18 “agricultural facility,” which shall include a barn and a milking parlor. The
19 department shall consult with the department of agriculture, trade and consumer
20 protection before promulgating rules under this section.

21 **SECTION 55.** 101.62 of the statutes is amended to read:

22 **101.62 Dwelling code council; power.** The dwelling code council shall
23 review the standards and rules for one- and 2-family dwelling construction and
24 recommend a uniform dwelling code for adoption by the department which shall
25 include rules providing for the conservation of energy in the construction and

1 maintenance of dwellings, consistent with the requirements of s. 101.63 (1m), and
2 for costs of specific code provisions to home buyers to be related to the benefits
3 derived from such provisions. The council shall study the need for and availability
4 of one-family and 2-family dwellings that are accessible to persons with disabilities,
5 as defined in s. 106.50 (1m) (g), and shall make recommendations to the department
6 for any changes to the uniform dwelling code that may be needed to ensure an
7 adequate supply of one-family and 2-family dwellings. Upon its own initiative or
8 at the request of the department, the council shall consider and make
9 recommendations to the department pertaining to rules and any other matters
10 related to this subchapter. The council shall recommend variances for different
11 climate and soil conditions throughout the state.

12 **SECTION 56.** 101.63 (1) (intro.) of the statutes is amended to read:

13 101.63 (1) (intro.) Adopt rules which establish standards for the construction
14 and inspection of one- and 2-family dwellings and components thereof. Where
15 feasible, the standards used shall be those nationally recognized and shall apply to
16 the dwelling and to its electrical, heating, ventilating, air conditioning and other
17 systems, including plumbing, as defined in s. 145.01 (10). ~~No set of rules may be~~
18 ~~adopted which has not taken into account the conservation of energy in construction~~
19 ~~and maintenance of dwellings and the costs of specific code provisions to home buyers~~
20 ~~in relationship to the benefits derived from the provisions.~~ Rules promulgated under
21 this subsection do not apply to a bed and breakfast establishment, as defined under
22 s. 254.61 (1), except that the rules apply to all of the following:

23 **SECTION 57.** 101.63 (1m) of the statutes is created to read:

24 101.63 (1m) (a) In this subsection, “generally accepted code” means the
25 International Energy Conservation Code or an energy efficiency code that provides

1 at least as great an energy conservation benefit as the energy design standards
2 contained in the International Energy Conservation Code and that is generally
3 accepted and used by architects, engineers, and the construction industry in the
4 construction of one- and 2-family dwellings.

5 (b) The department shall, by rule, promulgate an energy conservation code that
6 sets minimum design standards for construction and equipment for the purpose of
7 energy conservation in one- and 2-family dwellings. In promulgating the rules the
8 department shall ensure that the minimum design standards are appropriate to
9 specific conditions existing in this state and shall consider incorporating into the
10 rules, subject to the requirements under pars. (c) and (d), the energy design
11 standards contained in a generally accepted code.

12 (c) Before the department may set particular design standards that are less
13 strict than those contained in a generally accepted code, it shall consider all of the
14 following:

15 1. Whether application of a generally accepted code is unreasonably
16 burdensome because of specific conditions existing in this state.

17 2. Whether the less strict standards provide the greatest energy conservation
18 benefits that are consistent with the specific conditions.

19 (d) The department may set particular design standards that are stricter than
20 those contained in a generally accepted code if the department takes into account the
21 cost of complying with the stricter standards in relationship to the benefits derived
22 from complying with the stricter standards, including the reasonably foreseeable
23 economic and environmental benefits to this state from any reduction in the use of
24 fossil fuel and in emissions of greenhouse gasses.

1 (e) The department shall review the energy conservation code promulgated
2 under par. (b), and shall, subject to the requirements of pars. (c) and (d), promulgate
3 rules that change the requirements of the energy conservation code to improve
4 energy conservation.

5 (f) The department shall begin a review under par. (e) whenever one of the
6 following occurs:

7 1. A revision of the generally accepted code used by the department to
8 promulgate the energy conservation code under par. (b) is published.

9 2. Three years have passed from the date on which the department last
10 submitted to the legislature proposed rules changing the energy conservation code.

11 (g) The department shall complete a review under par. (e) as follows:

12 1. If the department begins a review under par. (e) because a revision of the
13 generally accepted code used by the department to promulgate the energy
14 conservation code under par. (b) is published, the department shall complete its
15 review of the energy conservation code and submit to the legislature proposed rules
16 changing the energy conservation code no later than 18 months after the date on
17 which the revision of the generally accepted code is published.

18 2. If the department begins a review under par. (e) because 3 years have passed
19 from the date on which the department last submitted to the legislature proposed
20 rules changing the energy conservation code, the department shall complete its
21 review of the energy conservation code and submit to the legislature proposed rules
22 changing the energy conservation code no later than 9 months after the last day of
23 the 3-year period.

24 **SECTION 58.** 101.80 (1j) of the statutes is amended to read:

1 101.80 **(1j)** “Electricity provider” means a public utility, an electric cooperative,
2 or a wholesale merchant plant operator, or, beginning on the date specified in the
3 notice published under s. 196.493 (3) (b), a nonutility nuclear power plant operator.

4 **SECTION 59.** 101.80 (2m) of the statutes is created to read:

5 101.80 **(2m)** “Nonutility nuclear power plant operator” means the operator of
6 a nonutility nuclear power plant, as defined in s. 196.491 (1) (i). This subsection
7 takes effect on the date specified in the notice published under s. 196.493 (3) (b).

8 **SECTION 60.** 196.025 (1) (ag) 1. of the statutes is renumbered 196.025 (1) (ag)
9 1r.

10 **SECTION 61.** 196.025 (1) (ag) 1g. of the statutes is created to read:

11 196.025 **(1)** (ag) 1g. “Municipal utility” has the meaning given in s. 16.957 (1)
12 (q).

13 **SECTION 62.** 196.025 (1) (b) 1. of the statutes is renumbered 196.025 (1) (b) 1.
14 (intro.) and amended to read:

15 196.025 **(1)** (b) 1. (intro.) In a proceeding in which an investor-owned electric
16 public utility is a party, the commission shall not order or otherwise impose energy
17 conservation or efficiency requirements on the investor-owned electric public utility
18 if the commission has fulfilled all of its duties under s. 196.374 and the
19 ~~investor-owned~~ any of the following is satisfied:

20 a. The electric public utility has satisfied the requirements of s. 196.374 for the
21 year prior to commencement of the proceeding, as specified in s. 196.374 (8) (d).

22 **SECTION 63.** 196.025 (1) (b) 1. b. of the statutes is created to read:

23 196.025 **(1)** (b) 1. b. If the electric public utility is a municipal utility, the
24 commission determines under s. 196.374 (8) that the electric public utility has, on
25 average over the 4 years preceding the commencement of the proceeding, met, in the

1 aggregate, the goals established under s. 196.374 (3) (bn) 1. f. for the electric public
2 utility or the commission determines that the electric public utility has made a good
3 faith effort to meet the goals during such 4-year period.

4 **SECTION 64.** 196.025 (1) (b) 2. of the statutes is amended to read:

5 196.025 (1) (b) 2. In a proceeding in which a wholesale supplier that has
6 accepted an assignment from a municipal utility or retail electric cooperative under
7 s. 196.374 (7) (bg) is a party, the commission shall not order or otherwise impose
8 energy conservation or efficiency requirements on the wholesale supplier or any
9 municipal utility or retail electric cooperative that made the assignment if the
10 commission has fulfilled all of its duties under s. 196.374 and the wholesale
11 supplier's members are in the aggregate substantially in compliance with s. 196.374
12 (7) commission determines under s. 196.374 (8) that the wholesale supplier or all
13 municipal utilities or retail electric cooperatives from which the wholesale supplier
14 has accepted assignment have, on average over the 4 years preceding the
15 commencement of the proceeding, met, in the aggregate, the goals established under
16 s. 196.374 (3) (bn) 1. f. for the municipal utilities or retail electric cooperatives or the
17 commission determines that the wholesale supplier, municipal utilities, or retail
18 electric cooperatives have made a good faith effort to meet the goals during such
19 4-year period.

20 **SECTION 65.** 196.025 (1) (c) 1. of the statutes is amended to read:

21 196.025 (1) (c) 1. In a proceeding in which an investor-owned electric public
22 utility is a party, the commission shall not order or otherwise impose any renewable
23 resource requirements on the investor-owned electric public utility if the
24 commission has fulfilled all of its duties under s. 196.378 and the commission has
25 informed the utility under s. 196.378 (2) (c) 2. that, with respect to the most recent

1 report submitted under s. 196.378 (2) (c) 1, the utility is in compliance with the
2 requirements of s. 196.378 (2) (a) 2. This subdivision does not limit the authority of
3 the commission to enforce a public utility's obligations under s. 196.374.

4 **SECTION 66.** 196.025 (1) (c) 2. of the statutes is amended to read:

5 196.025 (1) (c) 2. In a proceeding in which a wholesale supplier is a party, the
6 commission shall not order or otherwise impose any renewable resource
7 requirements on the wholesale supplier if the commission has fulfilled all of its
8 duties under s. 196.378 and the wholesale supplier's members or customers are in
9 the aggregate substantially in compliance with s. 196.378 (2).

10 **SECTION 67.** 196.025 (1) (c) 3. of the statutes is created to read:

11 196.025 (1) (c) 3. The commission shall give priority in the scheduling of its
12 business to the consideration of applications for a certificate of authority under s.
13 196.49, or a certificate of public convenience and necessity under s. 196.491 (3), for
14 a proposed renewable facility, as defined in s. 196.378 (1r) (g).

15 **SECTION 68.** 196.025 (2m) (c) of the statutes is amended to read:

16 196.025 (2m) (c) Paragraph (b) does not waive any duty of the commission or
17 the department to comply with s. 1.11 or to take any other action required by law
18 regarding a project, except that, in the consideration of alternative locations, sites,
19 or routes for a project, the commission and the department are required to consider
20 only the location, site, or route for the project identified in an application for a
21 certificate under s. 196.49 and no more than one alternative location, site, or route;
22 and, for a project identified in an application for a certificate under s. 196.491 (3),
23 other than an application for a renewable facility, as defined in s. 196.378 (1r) (g), the
24 commission and the department are required to consider only the location, site, or

1 route for the project identified in the application and one alternative location, site,
2 or route.

3 **SECTION 69.** 196.025 (7) of the statutes is created to read:

4 196.025 (7) ENERGY CONSERVATION ASSESSMENT. No later than July 1, 2013, and
5 at least every 4 years thereafter, the commission shall prepare and provide to the
6 department of natural resources an assessment of progress toward meeting the
7 statewide energy conservation goals in s. 299.03 (3m).

8 **SECTION 70.** 196.25 (1) of the statutes is renumbered 196.25 (1r).

9 **SECTION 71.** 196.25 (1g) of the statutes is created to read:

10 196.25 (1g) In this section, “public utility” includes the owner or operator of a
11 nuclear power plant, as defined in s. 196.491 (1) (j), for which the commission has
12 issued a certificate of public convenience and necessity under s. 196.491 (3) on or
13 after the date specified in the notice published under s. 196.493 (3) (b).

14 **SECTION 72.** 196.374 (1) (am) of the statutes is created to read:

15 196.374 (1) (am) “Biomass” means plant material, including wood, or residue;
16 biological waste; biogas; or landfill gases. “Biomass” does not include garbage, as
17 defined in s. 289.01 (9), or nonbiological industrial, nonbiological commercial, or
18 nonbiological household waste.

19 **SECTION 73.** 196.374 (1) (b) of the statutes is amended to read:

20 196.374 (1) (b) “Commitment to community program” means an energy
21 efficiency or load management program ~~by or on behalf for regulated fuel usage in~~
22 the service territory of a municipal utility or retail electric cooperative or a renewable
23 resource program involving customer applications of renewable resources that take
24 place at the premises of the customers or members of a municipal utility or retail
25 electric cooperative.

1 **SECTION 74.** 196.374 (1) (c) of the statutes is amended to read:

2 196.374 (1) (c) “Customer application of renewable resources” means the
3 generation of energy from renewable resources that takes place on the premises of
4 a customer or member of an energy utility ~~or, municipal utility, or a member of a retail~~
5 electric cooperative.

6 **SECTION 75.** 196.374 (1) (d) of the statutes is amended to read:

7 196.374 (1) (d) “Energy efficiency program” means a program for reducing the
8 usage or increasing the efficiency of the usage of energy ~~by a customer or member of~~
9 ~~an energy utility, municipal utility, or retail electric cooperative~~ a target fuel.
10 “Energy efficiency program” does not include load management.

11 **SECTION 76.** 196.374 (1) (dm) of the statutes is created to read:

12 196.374 (1) (dm) “Energy provider” means an energy utility, municipal utility,
13 or retail electric cooperative.

14 **SECTION 77.** 196.374 (1) (er) of the statutes is created to read:

15 196.374 (1) (er) “Large energy customer program” means a program under sub.
16 (2) (c).

17 **SECTION 78.** 196.374 (1) (f) of the statutes is amended to read:

18 196.374 (1) (f) “Load management program” means a program to allow an
19 energy utility, ~~municipal utility, provider or wholesale electric cooperative, as~~
20 ~~defined in s. 16.957 (1) (v), retail electric cooperative, or municipal electric company,~~
21 ~~as defined in s. 66.0825 (3) (d),~~ supplier to control or manage daily or seasonal
22 customer demand associated with equipment or devices used by customers or
23 members.

24 **SECTION 79.** 196.374 (1) (hm) of the statutes is created to read:

1 196.374 (1) (hm) “Natural gas” does not include natural gas that is used to
2 generate electricity.

3 **SECTION 80.** 196.374 (1) (i) of the statutes is repealed.

4 **SECTION 81.** 196.374 (1) (ig) of the statutes is created to read:

5 196.374 (1) (ig) “Prime supplier” means a person that imports an unregulated
6 fuel into this state for sale to a wholesale or retail distributor, or to an end user, for
7 use in this state.

8 **SECTION 82.** 196.374 (1) (ir) of the statutes is created to read:

9 196.374 (1) (ir) “Regulated fuel” means electricity or natural gas.

10 **SECTION 83.** 196.374 (1) (j) (intro.) of the statutes is amended to read:

11 196.374 (1) (j) (intro.) “Renewable resource” means a resource that derives
12 energy from any source other than coal, petroleum products, nuclear power ~~or, except~~
13 ~~as used in a fuel cell, natural gas, or nonbiological industrial, nonbiological~~
14 commercial, or nonbiological household waste. “Renewable resource” includes
15 resources deriving energy from any of the following:

16 **SECTION 84.** 196.374 (1) (j) 8. of the statutes is created to read:

17 196.374 (1) (j) 8. Any other resource designated by the commission by rule.

18 **SECTION 85.** 196.374 (1) (L) of the statutes is amended to read:

19 196.374 (1) (L) “Retail electric cooperative” ~~has the meaning given in s. 16.957~~
20 ~~(1)(t)~~ means a cooperative association that is organized under ch. 185 for the purpose
21 of providing electricity at retail to its members only and that owns or operates a retail
22 electric distribution system.

23 **SECTION 86.** 196.374 (1) (mb) of the statutes is created to read:

24 196.374 (1) (mb) “Statewide programs” means the statewide energy efficiency
25 and renewable resource programs established under sub. (2) (a) 1.

1 **SECTION 87.** 196.374 (1) (me) of the statutes is created to read:

2 196.374 (1) (me) “Statewide programs contractor” means a person with whom
3 energy utilities contract under sub. (2) (a) 1. to administer the statewide programs.

4 **SECTION 88.** 196.374 (1) (mh) of the statutes is created to read:

5 196.374 (1) (mh) “Supplemental utility program” means a program under sub.
6 (2) (b) 2.

7 **SECTION 89.** 196.374 (1) (mL) of the statutes is created to read:

8 196.374 (1) (mL) “Target fuel” means a regulated or unregulated fuel.

9 **SECTION 90.** 196.374 (1) (mo) of the statutes is created to read:

10 196.374 (1) (mo) “Total sales” means, with respect to a target fuel, the total
11 amount of the target fuel sold at retail in this state as measured in energy units.

12 **SECTION 91.** 196.374 (1) (mr) of the statutes is created to read:

13 196.374 (1) (mr) “Unregulated fuel” means liquified petroleum gas or heating
14 oil.

15 **SECTION 92.** 196.374 (1) (mu) of the statutes is created to read:

16 196.374 (1) (mu) “Utility-administered program” means a program under sub.
17 (2) (b) 1.

18 **SECTION 93.** 196.374 (1) (o) of the statutes is repealed.

19 **SECTION 94.** 196.374 (2) (a) 1. of the statutes is amended to read:

20 196.374 (2) (a) 1. The energy utilities in this state ~~shall collectively establish~~
21 ~~and fund statewide energy efficiency and renewable resource programs. The energy~~
22 ~~utilities shall collectively contract, on the basis of competitive bids, with one or more~~
23 ~~persons to develop and administer the statewide energy efficiency and renewable~~
24 ~~resource programs. The utilities may not execute a Δ contract under this subdivision~~
25 ~~may not be executed~~ unless the commission has approved the contract. The

1 ~~commission shall require each energy utility to spend the amount required under~~
2 ~~sub. (3) (b) 2. moneys received by a statewide programs contractor under sub. (3) (bw)~~
3 ~~3., 3g., and 4. shall be used to fund the statewide energy efficiency and renewable~~
4 ~~resource programs.~~

5 **SECTION 95.** 196.374 (2) (a) 2. (intro.) of the statutes is amended to read:

6 196.374 (2) (a) 2. (intro.) The purpose of the statewide programs under this
7 ~~paragraph~~ shall be to help achieve environmentally sound and adequate energy
8 target fuel supplies at reasonable cost, consistent with the commission's
9 responsibilities under s. 196.025 (1) (ar) and the energy utilities' obligations under
10 this chapter. The statewide programs shall include, at a minimum, all of the
11 following:

12 **SECTION 96.** 196.374 (2) (a) 2. a. of the statutes is amended to read:

13 196.374 (2) (a) 2. a. Components to address the energy target fuel needs of
14 residential, commercial, agricultural, institutional, and industrial energy target fuel
15 users ~~and~~, local units of government, and tribal governments.

16 **SECTION 97.** 196.374 (2) (a) 2. b. of the statutes is amended to read:

17 196.374 (2) (a) 2. b. Components to reduce the energy target fuel costs incurred
18 by local units of government, tribal governments, and agricultural producers, by
19 increasing the efficiency of energy target fuel use by local units of government, tribal
20 governments, and agricultural producers. The commission shall ensure that not less
21 than 10 percent of the moneys utilities are required to spend under subd. 1. or sub.
22 ~~(3) (b) 2. paid by energy utilities and prime suppliers under sub. (3) (bw) 3., 3g., and~~
23 ~~4.~~ is spent annually on programs under this subdivision subd. 2. b. except that, if the
24 commission determines that the full amount cannot be spent on cost-effective
25 programs for local units of government, tribal governments, and agricultural

1 producers, the commission shall ensure that any surplus funds be spent on programs
2 to serve commercial, institutional, and industrial customers target fuel users. A local
3 unit of government that receives assistance under this subd. 2. b. shall apply all costs
4 savings realized from the assistance to reducing the property tax levy.

5 **SECTION 98.** 196.374 (2) (a) 2. d. of the statutes is amended to read:

6 196.374 (2) (a) 2. d. Initiatives for research and development regarding the
7 environmental and economic impacts of energy target fuel use in this state.

8 **SECTION 99.** 196.374 (2) (a) 2. e. and f. of the statutes are created to read:

9 196.374 (2) (a) 2. e. Grants and loans for distributed electric generating
10 facilities that generate electricity from renewable resources and that are designed
11 for nominal operation at a capacity of 10 megawatts or less, including agricultural
12 waste digesters and wind power and solar energy facilities, with a preference for
13 grants and loans for agricultural waste digesters. Grants and loans under this subd.
14 2. e. may not be made in a year to a customer or member of a municipal utility or retail
15 electric cooperative, unless the municipal utility or retail electric cooperative has
16 contributed 0.2 percent of its annual operating revenues for that year to a statewide
17 programs contractor for grants and loans under this subd. 2. e. The commission shall
18 ensure that the amount available for grants and loans under this subd. 2. e. for a year
19 is at least equal to the sum of the amounts paid by energy utilities in that year under
20 sub. (3) (bw) 3r. and the amount budgeted for similar grants and loans in 2009 under
21 the statewide renewable resource programs under s. 196.374 (2) (a) 1., 2007 stats.
22 This subd. 2. e. does not apply after the first day of the 48th month beginning after
23 the effective date of this subd. 2. e. [LRB inserts date].

1 f. Components for coordinating, to the extent practicable, with apprenticeship
2 training programs to develop a highly skilled workforce for energy efficiency and
3 renewable resource programs.

4 **SECTION 100.** 196.374 (2) (a) 3. of the statutes is amended to read:

5 196.374 (2) (a) 3. The commission may not require an energy utility to
6 administer or fund any energy efficiency or renewable resource program that is in
7 addition to the statewide programs required under subd. 1. and any ordered program
8 of the utility. This subdivision does not limit the authority of the commission to
9 enforce an energy utility's obligations under s. 196.378.

10 **SECTION 101.** 196.374 (2) (b) (title) of the statutes is amended to read:

11 196.374 (2) (b) (title) *Utility-administered and supplemental utility programs.*

12 **SECTION 102.** 196.374 (2) (b) 1. of the statutes is amended to read:

13 196.374 (2) (b) 1. An energy utility may, with commission approval, administer
14 or fund one or more energy efficiency programs for regulated fuels that is limited to,
15 as determined by the commission, large commercial, industrial, institutional, or
16 agricultural customers in its service territory. An energy utility shall pay for a
17 program under this subdivision with by withholding a portion of the amount it is
18 required to pay to a statewide programs contractor under sub. (3) ~~(b) 2. (bw) 3. or 3g.,~~
19 as approved by the commission. The commission may not order an energy utility to
20 administer or fund a program under this subdivision.

21 **SECTION 103.** 196.374 (2) (b) 2. of the statutes is amended to read:

22 196.374 (2) (b) 2. An energy utility may, with commission approval, administer
23 or fund an energy efficiency or renewable resource program for regulated fuels that
24 is limited to customers in its service territory and that is in addition to the statewide
25 programs required under par. (a) or utility-administered programs authorized

1 ~~under subd. 1.~~ The commission may not order an energy utility to administer or fund
2 a program under this subdivision.

3 **SECTION 104.** 196.374 (2) (b) 3. of the statutes is amended to read:

4 196.374 (2) (b) 3. An energy utility ~~that administers or funds a program under~~
5 ~~subd. 1. or 2. or an ordered program~~ may request at any time to establish, modify, or
6 discontinue a utility-administered or supplemental utility program, and the
7 commission may approve, ~~to modify, or discontinue~~, in whole or in part, the ordered
8 program. ~~An energy utility may request the establishment, modification, or~~
9 ~~discontinuation of a program under subd. 1. or 2. at any time and shall request the~~
10 ~~modification or discontinuation of an ordered program as part of a proceeding under~~
11 ~~sub. (3) (b) 1.~~

12 **SECTION 105.** 196.374 (2) (c) of the statutes is amended to read:

13 196.374 (2) (c) *Large energy customer programs.* A customer of an energy
14 utility may, with commission approval, administer and fund its own energy efficiency
15 programs or renewable resource programs if the customer satisfies the definition of
16 a large energy customer for any month in the 12 months preceding the date of the
17 customer's request for approval. A customer may request commission approval at
18 any time. A customer that funds a program under this paragraph may deduct the
19 amount of the funding from the amount the energy utility may collect from the
20 customer under sub. (5) (b). If the customer deducts the amount of the funding from
21 the amount the energy utility may collect from the customer under sub. (5) (b), the
22 energy utility shall credit the amount of the funding against the amount the energy
23 utility is required to ~~spend~~ pay to a statewide programs contractor under sub. (3) (b)
24 ~~2. (bw) 3. or 3g.~~

1 **SECTION 106.** 196.374 (3) (a) and (b) 1. of the statutes are consolidated,
2 renumbered 196.374 (3) (a) and amended to read:

3 196.374 **(3)** (a) *In general.* The commission shall have oversight of statewide,
4 utility-administered, supplemental utility, and large energy customer programs
5 ~~under sub. (2).~~ The commission shall maximize coordination of program delivery,
6 including coordination between such programs under subs. (2) (a) 1., (b) 1. and 2., and
7 ~~(c) and (7), ordered programs,~~ low-income weatherization programs under s. ss.
8 16.26, 16.27, and 16.957, renewable resource programs under s. 196.378, and other
9 energy efficiency or renewable resource programs. The commission shall cooperate
10 with the department of natural resources to ensure coordination of energy efficiency
11 and renewable resource programs with air quality programs and to maximize and
12 document the air quality improvement benefits that can be realized from energy
13 efficiency and renewable resource programs. ~~(b) 1. At least every 4 years, after notice~~
14 ~~and opportunity to be heard, the commission shall, by order, evaluate the energy~~
15 ~~efficiency and renewable resource programs under sub. (2) (a) 1., (b) 1. and 2., and~~
16 ~~(c) and ordered programs and set or revise goals, priorities, and measurable targets~~
17 ~~for the programs. The~~ In carrying out its duties under this paragraph, the
18 commission shall give priority to cost-effective programs that moderate the growth
19 in ~~electric and natural gas~~ target fuel demand and usage, facilitate markets and
20 assist market providers to achieve higher levels of energy efficiency, promote energy
21 reliability and adequacy, avoid adverse environmental impacts from the use of
22 energy, and promote rural economic development.

23 **SECTION 107.** 196.374 (3) (b) (title), 2. (intro.) and a. and 4. of the statutes are
24 repealed.

1 **SECTION 108.** 196.374 (3) (b) 2. b. of the statutes is renumbered 196.374 (3) (bg)
2 1m. a. and amended to read:

3 196.374 (3) (bg) 1m. a. The potential short-term and long-term impacts on
4 electric and natural gas rates and on costs of unregulated fuels and alternative
5 means to mitigate such impacts.

6 **SECTION 109.** 196.374 (3) (b) 2. c., d., e., f., g. and h. of the statutes are
7 renumbered 196.374 (3) (bg) 1m. b., c., d., e., f. and g.

8 **SECTION 110.** 196.374 (3) (b) 3. of the statutes is renumbered 196.374 (3) (bw)
9 3g. and amended to read:

10 196.374 (3) (bw) 3g. The commission shall submit to the joint committee on
11 finance any proposal to require each an energy utility to ~~spend a larger~~ collect from
12 its customers and pay to a statewide programs contractor in a year under subd. 3.
13 a percentage of its annual operating revenues than the percentage specified in subd.
14 2. (intro.) to fund the programs specified in subd. 2. (intro.) that is greater than 1.2
15 percent. If the cochairpersons of the committee do not notify the commission within
16 10 working days after the commission submits such a proposal that the committee
17 has scheduled a meeting to review the proposal, the commission may require each
18 the energy utility to ~~spend the percentage specified in~~ comply with the proposal. If,
19 within 10 working days after the commission submits a proposal, the cochairpersons
20 of the committee notify the commission that the committee has scheduled a meeting
21 to review the proposal, but, within 90 days of providing the notice, the committee
22 does not object to the proposal, the commission may require each the energy utility
23 to ~~spend the percentage specified in~~ comply with the proposal. If, within 90 days
24 after providing the notice, the committee objects to the proposal, the commission may
25 ~~not~~ require each the energy utility to ~~spend the percentage specified in the proposal~~

1 collect from its customers and pay to a statewide programs contractor 1.2 percent of
2 its annual operating revenues. The commission may submit a proposal, or submit
3 revisions to a proposal that the commission has previously submitted, at any time.

4 **SECTION 111.** 196.374 (3) (bc), (bg) (title), 1., 1m. (intro) and 2., (bn), (br) and
5 (bw) (title), 1., 2., 3., 3r. and 4. of the statutes are created to read:

6 196.374 (3) (bc) *Quadrennial proceedings; generally.* Every 4 years the
7 commission shall, after notice and opportunity to be heard, conduct a proceeding for
8 making assessments under par. (bg) and shall hold contested case hearings for
9 establishing goals under par. (bn), establishing funding requirements under par.
10 (br), and allocating the funding requirements under par. (bw). The commission shall
11 carry out its duties under this paragraph in a manner that implements state policy
12 under s. 1.12 (4), establishes all achievable and cost-effective energy savings, and
13 is designed to enable the state to meet or exceed the goals specified in s. 299.03 (2)
14 and (3m) (a) and (b).

15 (bg) (title) *Quadrennial potential studies.* 1. The commission shall assess the
16 reduction in the use of and demand for each target fuel that can be achieved in each
17 year of the quadrennium following the proceeding under par. (bc) through all of the
18 following:

19 a. Cost-effective energy efficiency and renewable resource programs
20 administered by energy providers or other persons.

21 b. Programs and policy mechanisms under the commission's jurisdiction,
22 excluding the programs described in subd. 1. a., and including demand response and
23 load management programs and the renewable portfolio standard, as defined in s.
24 196.378 (1r) (gm).

25 c. Low-income weatherization programs under ss. 16.26, 16.27, and 16.957.

1 d. Other programs and policy mechanisms, including appliance and equipment
2 efficiency standards, mandatory and voluntary energy conservation standards for
3 buildings, and voluntary certification programs.

4 1m. (intro.) In making assessments under subd. 1., the commission shall
5 consider all of the following:

6 2. Reductions in use of and demand for a target fuel in assessments under subd.
7 1. shall be expressed as percentages of total sales for the target fuel.

8 (bn) *Quadrennial goals.* For each year of the quadrennium following the
9 proceeding under par. (bc), the commission shall establish a goal for the reduction
10 in demand for and use of each target fuel that can be achieved under the statewide
11 programs, and a goal for the reduction in demand for and use of each regulated fuel
12 that can be achieved by or on behalf of each municipal utility and retail electric
13 cooperative, as follows:

14 1. For each regulated fuel:

15 a. Estimate the total sales of the regulated fuel that will occur in the year.

16 b. Estimate the proportion of the amount estimated under subd. 1. a. that will
17 be attributable to sales by all energy utilities in the year and multiply the proportion
18 estimated under this subd. 1. b. by the amount estimated under subd. 1. a.

19 c. Estimate the proportion of the amount estimated under subd. 1. a. that will
20 be attributable to sales by each municipal utility or retail electric cooperative in the
21 year and multiply the proportion estimated under this subd. 1. c. by the amount
22 estimated under subd. 1. a.

23 d. Determine the difference between the percentages determined under par.
24 (bg) 1. a. and c. for the regulated fuel for the year.

1 e. Multiply the product determined under subd. 1. b. by the difference
2 determined under subd. 1. d. The resulting product shall be the goal under the
3 statewide programs for the regulated fuel for the year, unless modified by the
4 commission under sub. (8) (b) 2.

5 f. Multiply the product determined under subd. 1. c. for a municipal utility or
6 retail electric cooperative by the difference determined under subd. 1. d. The
7 resulting product shall be the goal for the regulated fuel for the year for the municipal
8 utility or retail electric cooperative, unless modified by the commission under sub.
9 (8) (b) 2.; and except that the commission may revise the goal if the commission
10 determines that the goal is unreasonable considering the composition of the
11 membership or customer base of the municipal utility or retail electric cooperative;
12 and except that, if the joint committee on finance objects under par. (bw) 3g. to a
13 proposal regarding one or more energy utilities, the commission shall revise goals for
14 municipal utilities and retail electric cooperatives in a manner that is consistent
15 with the energy utility payments to the statewide programs contractor that result
16 from the objection, and the commission shall notify municipal utilities and retail
17 electric cooperatives of the revised goals.

18 2. For each unregulated fuel:

19 a. Estimate the total sales of the unregulated fuel that will occur in the year.

20 b. Determine the difference between the percentages determined under par.
21 (bg) 1. a. and c. for the unregulated fuel for the year.

22 c. Multiply the estimate under subd. 2. a. by the difference determined under
23 subd. 2. b. The resulting product shall be the goal under the statewide programs for
24 the unregulated fuel for the year, unless modified by the commission under sub. (8)
25 (b) 2.

1 (br) *Quadrennial funding requirements.* 1. ‘Statewide programs.’ The
2 commission shall determine the amount of funds necessary for statewide programs
3 for each target fuel for each year of the quadrennium following the proceeding under
4 par. (bc) as follows:

5 a. For each target fuel, determine the amount of funds necessary to achieve the
6 goal determined under par. (bn) 1. e. or 2. c. for the year.

7 b. Subtract from the amount determined under subd. 1. a. the total amount that
8 the commission allows all energy utilities to pay for utility-administered programs
9 for the target fuel in the year.

10 c. Subtract from the amount determined under subd. 1. b. the total amount of
11 funding the commission allows for all large energy customer programs for the target
12 fuel in the year. The result determined under this subd. 1. c. shall be the amount of
13 funding necessary for statewide programs for the target fuel in the year.

14 2. ‘Municipal utilities and retail electric cooperatives.’ Except as provided in
15 sub. (7) (bg), each municipal utility and retail electric cooperative shall determine the
16 amount of funds necessary to achieve the goal determined under par. (bn) 1. f. for
17 each regulated fuel for each year of the quadrennium following the proceeding under
18 par. (bc). The minimum amount that a municipal utility or retail electric cooperative
19 may determine for a year under this subdivision shall correspond to a monthly fee
20 imposed on each customer or member that collects an annual average of \$8 per meter.

21 (bw) (title) *Funding allocation.* 1. A prime supplier shall report to the
22 commission, in the form specified by the commission, the amount of unregulated fuel
23 that the prime supplier imports into this state each year for ultimate use by end users
24 in this state.

1 2. In the proceeding under par. (bc), for each target fuel, the commission shall
2 determine the percentage of total sales of the target fuel by all energy utilities and
3 prime suppliers in the quadrennium prior to the proceeding that is attributable to
4 each energy utility and prime supplier.

5 3. For each regulated fuel and for each year of the quadrennium following the
6 proceeding under par. (bc), the commission shall determine the amount equal to the
7 percentage determined for an energy utility under subd. 2. multiplied by the amount
8 determined under par. (br) 1. c. for the regulated fuel for the year. Subject to subd.
9 3g., for each year, the commission shall require the energy utility to collect from its
10 customers and pay to a statewide programs contractor the amount so determined or
11 1.2 percent of the energy utility's annual operating revenues for the year, whichever
12 is greater.

13 3r. For the purpose of funding grants and loans under sub. (2) (a) 2. e., the
14 commission shall require each energy utility each year to collect from its customers
15 and pay to a statewide programs contractor 0.2 percent of the energy utility's annual
16 operating revenues for the year. The amounts that an energy utility is required to
17 pay under this subdivision are in addition to the amounts the energy utility is
18 required to pay under subd. 3. or 3g. This subdivision does not apply after the first
19 day of the 48th month beginning after the effective date of this subdivision [LRB
20 inserts date].

21 4. For each unregulated fuel, the commission shall order each prime supplier
22 to pay to a statewide programs contractor in each year of the quadrennium following
23 the proceeding under par. (bc) an amount equal to the percentage determined for the
24 prime supplier under subd. 2. multiplied by the amount determined under par. (br)
25 1. c. for the unregulated fuel for the year.

1 **SECTION 112.** 196.374 (3) (c) (title) of the statutes is amended to read:

2 196.374 (3) (c) (title) *Reviews Other reviews and approvals.*

3 **SECTION 113.** 196.374 (3) (c) 1. of the statutes is amended to read:

4 196.374 (3) (c) 1. Review and approve contracts under sub. (2) (a) 1. ~~between~~
5 ~~the energy utilities and program administrators~~ If the energy utilities contract with
6 more than one person under sub. (2) (a) 1., the commission shall determine how to
7 allocate among those persons the requirements under this section involving
8 statewide programs contractors.

9 **SECTION 114.** 196.374 (3) (c) 2. (intro.), a. and b. of the statutes are consolidated,
10 renumbered 196.374 (3) (c) 2. (intro.) and amended to read:

11 196.374 (3) (c) 2. (intro.) ~~Review requests under sub. (2) (b) for~~
12 utility-administered, supplemental utility, and large energy customer programs.
13 The commission may condition its approval of a request ~~under sub. (2) (b) as~~
14 necessary to protect the public interest. The commission shall approve a request
15 ~~under sub. (2) (b) 1. or 2. if the commission determines that a proposed energy~~
16 ~~efficiency or renewable resource program is in the public interest and satisfies all of~~
17 ~~the following:~~ a. ~~The program,~~ has specific savings targets and performance
18 measurable performance-based goals approved by the commission. b. ~~The program,~~
19 is subject to independent evaluation by the commission, and, for a
20 utility-administered or supplemental utility program, satisfies all of the following:

21 **SECTION 115.** 196.374 (3) (c) 2. bm., c., d. and e. of the statutes are created to
22 read:

23 196.374 (3) (c) 2. bm. Implementation of the program will complement the
24 statewide programs and enhance the ability of the statewide programs to meet or
25 exceed their goals.

1 c. Implementation of the program will enhance the ability of the state to meet
2 its greenhouse gas emission reduction goals under s. 299.03 (2).

3 d. Considering alternatives to the program, the costs of the program are
4 reasonable.

5 e. The benefits of the program exceed the costs of the program.

6 **SECTION 116.** 196.374 (3) (d) of the statutes is amended to read:

7 196.374 (3) (d) *Audits.* Annually, the commission shall contract with one or
8 more independent auditors to prepare a financial and performance audit of the
9 statewide, utility-administered, supplemental utility, and large energy customer
10 programs specified in par. (b) 1. The purpose of the performance audit shall be to
11 evaluate the programs and measure the performance of the programs against the
12 goals and targets set approved by the commission under par. (b) 1. ~~The person or~~
13 ~~persons with whom the energy utilities contract for program administration under~~
14 ~~sub. (2) (a) 1. shall pay the costs of the audits from the amounts paid under the~~
15 ~~contracts under sub. (2) (a) 1 (c) 2. or established under par. (bn) 1. e. or 2. c.~~ The audit
16 shall also determine the amount of reduction in the demand for and use of each target
17 fuel that has resulted in the year under the programs.

18 **SECTION 117.** 196.374 (3) (dm) of the statutes is created to read:

19 196.374 (3) (dm) *Consultations.* If an audit under par. (d) indicates that a
20 program has failed to achieve one or more goals for the year of the audit, the
21 commission shall consult with the statewide programs contractor or person
22 administering the program regarding ways to modify the program to ensure that, as
23 determined under sub. (8) (a), it will achieve its goals.

24 **SECTION 118.** 196.374 (3) (e) of the statutes is renumbered 196.374 (3) (e) 1m.,
25 and 196.374 (3) (e) 1m. a. and b., as renumbered, are amended to read:

1 196.374 (3) (e) 1m. a. The expenses of the commission, energy utilities, and
2 ~~program administrators contracted under sub. (2) (a) 1. statewide programs~~
3 ~~contractors~~ in administering or participating in the statewide programs under sub.
4 ~~(2) (a) 1.~~

5 b. The effectiveness of the statewide, utility-administered, supplemental
6 utility, large energy customer, and commitment to community programs specified in
7 ~~par. (b) 1. and sub. (7)~~ in reducing demand for electricity target fuels, and increasing
8 the use of renewable resources owned by customers or members.

9 **SECTION 119.** 196.374 (3) (e) 2m. of the statutes is created to read:

10 196.374 (3) (e) 2m. No later than January 1, 2014, the commission shall submit
11 a report to the legislature in the manner described under s. 13.172 (3) on the
12 status, development, and use of small-scale renewable technologies and the costs,
13 benefits, and alternatives for providing additional incentives for the deployment of
14 such technologies on a distributed generation basis. The report shall also
15 recommend goals and mechanisms for encouraging the deployment of such
16 technologies on such a basis, examine any obstacles to achieving the goals, and
17 examine the relationship between the goals and the voluntary tariff offerings of
18 energy utilities, the statewide energy programs, and any relevant federal programs.
19 In preparing the report, the commission shall consult with the office of energy
20 independence, the department of commerce, and the department of agriculture,
21 trade and consumer protection.

22 **SECTION 120.** 196.374 (3) (f) 1. of the statutes is amended to read:

23 196.374 (3) (f) 1. Procedures for energy utilities to collectively contract with
24 ~~program administrators for administration of statewide programs under sub. (2) (a)~~

1 ~~1. and to receive contributions from municipal utilities and retail electric~~
2 ~~cooperatives under sub. (7) (b) 2. statewide programs contractors.~~

3 **SECTION 121.** 196.374 (3) (f) 2. of the statutes is amended to read:

4 196.374 (3) (f) 2. Procedures and criteria for commission review and approval
5 of contracts for administration of statewide programs under sub. (2) (a) 1., including
6 criteria for the selection of program administrators under sub. (2) (a) 1. statewide
7 programs contractors.

8 **SECTION 122.** 196.374 (3) (f) 3. of the statutes is amended to read:

9 196.374 (3) (f) 3. Procedures and criteria for commission review and approval
10 of utility-administered, supplemental utility, and large energy customer programs
11 under sub. (2) (b) 1. and 2., customer programs under sub. (2) (c), and requests under
12 sub. (2) (b) 3.

13 **SECTION 123.** 196.374 (3) (f) 4. of the statutes is amended to read:

14 196.374 (3) (f) 4. Minimum requirements for ~~energy efficiency and renewable~~
15 ~~resource~~ the statewide, utility-administered, supplemental utility, and large energy
16 customer programs under sub. (2) (a) 1. and ~~customer energy efficiency~~ programs
17 under sub. (2) (c).

18 **SECTION 124.** 196.374 (4) (a) (intro.) of the statutes is amended to read:

19 196.374 (4) (a) (intro.) In implementing the statewide programs under sub. (2)
20 ~~(a) 1. or administering a commitment to community program under a contract under~~
21 sub. (7) (am) 2., including the awarding of grants or contracts, ~~a person who contracts~~
22 ~~with the utilities under sub. (2) (a) 1.,~~ a statewide programs contractor or a person
23 who subcontracts with ~~such a person~~ a statewide programs contractor:

24 **SECTION 125.** 196.374 (4) (a) 1. of the statutes is amended to read:

1 196.374 (4) (a) 1. May not discriminate against an energy utility provider or
2 its affiliate or a wholesale supplier or its affiliate solely on the basis of its status as
3 an energy utility provider or its affiliate or wholesale supplier or its affiliate.

4 **SECTION 126.** 196.374 (4) (a) 2. of the statutes is amended to read:

5 196.374 (4) (a) 2. Shall provide services to utility customers target fuel users
6 on a nondiscriminatory basis and subject to a customer's user's choice.

7 **SECTION 127.** 196.374 (4) (b) of the statutes is amended to read:

8 196.374 (4) (b) An energy utility that provides financing under ~~an energy~~
9 ~~efficiency program under sub. (2) (b) 1. or 2.~~ a utility-administered or supplemental
10 utility program for installation, by a customer, of energy efficiency or renewable
11 resource processes, equipment, or appliances, or an affiliate of such a utility, may not
12 sell to or install for the customer those processes, equipment, appliances, or related
13 materials. The customer shall acquire the installation of the processes, equipment,
14 appliances, or related materials from an independent contractor of the customer's
15 choice.

16 **SECTION 128.** 196.374 (5) (a) of the statutes is amended to read:

17 196.374 (5) (a) *Rate-making orders.* The commission shall ensure in
18 rate-making orders that an energy utility recovers from its ratepayers the amounts
19 the energy utility ~~spends for~~ pays for statewide programs and the costs the energy
20 utility incurs for utility-administered and supplemental utility programs under sub.
21 (2)(a) 1.

22 **SECTION 129.** 196.374 (5) (b) 1. and (bm) 3. of the statutes are consolidated,
23 renumbered 196.374 (5) (b) 1. and amended to read:

24 196.374 (5) (b) 1. Except as provided in sub. (2) (c) and ~~par. (bm) 2.~~ subds. 3.
25 and 4., if the commission has determined that a customer of an energy utility is a

1 large energy customer under 2005 Wisconsin Act 141, section 102 (8) (b), then, each
2 month, the energy utility shall collect from the customer, for recovery of amounts
3 under par. (a), the amount determined by the commission under 2005 Wisconsin Act
4 141, section 102 (8) (c). ~~(bm) 3. Until the proposal under subd. 1. takes effect, the~~
5 The commission may not include the revenues received from a large energy customer
6 in the calculation of operating revenues for purposes of ~~sub. (3) (b) 2.~~ this subdivision
7 for an energy utility that in 2005 did not collect revenues from its customers under
8 s. 196.374 (3), 2003 stats.

9 **SECTION 130.** 196.374 (5) (b) 2. of the statutes is amended to read:

10 196.374 (5) (b) 2. A customer of an energy utility that the commission has not
11 determined is a large energy customer under 2005 Wisconsin Act 141, section 102 (8)
12 (b), may petition the commission for a determination that the customer is a large
13 energy customer. The commission shall determine that a petitioner is a large energy
14 customer if the petitioner satisfies the definition of large energy customer for any
15 month in the 12 months preceding the date of the petition. If the commission makes
16 such a determination, the commission shall also determine the amount that the
17 energy utility may collect from the customer each month for recovery of the amounts
18 under par. (a). The commission shall determine an amount that ensures that the
19 amount collected from the customer is similar to the amounts collected from other
20 customers that have a similar level of energy costs as the customer. Except as
21 provided in sub. (2) (c) and ~~par. (bm) 2.~~ subds. 3. and 4., each month, the energy utility
22 shall collect from the customer, for recovery of amounts under par. (a), the amount
23 determined by the commission under this subdivision.

24 **SECTION 131.** 196.374 (5) (b) 4. of the statutes is created to read:

1 196.374 (5) (b) 4. In addition to the amounts that an energy utility may collect
2 from a large energy customer under subd. 1. or 2., the energy utility may collect from
3 the customer the customer's share of any amount that the energy utility is required
4 to pay a statewide programs contractor which exceeds 1.2 percent of the energy
5 utility's annual operating revenues for a year and the customer's share is subject to
6 par. (d).

7 **SECTION 132.** 196.374 (5) (bm) (title) of the statutes is repealed.

8 **SECTION 133.** 196.374 (5) (bm) 1. of the statutes, as affected by 2009 Wisconsin
9 Act 180, is repealed.

10 **SECTION 134.** 196.374 (5) (bm) 2. of the statutes is renumbered 196.374 (5) (b)
11 3. and 196.374 (5) (b) 3. (intro.), as renumbered, is amended to read:

12 196.374 (5) (b) 3. ~~If, by July 1, 2009, legislation based on the proposal under~~
13 ~~subd. 1. has not been enacted, the~~ The commission shall, beginning on July 1, 2009,
14 annually increase the amount that an energy utility may recover from a large energy
15 customer each month under par. ~~(b)~~ subd. 1. or 2. only by a percentage that is the
16 lesser of the following:

17 **SECTION 135.** 196.374 (5) (d) of the statutes is amended to read:

18 196.374 (5) (d) *Equitable contributions.* Subject to pars. ~~(b) and (bm) 2.~~ par. (b)
19 1. to 3., the commission shall ensure that the cost of ~~energy efficiency and renewable~~
20 ~~resource~~ the statewide and utility-administered programs is equitably divided
21 among customer classes so that similarly situated ratepayers contribute equivalent
22 amounts for the programs.

23 **SECTION 136.** 196.374 (5m) (a) of the statutes is amended to read:

24 196.374 (5m) (a) The commission shall ensure that, ~~on an annual basis,~~ each
25 customer class of an energy utility has the opportunity to receive grants and benefits

1 under ~~energy efficiency~~ the statewide and utility-administered programs in an
2 amount equal to the amount that is recovered from the customer class under sub. (5)
3 ~~(a) equitable manner that meets the reasonable needs of the class for the grants and~~
4 benefits and that is consistent with par. (am). The commission shall also ensure that
5 the amounts recovered from ratepayers under sub. (5) (a) are used for the benefit of
6 ratepayers and that end users of unregulated fuels receive grants and benefits under
7 the statewide programs in an amount equal to the amount paid by prime suppliers
8 to statewide program contractors under sub. (3) (bw) 4. Biennially, the commission
9 shall submit a report to the governor, and the chief clerk of each house of the
10 legislature for distribution to the legislature under s. 13.172 (2), that summarizes the
11 total amount recovered from each energy utility customer class and the total amount
12 of grants made to, and benefits received by, each customer class.

13 **SECTION 137.** 196.374 (5m) (am) of the statutes is created to read:

14 196.374 **(5m)** (am) The commission shall ensure that the statewide and
15 utility-administered programs are administered in a manner that targets
16 agricultural, commercial, industrial, and institutional sectors in order to achieve the
17 available, most cost-effective energy conservation and efficiency measures that have
18 the greatest potential to enable the state to meet or exceed the goals specified in s.
19 299.03 (2) and (3m) (a) and (b) at the lowest costs.

20 **SECTION 138.** 196.374 (5m) (b) of the statutes is amended to read:

21 196.374 **(5m)** (b) The commission shall ensure that customers target fuel users
22 throughout the state have an equivalent opportunity to receive the benefits of the
23 statewide and utility-administered programs under sub. (2) (a) 1. and (b) 1. The
24 commission shall ensure that the statewide programs are designed to ensure that
25 retail customers target fuel users in areas not served by utility-administered

1 programs ~~under sub. (2) (b) 1.~~ receive equivalent opportunities as those in areas
2 served by utility-administered programs under sub. (2) (b) 1.

3 **SECTION 139.** 196.374 (6) of the statutes is amended to read:

4 196.374 (6) ANNUAL STATEMENTS. Annually, the commission shall prepare a
5 statement that describes the statewide, utility-administered, supplemental utility,
6 and large energy customer programs under sub. (2) (a) 1., (b) 1. and 2., and (c), and
7 ~~ordered programs, administered or funded by the energy utility~~ and presents cost
8 and benefit information for those programs. An energy utility shall provide each of
9 its customers with a copy of the statement.

10 **SECTION 140.** 196.374 (7) (a) of the statutes is repealed.

11 **SECTION 141.** 196.374 (7) (am) of the statutes is created to read:

12 196.374 (7) (am) *Quadrennial funding of goals.* Except as provided in par. (bg),
13 in each year of the quadrennium following the proceeding under sub. (3) (bc), each
14 municipal utility and retail electric cooperative shall spend the amount determined
15 by the municipal utility or retail electric cooperative under sub. (3) (br) 2. for that
16 year on the following:

17 1. Commitment to community programs administered individually by the
18 municipal utility or retail electric cooperative or jointly by the municipal utility or
19 retail cooperative and other municipal utilities or retail electric cooperatives.

20 2. Contracts with a statewide programs contractor to administer commitment
21 to community programs in the service territory of the municipal utility or retail
22 electric cooperative.

23 3. Contracts with a wholesale supplier to administer commitment to
24 community programs in the service territory of the municipal utility or retail electric
25 cooperative.

1 4. Any combination of commitment to community programs or contracts under
2 subds. 1. to 3.

3 **SECTION 142.** 196.374 (7) (b) (title) of the statutes is renumbered 196.374 (7)
4 (br) (title).

5 **SECTION 143.** 196.374 (7) (b) 1. of the statutes is renumbered 196.374 (7) (br)
6 and amended to read:

7 196.374 (7) (br) ~~Except as provided in subd. 2., each retail electric cooperative~~
8 ~~and municipal utility shall spend the fees that it charges under par. (a) on~~
9 ~~commitment to community programs.~~ The purpose of the commitment to community
10 ~~programs under this paragraph~~ shall be to help achieve environmentally sound and
11 adequate energy supplies at reasonable cost.

12 **SECTION 144.** 196.374 (7) (b) 2. of the statutes is repealed.

13 **SECTION 145.** 196.374 (7) (bg) of the statutes is created to read:

14 196.374 (7) (bg) *Wholesale supplier assignments.* A municipal utility or retail
15 electric cooperative may assign to a wholesale supplier the duty to achieve a goal
16 determined for the municipal utility or retail electric cooperative under sub. (3) (bn)
17 1. f. for a regulated fuel. If a wholesale supplier accepts an assignment, the wholesale
18 supplier shall notify the commission. A wholesale supplier that accepts an
19 assignment shall do all of the following:

20 1. Determine the amount of funds necessary to achieve the assigned goal.

21 2. Spend the amount determined under subd. 1. in administering commitment
22 to community programs on behalf of the municipal utility or retail electric
23 cooperative.

24 3. Prepare and provide statements on behalf of the municipal utility or retail
25 electric cooperative under par. (dm).

1 4. Provide for audits and submit reports on behalf of the municipal utility or
2 retail electric cooperative under par. (e).

3 5. If the wholesale supplier accepts an assignment from more than one
4 municipal utility or retail electric cooperative, carry out the duties specified in subds.
5 1. to 4. on an aggregate basis for all the municipal utilities and retail electric
6 cooperatives for which the wholesale supplier has accepted an assignment.

7 **SECTION 146.** 196.374 (7) (c) of the statutes is repealed.

8 **SECTION 147.** 196.374 (7) (cm) of the statutes is created to read:

9 196.374 (7) (cm) *Cost recovery.* The commission shall ensure in rate-making
10 orders that a municipal utility recovers from its ratepayers the amounts the
11 municipal utility spends to comply with this section.

12 **SECTION 148.** 196.374 (7) (d) of the statutes is repealed.

13 **SECTION 149.** 196.374 (7) (dm) of the statutes is created to read:

14 196.374 (7) (dm) *Annual statements.* Annually, a municipal utility or retail
15 electric cooperative shall prepare a statement that describes the municipal utility's
16 or retail electric cooperative's commitment to community programs and provide
17 customers or members with a copy of the statement.

18 **SECTION 150.** 196.374 (7) (e) (title) of the statutes is repealed and recreated to
19 read:

20 196.374 (7) (e) (title) *Audits and reports.*

21 **SECTION 151.** 196.374 (7) (e) 1. (intro.) of the statutes is amended to read:

22 196.374 (7) (e) 1. (intro.) Annually, each municipal utility and retail electric
23 cooperative ~~that spends the fee that it charges under par. (a) for commitment to~~
24 ~~community programs under par. (b)~~ shall provide for an independent financial and
25 program audit of its the commitment to community programs that it administers or

1 for which it contracts under par. (am) and submit a report to the commission that
2 describes all of the following:

3 **SECTION 152.** 196.374 (7) (e) 1. a. of the statutes is amended to read:

4 196.374 (7) (e) 1. a. An accounting of any fees charged to customers or members
5 under ~~par. (a)~~ in the year in order to comply with the spending required under par.
6 (am) and an accounting of the expenditures in the year on commitment to community
7 programs under ~~par. (b), including any amounts included in the municipal utility's~~
8 ~~or retail electric cooperative's calculations under par. (c)~~ that the municipal utility
9 or retail electric cooperative administers or for which it contracts under par. (am).

10 **SECTION 153.** 196.374 (7) (e) 1. b. of the statutes is amended to read:

11 196.374 (7) (e) 1. b. A description of the commitment to community programs
12 ~~established by the municipal utility or retail electric cooperative in the year~~
13 described in subd. 1. a.

14 **SECTION 154.** 196.374 (7) (e) 1. c. of the statutes is amended to read:

15 196.374 (7) (e) 1. c. The effectiveness of the commitment to community
16 programs described in subd. 1. a. in reducing demand for electricity by customers or
17 ~~members~~ regulated fuels.

18 **SECTION 155.** 196.374 (7) (e) 1. e. of the statutes is created to read:

19 196.374 (7) (e) 1. e. An assessment, based on the program audit, of whether the
20 commitment to community programs described in subd. 1. a. have met the goal for
21 each regulated fuel for the year determined under sub. (3) (bn) 1. f.

22 **SECTION 156.** 196.374 (8) of the statutes is renumbered 196.374 (8) (d) and
23 amended to read:

24 196.374 (8) (d) Exceptions. An energy utility that ~~spends~~ pays to a statewide
25 programs contractor the full amount required under sub. (3) ~~(b) 2.~~ (bw) 3. or 3g. in

1 any year is considered to have satisfied its requirements under this section for that
2 year. A municipal utility or retail electric cooperative that contracts with a statewide
3 programs contractor under sub. (7) (am) 2. to achieve each of the utility's or
4 cooperative's goals determined under sub. (3) (bn) 1. f. for a year is considered to have
5 satisfied its requirements under this section for that year.

6 **SECTION 157.** 196.374 (8) (a), (b) and (c) of the statutes are created to read:

7 196.374 (8) (a) *Determinations.* 1. a. For each quadrennium following the
8 proceeding under sub. (3) (bc), the commission shall determine the annual average
9 reduction in demand for and use of each target fuel that is achieved under the
10 statewide programs and achieved by or on behalf of each municipal utility and retail
11 electric cooperative through commitment to community programs. Except as
12 provided in subd. 1. b. and c., if the annual average reduction for a target fuel equals
13 or exceeds the average of the goals determined under sub. (3) (bn) 1. e. or f. or 2. c.
14 for the quadrennium, the commission shall conclude that the goal is achieved for the
15 quadrennium.

16 b. If a municipal utility or retail electric cooperative enters into a contract
17 under sub. (7) (am) 3. with a wholesale supplier and at least one other municipal
18 utility or retail electric cooperative enters into a similar contract with the wholesale
19 supplier, the commission shall determine whether to conclude that a goal is achieved
20 for a regulated fuel for a year under subd. 1. a. based on the aggregate annual average
21 reduction that results for that regulated fuel for that year under all of the contracts.

22 c. If a wholesale supplier accepts assignment of a goal under sub. (7) (bg) for
23 a regulated fuel for a year from more than one municipal utility or retail electric
24 cooperative, the commission shall determine whether to conclude that the goal is
25 achieved on an aggregate basis for all the municipal utilities and retail electric

1 cooperatives for which the wholesale supplier has accepted the assignment, rather
2 than on an individual basis for each municipal utility or retail electric cooperative.

3 2. For each utility-administered, supplemental utility, and large energy
4 customer program, the commission shall determine whether the program achieved
5 the goals approved for the program under sub. (3) (c) 2. on average over the time
6 period in which the program is in effect or another time period specified by the
7 commission.

8 (b) *Reviews.* 1. If the commission determines under par. (a) that a goal is not
9 achieved, the commission shall investigate, as applicable, the statewide programs or
10 the utility-administered, large energy customer, or commitment to community
11 programs at issue, and determine the reasons for failure to achieve the goal.

12 2. If the commission determines under subd. 1. that a statewide programs
13 contractor or person administering the utility-administered, large energy customer,
14 or commitment to community program made a good faith effort to meet the goal and
15 that the failure is due to factors outside the statewide program contractor's or
16 person's control, the commission shall take those factors into account in modifying
17 goals for and, where applicable, approving future programs administered by the
18 statewide programs contractor or person.

19 3. If the commission determines under subd. 1. that a statewide programs
20 contractor or person administering the utility-administered, large energy customer,
21 or commitment to community program did not make a good faith effort to achieve the
22 goal or that the failure to achieve the goal was due to factors within the statewide
23 program contractor's or person's control, the commission shall implement remedies
24 according to the rules promulgated under par. (c). The commission may determine
25 that a statewide programs contractor or person administering the

1 utility-administered, large energy customer, or commitment to community program
2 did not make a good faith effort to meet a goal only if the commission finds any of the
3 following:

4 a. The statewide programs contractor or person has repeatedly or grossly failed
5 to meet a goal.

6 b. For a commitment to community program, the municipal utility, retail
7 electric cooperative, or wholesale supplier administering or contracting for the
8 program did not determine an amount of funds under sub. (3) (br) 2. or (7) (bg) 1. that
9 could reasonably be considered necessary to achieve the goal.

10 c. Any other condition specified by the commission by rule.

11 (c) *Remedies.* The commission shall promulgate rules specifying remedies to
12 implement under par. (b) 3. that are in proportion to the magnitude of the failure to
13 achieve a goal and the degree to which a statewide programs contractor or person
14 administering the utility-administered, large energy customer, or commitment to
15 community program did not make a good faith effort or did not control the factors
16 that resulted in the failure to achieve the goal. The rules shall include all of the
17 following remedies:

18 1. An order that a statewide programs contractor or person take corrective
19 actions, which may include achieving the goal in a year or other time period specified
20 by the commission, in addition to achieving any other goal under this section that
21 applies to that year or time period.

22 2. For a goal under the statewide programs:

23 a. An order that the energy utilities invoke any provisions of a contract under
24 sub. (2) (a) 1., or that a statewide programs contractor invoke any provisions of a
25 subcontract, that impose monetary penalties for failure to achieve a goal.

1 b. An order that the energy utilities modify or terminate the contract with a
2 statewide programs contractor under sub. (2) (a) 1. or an order that a statewide
3 programs contractor modify or terminate any subcontract.

4 3. For a goal under a utility-administered or large energy customer program,
5 an order modifying or terminating the program.

6 4. For a goal of a municipal utility or retail electric cooperative, an order
7 requiring the municipal utility or retail electric cooperative to modify or terminate
8 a contract with or assignment to a wholesale supplier under sub. (7) (am) 3. or (bg),
9 or enter into a contract with a statewide programs contractor under sub. (7) (am) 2.,
10 or an order requiring both. The commission may rescind an order requiring a
11 municipal utility or retail electric cooperative to enter into a contract with a
12 statewide programs contractor if the municipal utility or retail electric cooperative
13 provides reasonable assurance that it will provide programs and set budgets
14 reasonably designed to achieve the goal in the future.

15 5. Any other remedy specified by the commission.

16 **SECTION 158.** 196.374 (9) and (10) of the statutes are created to read:

17 196.374 (9) TREATMENT OF CERTAIN CAPITAL INVESTMENTS. (a) The commission
18 may allow an energy utility to earn a return on capital invested by the energy utility
19 under a utility-administered or supplemental utility program for energy
20 conservation or efficiency equipment that is located on customer premises, including
21 equipment owned by either the energy utility or a customer. The commission may
22 make such an allowance only if the commission determines that the investment is
23 prudent and a cost-effective means of advancing energy conservation or efficiency.

1 (b) The commission shall promulgate rules to implement this subsection,
2 including rules specifying the energy conservation or efficiency equipment that
3 qualifies for treatment under par. (a).

4 **(10) COORDINATION WITH FEDERAL LAW.** The commission shall minimize
5 reporting and other compliance requirements on energy providers to the maximum
6 extent allowed under this section for the purpose of coordination with any similar
7 requirements under federal law. If the commission determines that statutory
8 changes to this section are necessary to comply with this subsection, the commission
9 shall submit a report recommending the statutory changes to the legislature in the
10 manner described under s. 13.172 (3).

11 **SECTION 159.** 196.377 (title) of the statutes is repealed.

12 **SECTION 160.** 196.377 (1) of the statutes is renumbered 196.377.

13 **SECTION 161.** 196.377 (2) of the statutes is repealed.

14 **SECTION 162.** 196.378 (1) (intro.) and (ag) of the statutes are renumbered
15 196.378 (1r) (intro.) and (ag), and 196.378 (1r) (ag), as renumbered, is amended to
16 read:

17 196.378 (1r) (ag) “Baseline renewable percentage” means the average of an
18 energy electric provider’s renewable energy percentage for 2001, 2002, and 2003.

19 **SECTION 163.** 196.378 (1) (am) of the statutes is repealed.

20 **SECTION 164.** 196.378 (1) (ar) of the statutes is renumbered 196.378 (1r) (ar)
21 and amended to read:

22 196.378 (1r) (ar) “Biomass” ~~means a resource that derives energy from wood~~
23 ~~or plant material or residue, biological waste, crops grown for use as a resource or~~
24 ~~landfill gases. “Biomass” does not include garbage, as defined in s. 289.01 (9), or~~
25 ~~nonvegetation-based industrial, commercial or household waste, except that~~

1 “biomass” includes refuse-derived fuel used for a renewable facility that was in
2 service before January 1, 1998 has the meaning given in s. 196.374 (1) (am).

3 **SECTION 165.** 196.378 (1) (b) of the statutes is repealed.

4 **SECTION 166.** 196.378 (1) (c) and (d) of the statutes are renumbered 196.378 (1r)
5 (c) and (d).

6 **SECTION 167.** 196.378 (1) (fg) of the statutes is renumbered 196.378 (1r) (fg)
7 (intro.) and amended to read:

8 196.378 (1r) (fg) (intro.) “Renewable energy” means electricity derived from
9 ~~a~~ any of the following:

10 1. A renewable resource. If the electricity is derived from the combustion of a
11 renewable resource fuel and another fuel, the “renewable energy” calculated under
12 this subdivision is the total amount of electricity that is derived multiplied by a ratio,
13 of which the numerator is the energy content of the renewable resource fuel and the
14 denominator is the energy content of the renewable resource fuel and the other fuel.

15 **SECTION 168.** 196.378 (1) (fm) (intro.) of the statutes is renumbered 196.378
16 (1r) (fm) (intro.).

17 **SECTION 169.** 196.378 (1) (fm) 1. of the statutes is renumbered 196.378 (1r) (fm)
18 1. and amended to read:

19 196.378 (1r) (fm) 1. The electric provider’s ~~total~~ renewable energy in that year
20 that is allowed under the rules promulgated under sub. (3) (a) 5.

21 **SECTION 170.** 196.378 (1) (fm) 2. of the statutes is renumbered 196.378 (1r) (fm)
22 2. and amended to read:

23 196.378 (1r) (fm) 2. The ~~renewable resource~~ portfolio credits ~~created or~~
24 ~~purchased by the electric provider, if any, that the electric provider elects to use in~~
25 that year.

1 **SECTION 171.** 196.378 (1) (fr) of the statutes is repealed.

2 **SECTION 172.** 196.378 (1) (g) of the statutes is renumbered 196.378 (1r) (g).

3 **SECTION 173.** 196.378 (1) (h) (intro.) of the statutes is renumbered 196.378 (1r)
4 (h) and amended to read:

5 196.378 (1r) (h) “Renewable resource” means ~~any of the following:~~ has the
6 meaning given in s. 196.374 (1) (j).

7 **SECTION 174.** 196.378 (1) (h) 1., 1m. and 2. of the statutes are repealed.

8 **SECTION 175.** 196.378 (1) (i) of the statutes is renumbered 196.378 (1r) (i) and
9 amended to read:

10 196.378 (1r) (i) “Renewable resource credit” means a renewable resource
11 credit, as defined in s. 196.378 (1) (i), 2007 stats., or a renewable resource credit
12 calculated in accordance with rules promulgated created under sub. (3) (a) ~~1. and 2.~~

13 **SECTION 176.** 196.378 (1) (j) of the statutes is repealed.

14 **SECTION 177.** 196.378 (1) (k) of the statutes is renumbered 196.378 (1r) (k).

15 **SECTION 178.** 196.378 (1) (o) of the statutes is repealed.

16 **SECTION 179.** 196.378 (1) (p) of the statutes is renumbered 196.378 (1r) (p).

17 **SECTION 180.** 196.378 (1g) of the statutes is created to read:

18 196.378 (1g) LEGISLATIVE FINDINGS. The legislature finds all of the following:

19 (a) It is essential to the health and safety and economic well-being of
20 Wisconsin that the state maintain a highly reliable electric system at all times that
21 includes a diverse mix of resources both in terms of type and geographic location.
22 Geographic diversity is particularly important for intermittent resources like wind
23 power.

24 (b) It is essential to the health and safety and economic well-being of Wisconsin
25 that the state take actions to mitigate global climate change from emissions of

1 greenhouse gasses. Central to such mitigation efforts is reducing reliance on
2 electricity produced from fossil fuels through policies such as the renewable portfolio
3 standard.

4 (c) As of the effective date of this paragraph [LRB inserts date], the most
5 abundant and affordable sources of electricity that can be used to comply with the
6 renewable portfolio standard are wind resources in western Minnesota, the Dakotas,
7 and Iowa. Exclusive reliance on these resources for compliance with the renewable
8 portfolio standard will produce a significant increase in dependence on imported
9 electricity with the associated congestion cost risks and not provide needed diversity
10 for the state’s renewable resource portfolio.

11 (d) To balance the competing imperatives of developing a renewable generation
12 portfolio that is diverse as to geographic location and type of renewable resources in
13 the portfolio, including smaller scale distributed resources, mitigating high
14 transmission congestion cost risk, and reducing dependence on electricity produced
15 from fossil fuels, it is essential that Wisconsin adopt a renewable portfolio standard
16 that requires a part of the production of electricity from renewable resources in this
17 state.

18 **SECTION 181.** 196.378 (1r) (at) of the statutes is created to read:

19 196.378 (1r) (at) “Conservation certificate” means a certificate created under
20 the rules promulgated under sub. (3m) (b).

21 **SECTION 182.** 196.378 (1r) (de) of the statutes is created to read:

22 196.378 (1r) (de) “In-state percentage” means, with respect to an electric
23 provider, the portion of the electric provider’s renewable energy percentage that is
24 derived from electricity generated by renewable facilities located in this state,

1 renewable resource credits separated from such electricity, and nonelectric energy
2 credits.

3 **SECTION 183.** 196.378 (1r) (dm) of the statutes is created to read:

4 196.378 (1r) (dm) “Nonelectric energy” means any of the following types of
5 energy or fuel produced or generated at a facility located in this state and placed in
6 service on or after the effective date of this paragraph [LRB inserts date], but only
7 if the energy or fuel displaces fossil fuel use in this state:

8 1. The thermal output from a cogeneration production plant, as defined in s.
9 79.005 (1g). If the cogeneration production plant is fueled with a mixture of
10 renewable resource fuel, synthetic fuel, or pelletized waste, and other fuel, the
11 thermal output under this subdivision shall be the total thermal output of the
12 cogeneration production plant multiplied by a ratio, of which the numerator is the
13 energy content of the renewable resource fuel, synthetic fuel, or pelletized waste and
14 the denominator is the energy content of the renewable resource fuel, synthetic fuel,
15 or pelletized waste, and the other fuel.

16 2. The thermal output from a renewable resource–fueled or synthetic
17 fuel–fueled boiler. If the boiler is fueled with a mixture of a renewable resource or
18 synthetic fuel, and other fuel, the thermal output under this subdivision shall be the
19 total thermal output of the boiler multiplied by a ratio, of which the numerator is the
20 energy content of the renewable resource or synthetic fuel and the denominator is
21 the energy content of the renewable resource or synthetic fuel, and the other fuel.

22 3. The thermal output of a geothermal system.

23 4. Biogas that is put into a natural gas transmission or distribution pipeline.

24 5. The thermal output of a solar water heating system.

25 6. Useable light delivered by a solar light pipe.

1 7. Energy derived from other applications, specified by the commission by rule,
2 that produce energy other than electricity from renewable resources.

3 **SECTION 184.** 196.378 (1r) (ds) of the statutes is created to read:

4 196.378 (1r) (ds) “Nonelectric energy credit” means a credit created under the
5 rules under sub. (3) (b).

6 **SECTION 185.** 196.378 (1r) (dw) of the statutes is created to read:

7 196.378 (1r) (dw) “Pelletized waste” means pellets made from waste material
8 that does not include garbage, as defined in s. 289.01 (9), and that contains no more
9 than 30 percent fixed carbon.

10 **SECTION 186.** 196.378 (1r) (em) of the statutes is created to read:

11 196.378 (1r) (em) “Portfolio credit” means a nonelectric energy credit or
12 renewable resource credit.

13 **SECTION 187.** 196.378 (1r) (fg) 2. of the statutes is created to read:

14 196.378 (1r) (fg) 2. The combustion of refuse-derived fuel in a facility that was
15 in service before January 1, 1998. If the facility is fueled with a mixture of
16 refuse-derived fuel and fossil fuels, renewable energy calculated under this
17 subdivision is the total amount of electricity derived from the facility multiplied by
18 a ratio, of which the numerator is the energy content of the refuse-derived fuel and
19 the denominator is the energy content of the refuse-derived fuel and the fossil fuels.

20 **SECTION 188.** 196.378 (1r) (fg) 3. of the statutes is created to read:

21 196.378 (1r) (fg) 3. The combustion of solid waste that has been subject to a
22 process to remove recyclable and noncombustible materials in a facility that is owned
23 by a county in this state and that was in service before January 1, 1998. If the facility
24 is fueled with a mixture of solid waste and fossil fuels, renewable energy calculated
25 under this subdivision is the total amount of electricity derived from the facility

1 multiplied by a ratio, of which the numerator is the energy content of the solid waste
2 and the denominator is the energy content of the solid waste and the fossil fuels.

3 **SECTION 189.** 196.378 (1r) (fg) 4. of the statutes is created to read:

4 196.378 (1r) (fg) 4. The combustion of a synthetic fuel or pelletized waste.

5 **SECTION 190.** 196.378 (1r) (fm) 3. of the statutes is created to read:

6 196.378 (1r) (fm) 3. Subject to sub. (2) (b) 1g., conservation certificates that an
7 electric provider elects to use in that year.

8 **SECTION 191.** 196.378 (1r) (gm) of the statutes is created to read:

9 196.378 (1r) (gm) “Renewable portfolio standard” means the requirement to
10 comply with sub. (2) (a) 2.

11 **SECTION 192.** 196.378 (1r) (kg) of the statutes is created to read:

12 196.378 (1r) (kg) “Synthetic fuel” means a fuel that is produced by the
13 pyrolysis, or plasma gasification, of organic or waste material.

14 **SECTION 193.** 196.378 (2) (a) 1. of the statutes is amended to read:

15 196.378 (2) (a) 1. No later than June 1, ~~2016~~ 2014, the commission shall
16 prepare a report stating whether, by December 31, ~~2015~~ 2013, the state has met a
17 goal of 10 percent of all electric energy consumed in the state being renewable energy.
18 No later than June 1, 2021, the commission shall prepare a report stating whether,
19 by December 31, 2020, the state has met a goal of 20 percent of all electric energy
20 consumed in this state being renewable energy and 6 percent of all electric energy
21 consumed in this state being generated by renewable facilities located in this state.
22 No later than June 1, 2026, the commission shall prepare a report stating whether,
23 by December 31, 2025, the state has met a goal of 25 percent of all electric energy
24 consumed in this state being renewable energy and 10 percent of all electric energy
25 consumed in this state being generated by renewable facilities located in this state.

1 If ~~the~~ a goal for a year has not been achieved, ~~the~~ a report shall indicate why the goal
2 was not achieved and how it may be achieved, and the commission shall prepare
3 similar reports biennially thereafter until the goal is achieved. The commission shall
4 submit reports under this subdivision to the governor and chief clerk of each house
5 of the legislature for distribution to the legislature under s. 13.172 (2).

6 **SECTION 194.** 196.378 (2) (a) 2. (intro.) of the statutes is amended to read:

7 196.378 (2) (a) 2. (intro.) ~~Except~~ Subject to par. (am) and except as provided in
8 pars. (e), (f), and (g):

9 **SECTION 195.** 196.378 (2) (a) 2. c. of the statutes is amended to read:

10 196.378 (2) (a) 2. c. For the years 2011, and 2012, ~~2013, and 2014~~, each electric
11 provider may not decrease its renewable energy percentage below the electric
12 provider's renewable energy percentage required under subd. 2. b.

13 **SECTION 196.** 196.378 (2) (a) 2. d. of the statutes is amended to read:

14 196.378 (2) (a) 2. d. For the year ~~2015~~ 2013, each electric provider shall increase
15 its renewable energy percentage so that it is at least 6 percentage points above the
16 electric provider's baseline renewable percentage.

17 **SECTION 197.** 196.378 (2) (a) 2. e. of the statutes is amended to read:

18 196.378 (2) (a) 2. e. For ~~each year after~~ the years 2014, 2015, 2016, 2017, 2018,
19 and 2019, each electric provider may not decrease its renewable energy percentage
20 below the electric provider's renewable energy percentage required under subd. 2.
21 d.

22 **SECTION 198.** 196.378 (2) (a) 2. f. of the statutes is created to read:

23 196.378 (2) (a) 2. f. For the year 2020, each electric provider shall increase its
24 renewable energy percentage so that it is at least 16 percentage points above the
25 electric provider's baseline renewable percentage and shall ensure that its in-state

1 percentage is not less than 30 percent of the renewable energy percentage required
2 under this subd. 2. f.

3 **SECTION 199.** 196.378 (2) (a) 2. g. of the statutes is created to read:

4 196.378 (2) (a) 2. g. For the years 2021, 2022, 2023, and 2024, each electric
5 provider may not decrease its renewable energy percentage below the electric
6 provider’s renewable energy percentage required under subd. 2. f. and may not
7 decrease its in–state percentage below the electric provider’s in–state percentage
8 required under subd. 2. f.

9 **SECTION 200.** 196.378 (2) (a) 2. h. of the statutes is created to read:

10 196.378 (2) (a) 2. h. For the year 2025, each electric provider shall increase its
11 renewable energy percentage so that it is at least 21 percentage points above the
12 electric provider’s baseline renewable percentage and shall ensure that its in–state
13 percentage is not less than 40 percent of the renewable energy percentage required
14 under this subd. 2. h.

15 **SECTION 201.** 196.378 (2) (a) 2. i. of the statutes is created to read:

16 196.378 (2) (a) 2. i. For each year after 2025, each electric provider may not
17 decrease its renewable energy percentage below the electric provider’s renewable
18 energy percentage required under subd. 2. h. and may not decrease its in–state
19 percentage below the electric provider’s in–state percentage required under subd. 2.
20 h.

21 **SECTION 202.** 196.378 (2) (am) of the statutes is created to read:

22 196.378 (2) (am) For the years 2020 to 2024, an electric provider is not required
23 to increase its renewable energy percentage to a percentage in excess of 20 percent
24 or its baseline renewable percentage, whichever is greater. For the year 2025 and
25 each year thereafter, an electric provider is not required to increase its renewable

1 energy percentage to a percentage in excess of 25 percent or its baseline renewable
2 percentage, whichever is greater.

3 **SECTION 203.** 196.378 (2) (b) (intro.) of the statutes is amended to read:

4 196.378 (2) (b) (intro.) For purposes of determining compliance with ~~par. (a)~~ the
5 renewable portfolio standard:

6 **SECTION 204.** 196.378 (2) (b) 1g. of the statutes is created to read:

7 196.378 (2) (b) 1g. An electric provider may include conservation certificates
8 in its renewable energy percentage only for the years 2013, 2014, 2020, and each year
9 after 2020, and only as follows:

10 a. For the years 2013 and 2014, conservation certificates may be included for
11 no more than 2.5 percentage points of an electric provider's renewable energy
12 percentage.

13 b. For the years 2020 to 2024, conservation certificates may be included for no
14 more than 4 percentage points of an electric provider's renewable energy percentage.

15 c. For the year 2025 and each year thereafter, conservation certificates may be
16 included for no more than 5 percentage points of an electric provider's renewable
17 energy percentage.

18 **SECTION 205.** 196.378 (2) (b) 1j. of the statutes is created to read:

19 196.378 (2) (b) 1j. For each renewable resource credit that is created from
20 renewable energy derived from a renewable facility designed for nominal operation
21 at a capacity of 2 megawatts or less, an electric provider may include 1.25 renewable
22 resource credits in the electric provider's renewable energy percentage, but may
23 include only one renewable resource credit in the electric provider's in-state
24 percentage.

25 **SECTION 206.** 196.378 (2) (b) 1m. (intro.) of the statutes is amended to read:

1 196.378 (2) (b) 1m. (intro.) The Except as provided in subd. 1r., the amount of
2 renewable resource credits associated with electricity derived from hydroelectric
3 renewable resources that an electric provider may count toward satisfying the
4 ~~requirements of par. (a) 2.~~ include in its renewable energy percentage shall be those
5 renewable resource credits associated with all electricity provided by hydroelectric
6 power that the electric provider purchased in the reporting year plus renewable
7 resource credits associated with all of the following:

8 **SECTION 207.** 196.378 (2) (b) 1m. a. of the statutes is amended to read:

9 196.378 (2) (b) 1m. a. The For facilities owned or operated by the electric
10 provider that were initially placed in service before January 1, 2004, the average of
11 the amounts of hydroelectric power generated by the facilities owned or operated by
12 ~~the electric provider~~ for 2001, 2002, and 2003, regardless of whether the electric
13 provider owned or operated the facilities in those years, adjusted to reflect the
14 permanent removal from service of any of those facilities and adjusted to reflect any
15 capacity increases from improvements made to those facilities on or after January
16 1, 2004.

17 **SECTION 208.** 196.378 (2) (b) 1r. of the statutes is created to read:

18 196.378 (2) (b) 1r. a. Except as provided in subd. 1r. b. and c., an electric
19 provider may not include in its renewable energy percentage any renewable resource
20 credits associated with electricity derived from a hydroelectric facility that has a
21 rated capacity of 60 megawatts or more.

22 b. Except as provided in subd. 1r. c., an electric provider may include in its
23 renewable energy percentage renewable resource credits associated with electricity
24 generated after December 31, 2015, from a hydroelectric facility located outside this

1 state that has a rated capacity of 60 megawatts or more and that is first placed in
2 service on or after the effective date of this subd. 1r. b. [LRB inserts date].

3 c. Renewable resource credits associated with electricity derived from a
4 hydroelectric facility that is located in Manitoba, Canada, that has a rated capacity
5 of 60 megawatts or more, and that is first placed in service on or after the effective
6 date of this subd. 1r. c. [LRB inserts date], shall be included in a renewable energy
7 percentage only if the province of Manitoba has informed the commission in writing
8 that the interim licenses under which the Lake Winnipeg Regulation Project and the
9 Churchill River Diversion Project were operating on the effective date of this subd.
10 1r. c. [LRB inserts date], have been replaced by final licenses after the completion
11 of a Crown–Aboriginal consultation process as required under Canadian law and the
12 final licenses are in effect under Canadian law.

13 d. The province of Manitoba shall file with the commission all final approvals,
14 licenses, and permits required under subd. 1r. c.; a written report setting forth the
15 processes followed to obtain such final licenses; a report summarizing the
16 consultation processes with impacted First Nations and its compliance with
17 Canadian law; and all agreements with impacted First Nations related to the Lake
18 Winnipeg Regulation Project and the Churchill River Diversion Project. Such filings
19 shall be subject to public comment. Within 90 days of receiving the filings required
20 under this subd. 1r. d., the commission shall prepare and deliver a report to the
21 legislature, in the manner described under s. 13.172 (2), summarizing such filings
22 and the comments received on them.

23 **SECTION 209.** 196.378 (2) (b) 2. of the statutes is repealed.

24 **SECTION 210.** 196.378 (2) (b) 2m. of the statutes is created to read:

1 196.378 (2) (b) 2m. A wholesale supplier may demonstrate compliance with the
2 renewable portfolio standard on behalf of a member or customer, or on behalf of its
3 members or customers in the aggregate.

4 **SECTION 211.** 196.378 (2) (b) 4. and 5. of the statutes are repealed.

5 **SECTION 212.** 196.378 (2) (c) of the statutes is renumbered 196.378 (2) (c) 1. and
6 amended to read:

7 196.378 (2) (c) 1. No later than April 15 annually, or another annual date
8 specified by the commission by rule, an electric provider shall submit a report to the
9 commission that identifies the electric provider’s renewable energy percentage for
10 the previous year and, beginning with the report submitted in 2021, the electric
11 provider’s in-state percentage for the previous year, and describes the electric
12 provider’s compliance with par. (a) 2. the renewable portfolio standard and the
13 electric provider’s implementation plans for future compliance. ~~Reports under this~~
14 ~~paragraph may include certifications from renewable energy suppliers regarding the~~
15 ~~sources and amounts of renewable energy supplied to the electric provider.~~ The
16 commission may specify the documentation that is required to be included with
17 reports submitted under this paragraph. The commission may require that electric
18 providers submit the reports in a proceeding, initiated by the commission under this
19 section relating to the implementation of s. 1.12, or in a proceeding for preparing a
20 strategic energy assessment under s. 196.491 (2). A wholesale supplier may submit
21 a report under this subdivision on behalf of a member or customer or on behalf of its
22 members or customers in the aggregate.

23 2. No later than 90 days after the commission’s receipt of an electric provider’s
24 a report submitted by or on behalf of an electric provider under subd. 1., the

1 commission shall inform the electric provider whether the electric provider is in
2 compliance with ~~par. (a) 2. the renewable portfolio standard.~~

3 **SECTION 213.** 196.378 (2) (d) (intro.) of the statutes is amended to read:

4 196.378 (2) (d) (intro.) The commission shall allow an electric utility to recover
5 from ratepayers the cost of ~~providing total renewable energy to its retail customers~~
6 ~~in amounts that equal or exceed the percentages specified in par. (a) complying with~~
7 ~~or exceeding the renewable portfolio standard.~~ Subject to any approval of the
8 commission that is necessary, an electric utility may recover costs under this
9 paragraph by any of the following methods:

10 **SECTION 214.** 196.378 (2) (e) (intro.) of the statutes is amended to read:

11 196.378 (2) (e) (intro.) An electric provider, ~~or a wholesale supplier for its~~
12 ~~members,~~ may request that the commission grant a delay for complying with a
13 deadline specified in ~~par. (a) 2. the renewable portfolio standard or a waiver from~~
14 ~~complying with an in-state percentage deadline specified in the renewable portfolio~~
15 ~~standard.~~ The commission shall hold a hearing on the request and, if requested by
16 the electric provider ~~or wholesale supplier,~~ treat the matter as a contested case. The
17 commission shall grant a delay or waiver if the commission determines that the
18 applicant has demonstrated good faith efforts to comply with the deadline and that
19 any of the following applies:

20 **SECTION 215.** 196.378 (2) (f) of the statutes is amended to read:

21 196.378 (2) (f) A wholesale electric ~~cooperative for its members or a municipal~~
22 ~~electric company~~ supplier for its members or customers may delay compliance with
23 a deadline specified in ~~par. (a) 2. the renewable portfolio standard or waive~~
24 ~~compliance with an in-state percentage deadline specified in the renewable portfolio~~
25 ~~standard~~ for any reason specified in par. (e) 1. to 4. A wholesale electric ~~cooperative~~

1 ~~or a municipal electric company supplier~~ that delays or waives compliance with a
2 deadline specified in par. (a) 2. under this paragraph shall inform the commission of
3 the delay or waiver and the reason for the delay or waiver, and shall submit
4 information to the commission demonstrating that, notwithstanding good faith
5 efforts by the wholesale electric cooperative ~~or municipal electric company supplier~~
6 and its members or customers, the members or customers cannot meet the deadline
7 for the stated reason.

8 **SECTION 216.** 196.378 (2) (g) 2. of the statutes is amended to read:

9 196.378 (2) (g) 2. An energy consumer advocacy group may request that the
10 commission grant to an electric provider that serves one or more members of the
11 group a delay for complying with a deadline specified in par. (a) 2. the renewable
12 portfolio standard or a waiver from complying with an in-state percentage deadline
13 specified in the renewable portfolio standard. The commission shall hold a hearing
14 on the request and, if requested by the energy consumer advocacy group, treat the
15 matter as a contested case. The commission shall grant a delay or waiver if the
16 commission determines that the utility has demonstrated good faith efforts to
17 comply with the deadline and that any of the conditions in par. (e) 1. to 4. apply.

18 **SECTION 217.** 196.378 (2) (h) of the statutes is created to read:

19 196.378 (2) (h) For purposes of a delay or waiver under pars. (e), (f), and (g),
20 a renewable energy percentage deadline for a year and an in-state percentage
21 deadline for the same year are separate deadlines for which separate delays or
22 waivers must be granted or authorized under par. (e), (f), or (g).

23 **SECTION 218.** 196.378 (3) of the statutes is repealed and recreated to read:

24 196.378 (3) PORTFOLIO CREDITS. (a) *Renewable resource credits.* 1. Whenever
25 a person generates renewable energy, the person creates renewable resource credits

1 in an amount equal to one credit for each megawatt hour of renewable energy
2 generated. Except as provided in subd. 2., a person that generates renewable energy
3 may do any of the following:

4 a. Sell the renewable energy and the associated renewable resource credits to
5 any other person. For renewable energy that is sold at wholesale in this state, the
6 sale is considered to include the associated renewable resource credits unless an
7 agreement between the parties specifies otherwise.

8 b. Separate the renewable resource credits from the renewable energy and sell,
9 trade, transfer, assign, bank for future use, or permanently retire the credits or, if the
10 person is an electric provider, elect to include the credits in the electric provider's
11 renewable energy percentage.

12 2. Renewable resource credits associated with hydroelectric power specified in
13 sub. (2) (b) 1m. a. may not be sold, traded, transferred, assigned, or banked for future
14 use.

15 3. A person that purchases renewable energy from which the associated
16 renewable resource credits have not been separated may take any of the actions
17 described in subd. 1. a. and b.

18 4. a. An electric provider may not use renewable resource credits created by the
19 generation of renewable energy outside this state to comply with an in-state
20 percentage requirement of the renewable portfolio standard.

21 b. An electric provider may include renewable resource credits created by the
22 generation of renewable energy in the electric provider's renewable energy
23 percentage if the credits are documented in a regional credit tracking system
24 designated by the commission in rules promulgated under par. (c) 4. and the credits

1 satisfy the requirements of this subsection and the rules promulgated under par. (c)

2 4.

3 c. An electric provider may not include a renewable resource credit in the
4 electric provider's renewable energy percentage if the renewable resource credit or
5 renewable energy from which the credit has been separated has been used to comply
6 with the renewable energy requirements of another state.

7 5. The commission shall promulgate rules that allow an electric provider to
8 include in the electric provider's renewable energy percentage renewable energy
9 generated or purchased by the electric provider from which renewable resource
10 credits have not been separated.

11 (b) *Nonelectric energy credits.* The commission shall promulgate rules allowing
12 any person to create nonelectric energy credits in an amount equal to one credit for
13 each megawatt hour equivalent of nonelectric energy produced or generated by the
14 person in this state. The rules shall include requirements and procedures for
15 determining the megawatt hour equivalent of nonelectric energy, measuring and
16 verifying nonelectric energy, and demonstrating that nonelectric energy has
17 displaced fossil fuel use in this state. In determining the megawatt hour equivalent
18 of nonelectric energy, the rules shall reduce the megawatt hour equivalent to account
19 for the energy consumed in producing or generating the nonelectric energy.

20 (c) *In general.* 1. A person that creates a portfolio credit may assign ownership
21 of the credit to another person by contract.

22 2. A person that purchases portfolio credits may sell, trade, transfer, assign,
23 bank for future use, or permanently retire the credits, or, if the person is an electric
24 provider, elect to include the credits in the electric provider's renewable energy
25 percentage.

1 3. A portfolio credit remains eligible to be included in a renewable energy
2 percentage until an electric provider uses the credit in the electric provider’s
3 renewable energy percentage or the owner of the credit retires the credit.

4 4. The commission shall promulgate rules that establish requirements and
5 procedures for creating, selling, trading, transferring, assigning, banking, and
6 retiring portfolio credits, for an electric provider’s inclusion of portfolio credits in the
7 electric provider’s renewable energy percentage, and for tracking portfolio credits
8 under a regional credit tracking system designated by the commission. The
9 commission may designate a regional credit tracking system other than the Midwest
10 Renewable Energy Tracking System only if the commission determines that the
11 other system has eligibility and verification requirements that are comparable to the
12 Midwest Renewable Energy Tracking System.

13 **SECTION 219.** 196.378 (3m) of the statutes is created to read:

14 196.378 (3m) CONSERVATION CERTIFICATES. (a) In this subsection:

15 1. “Commitment to community program” has the meaning given in s. 196.374
16 (1) (b).

17 2. “Eligible facility” means a facility of an agricultural, commercial, industrial,
18 governmental, or institutional customer or member of an electric provider that is a
19 large customer or member. The commission shall promulgate rules defining “large
20 customer or member” for purposes of this subdivision.

21 3. “Supplemental utility program” has the meaning given in s. 196.374 (1) (mh).

22 4. “Utility-administered program” has the meaning given in s. 196.374 (1)
23 (mu).

24 (b) The commission shall promulgate rules allowing for the creation of
25 conservation certificates in an amount equal to one certificate for each megawatt

1 hour of electric energy conserved under a project at an eligible facility if all of the
2 requirements of par. (c) are satisfied. The rules shall include requirements and
3 procedures for calculating the megawatt hours of electric energy that is conserved
4 under a project and for determining that the requirements of par. (c) are satisfied.

5 (bm) 1. A person who creates a conservation certificate under the rules
6 promulgated under par. (b) may assign ownership of the certificate to another person
7 by contract.

8 2. A person that purchases a conservation certificate may sell, trade, transfer,
9 assign, bank for future use, or permanently retire the certificate, or, if the person is
10 an electric provider, elect to include the certificate in the electric provider's
11 renewable energy percentage as specified in sub. (2) (b) 1g.

12 3. A conservation certificate is eligible to be included in a renewable energy
13 percentage until an electric provider uses the certificate in the electric provider's
14 renewable energy percentage or the owner of the certificate retires the certificate.

15 (c) A conservation certificate based on a project at an eligible facility may be
16 created only if all of the following are satisfied:

17 1. The project is installed under a utility-administered program, a
18 supplemental utility program, or a commitment to community program.

19 2. The project is implemented or placed into service on or after the effective date
20 of this subdivision [LRB inserts date].

21 3. If the project is installed under a utility-administered program or
22 supplemental utility program, the person installing the project complies with labor
23 standards for the work force involved in the project specified by rule by the
24 commission. The rules shall specify minimum wages that must be paid to a specified
25 percentage of the work force, minimum health care benefits that the must be

1 provided to the work force, and apprenticeship and training requirements for the
2 work force. The rules shall also allow the commission to waive application of any
3 requirement under the rules under conditions specified in the rules. To the extent
4 practicable, the rules shall minimize the regulatory burden of complying with the
5 rules.

6 **SECTION 220.** 196.378 (4) of the statutes, as affected by 2009 Wisconsin Act 40,
7 is repealed.

8 **SECTION 221.** 196.378 (4m) (a) of the statutes is amended to read:

9 196.378 (4m) (a) The commission may not impose on an electric provider any
10 requirement that increases the electric provider's renewable energy percentage or
11 in-state percentage beyond that required under ~~sub. (2) (a) 2. the renewable portfolio~~
12 standard. If an electric provider is in compliance with the requirements of ~~sub. (2)~~
13 ~~(a) 2. renewable portfolio standard~~, the commission may not require the electric
14 provider to undertake, administer, or fund any other renewable energy program.
15 This paragraph does not limit the authority of the commission to enforce an electric
16 provider's obligations under s. 196.374.

17 **SECTION 222.** 196.378 (4m) (b) of the statutes is amended to read:

18 196.378 (4m) (b) An electric utility may, with commission approval, administer
19 or fund a program that increases the electric utility's renewable energy percentage
20 or in-state percentage beyond that required under ~~sub. (2) (a) 2. the renewable~~
21 portfolio standard. The commission may not order an electric utility to administer
22 or fund a program under this paragraph.

23 **SECTION 223.** 196.378 (5) (intro.) of the statutes is amended to read:

24 196.378 (5) PENALTY. (intro.) Any person who violates sub. (2) or ~~any renewable~~
25 ~~energy supplier who~~ provides an electric provider with ~~a~~ false or misleading

1 ~~certification~~ information regarding the sources or amounts of renewable energy
2 supplied at wholesale to the electric provider shall forfeit not less than \$5,000 nor
3 more than \$500,000. Forfeitures under this subsection shall be enforced by action
4 on behalf of the state by the attorney general. A court imposing a forfeiture under
5 this subsection shall consider all of the following in determining the amount of the
6 forfeiture:

7 **SECTION 224.** 196.378 (5) (a) of the statutes is amended to read:

8 196.378 (5) (a) The appropriateness of the forfeiture to the person's or
9 ~~wholesale-supplier's~~ volume of business.

10 **SECTION 225.** 196.378 (6) of the statutes is created to read:

11 196.378 (6) COORDINATION WITH FEDERAL LAW. The commission shall minimize
12 reporting and other compliance requirements on electric providers to the maximum
13 extent allowed under this section for the purpose of coordination with any similar
14 requirements under federal law. If the commission determines that statutory
15 changes to this section are necessary to comply with this subsection, the commission
16 shall submit a report recommending the statutory changes to the legislature in the
17 manner described under s. 13.172 (3).

18 **SECTION 226.** 196.49 (1) of the statutes is renumbered 196.49 (1r).

19 **SECTION 227.** 196.49 (1g) of the statutes is created to read:

20 196.49 (1g) In this section:

21 (a) "Nuclear power plant" means a nuclear power plant, as defined in s. 196.491
22 (1) (j), for which the commission has issued a certificate of public convenience and
23 necessity under s. 196.491 (3) on or after the date specified in the notice published
24 under s. 196.493 (3) (b).

1 (b) “Nuclear power plant owner or operator” means a person, other than a
2 public utility, that owns or operates a nuclear power plant.

3 **SECTION 228.** 196.49 (2) of the statutes is amended to read:

4 196.49 (2) No public utility may begin the construction, installation, or
5 operation of any new plant, equipment, property, or facility, nor the construction or
6 installation of any extension, improvement, or addition to its existing plant,
7 equipment, property, apparatus, or facilities, and no nuclear power plant owner or
8 operator may begin the construction or installation of any extension, improvement,
9 or addition to a nuclear power plant or equipment, property, apparatus, or facilities
10 for a nuclear power plant, unless the public utility or nuclear power plant owner or
11 operator has complied with any applicable rule or order of the commission. If a
12 cooperative association has been incorporated under ch. 185 for the production,
13 transmission, delivery or furnishing of light or power and has filed with the
14 commission a map of the territory to be served by the association and a statement
15 showing that a majority of the prospective consumers in the area are included in the
16 project, no public utility may begin any such construction, installation or operation
17 within the territory until after the expiration of 6 months from the date of filing the
18 map and notice. If the cooperative association has entered into a loan agreement
19 with any federal agency for the financing of its proposed system and has given
20 written notice of the agreement to the commission, no public utility may begin any
21 construction, installation or operation within the territory until 12 months after the
22 date of the loan agreement.

23 **SECTION 229.** 196.49 (3) (a) of the statutes is amended to read:

24 196.49 (3) (a) In this subsection, “project” means construction of any new plant,
25 equipment, property, or facility, or extension, improvement, or addition to its existing

1 plant, equipment, property, apparatus, or facilities, and “project” includes
2 construction by a nuclear power plant owner or operator of any extension,
3 improvement, or addition to a nuclear power plant or to equipment, property,
4 apparatus, or facilities for a nuclear power plant. The commission may require by
5 rule or special order that a public utility or nuclear power plant owner or operator
6 submit, periodically or at such times as the commission specifies and in such detail
7 as the commission requires, plans, specifications, and estimated costs of any
8 proposed project which the commission finds will materially affect the public
9 interest.

10 **SECTION 230.** 196.49 (3) (cm) of the statutes is created to read:

11 196.49 (3) (cm) The commission may attach to the issuance of a certificate
12 under this section for a project by a nuclear power plant owner or operator such terms
13 and conditions that the commission determines are in the public interest. Any term
14 or condition so attached shall apply to any successor in interest of the nuclear power
15 plant owner or operator to whom a certificate is issued.

16 **SECTION 231.** 196.49 (4) of the statutes is amended to read:

17 196.49 (4) The commission may not issue a certificate under sub. (1) (1r), (2),
18 or (3) for the construction of electric generating equipment and associated facilities
19 unless the commission determines that brownfields, as defined in s. 560.13 (1) (a),
20 are used to the extent practicable.

21 **SECTION 232.** 196.49 (5m) of the statutes is created to read:

22 196.49 (5m) The commission shall take final action on an application for a
23 certificate under this section for a proposed renewable facility, as defined in s.
24 196.378 (1r) (g), within 270 days after issuing a notice to open a docket on the
25 application. If the commission fails to take final action within the 270-day period,

1 the commission is considered to have issued a certificate with respect to the
2 application, unless the commission, within the 270–day period, extends the 270–day
3 period. If the commission is required to prepare an environmental impact statement
4 for the proposed facility, the commission may extend the 270–day period for no more
5 than an additional 90 days, except that, if another state is required to approve the
6 proposed facility, the commission may extend the 270–day period for no more than
7 an additional 90 days after the other state takes final action on the proposal. If the
8 commission fails to take final action within the extended period, the commission is
9 considered to have issued a certificate with respect to the application.

10 **SECTION 233.** 196.49 (6) of the statutes is amended to read:

11 196.49 (6) If the commission finds that any public utility or nuclear power plant
12 owner or operator has taken or is about to take an action which violates or disregards
13 a rule or special order under this section, the commission, in its own name either
14 before or after investigation or public hearing and either before or after issuing any
15 additional orders or directions it deems proper, may bring an action in the circuit
16 court of Dane County to enjoin the action. If necessary to preserve the existing state
17 of affairs, the court may issue a temporary injunction pending a hearing upon the
18 merits. An appeal from an order or judgment of the circuit court may be taken to the
19 court of appeals.

20 **SECTION 234.** 196.491 (1) (g) of the statutes is renumbered 196.491 (1) (g)
21 (intro.) and amended to read:

22 196.491 (1) (g) (intro.) “Large electric generating facility” means electric any
23 of the following:

24 1. Electric generating equipment and associated facilities designed for nominal
25 operation at a capacity of 100 megawatts or more.

1 **SECTION 235.** 196.491 (1) (g) 2. of the statutes is created to read:

2 196.491 (1) (g) 2. A nuclear power plant. This subdivision takes effect on the
3 date specified in the notice published under s. 196.493 (3) (b).

4 **SECTION 236.** 196.491 (1) (i) of the statutes is created to read:

5 196.491 (1) (i) 1. “Nonutility nuclear power plant” means, except as provided
6 in subd. 2., a nuclear power plant that does not provide service to any retail customer
7 and that is owned and operated by any of the following:

8 a. Subject to the approval of the commission under sub. (3m) (a), an affiliated
9 interest of a public utility.

10 b. A person that is not a public utility.

11 2. “Nonutility nuclear power plant” does not include a nuclear power plant or
12 an improvement to a nuclear power plant that is subject to a leased generation
13 contract, as defined in s. 196.52 (9) (a) 3.

14 3. This paragraph takes effect on the date specified in the notice published
15 under s. 196.493 (3) (b).

16 **SECTION 237.** 196.491 (1) (j) of the statutes is created to read:

17 196.491 (1) (j) “Nuclear power plant” means nuclear-fired electric generating
18 equipment and facilities designed for nominal operation at any capacity. This
19 paragraph takes effect on the date specified in the notice published under s. 196.493
20 (3) (b).

21 **SECTION 238.** 196.491 (1) (w) 2. of the statutes is renumbered 196.491 (1) (w)
22 2. (intro.) and amended to read:

23 196.491 (1) (w) 2. (intro.) “Wholesale merchant plant” does not include an any
24 of the following:

1 a. An electric generating facility or an improvement to an electric generating
2 facility that is subject to a leased generation contract, as defined in s. 196.52 (9) (a)
3 3.

4 **SECTION 239.** 196.491 (1) (w) 2. b. of the statutes is created to read:

5 196.491 (1) (w) 2. b. A nonutility nuclear power plant. This subd. 2. b. takes
6 effect on the date specified in the notice published under s. 196.493 (3) (b).

7 **SECTION 240.** 196.491 (3) (d) (intro.) of the statutes is amended to read:

8 196.491 (3) (d) (intro.) Except as provided under ~~par.~~ pars. (e) and (em) and s.
9 196.493, the commission shall approve an application filed under par. (a) 1. for a
10 certificate of public convenience and necessity only if the commission determines all
11 of the following:

12 **SECTION 241.** 196.491 (3) (d) 2. of the statutes is amended to read:

13 196.491 (3) (d) 2. The proposed facility satisfies the reasonable needs of the
14 public for an adequate supply of electric energy. This subdivision does not apply to
15 a wholesale merchant plant and, for determinations made on or after the date
16 specified in the notice published under s. 196.493 (3) (b), this subdivision does not
17 apply to a nuclear power plant.

18 **SECTION 242.** 196.491 (3) (d) 3. of the statutes is amended to read:

19 196.491 (3) (d) 3. The design and location or route is in the public interest
20 considering alternative sources of supply, alternative locations or routes, individual
21 hardships, engineering, economic, safety, reliability and environmental factors,
22 except that the commission may not consider alternative sources of supply or
23 engineering or economic factors if the application is for a wholesale merchant plant
24 and the commission may, but is not required to, consider alternative locations if the
25 application is for a renewable facility, as defined in s. 196.378 (1r) (g). In its

1 consideration of environmental factors, the commission may not determine that the
2 design and location or route is not in the public interest because of the impact of air
3 pollution if the proposed facility will meet the requirements of ch. 285.

4 **SECTION 243.** 196.491 (3) (em) of the statutes is created to read:

5 196.491 (3) (em) For an application under par. (a) 1. regarding a nuclear power
6 plant, the commission may issue the certificate of public convenience and necessity
7 subject to any conditions that the commission determines are in the public interest.
8 Any conditions imposed by the commission under this paragraph shall apply to any
9 successor in interest of the applicant. This paragraph first applies to certificates of
10 public convenience and necessity issued by the commission on or after the date
11 specified in the notice published under s. 196.493 (3) (b).

12 **SECTION 244.** 196.491 (3) (g) of the statutes is amended to read:

13 196.491 (3) (g) The commission shall take final action on an application filed
14 under par. (a) 1. within 180 days after the application is determined or considered
15 to be complete under par. (a) 2. If the commission fails to take final action within the
16 180-day period, the commission is considered to have issued a certificate of public
17 convenience and necessity with respect to the application, unless the commission,
18 within the 180-day period, petitions the circuit court for Dane County for an
19 extension of time for taking final action on the application and the court grants an
20 extension. Upon a showing of good cause, the court may extend the 180-day period
21 for no more than an additional 180 days, except that, beginning on the date specified
22 in the notice published under s. 196.493 (3) (b), the court may extend the 180-day
23 period for an additional 360 days if the application is for a nuclear power plant. If
24 the commission fails to take final action within the extended period, the commission

1 is considered to have issued a certificate of public convenience and necessity with
2 respect to the application.

3 **SECTION 245.** 196.491 (3m) (title) of the statutes is amended to read:

4 196.491 **(3m)** (title) WHOLESALE MERCHANT AND NONUTILITY NUCLEAR POWER
5 PLANTS.

6 **SECTION 246.** 196.491 (3m) (a) (intro.) of the statutes is amended to read:

7 196.491 **(3m)** (a) *Commission approval required.* (intro.) Except as provided
8 in par. (e), an affiliated interest of a public utility may not own, control or operate a
9 wholesale merchant or nonutility nuclear power plant without the approval of the
10 commission. The commission shall grant its approval only if each of the following is
11 satisfied:

12 **SECTION 247.** 196.491 (3m) (b) 1. am. of the statutes is amended to read:

13 196.491 **(3m)** (b) 1. am. Establish screening tests and safe harbors for proposed
14 wholesale merchant and nonutility nuclear power plant projects, including projects
15 in which an affiliated interest is a passive investor and over which the affiliated
16 interest is not able to exercise control or influence and projects in which an affiliated
17 interest's ownership interest is less than 5%.

18 **SECTION 248.** 196.491 (3m) (b) 3. b. of the statutes is amended to read:

19 196.491 **(3m)** (b) 3. b. The extent of control that the affiliated interest proposes
20 to exercise over the wholesale merchant or nonutility nuclear power plant.

21 **SECTION 249.** 196.491 (3m) (c) 1. a. of the statutes is amended to read:

22 196.491 **(3m)** (c) 1. a. "Electric sale" means a sale of electricity that is generated
23 at a wholesale merchant or nonutility nuclear power plant that is owned, operated
24 or controlled by an affiliated interest.

1 **SECTION 250.** 196.491 (3m) (d) of the statutes is renumbered 196.491 (3m) (d)
2 (intro.) and amended to read:

3 196.491 **(3m)** (d) *Retail sales outside this state.* (intro.) The commission may
4 not promulgate rules or issue orders that prohibit owners or operators of ~~wholesale~~
5 ~~merchant plants~~ any of the following from providing electric service to retail
6 customers in another state.;

7 **SECTION 251.** 196.491 (3m) (d) 1. of the statutes is created to read:

8 196.491 **(3m)** (d) 1. Wholesale merchant plants.

9 **SECTION 252.** 196.491 (3m) (d) 2. of the statutes is created to read:

10 196.491 **(3m)** (d) 2. Nuclear power plants for which the commission has issued
11 a certificate of public convenience and necessity under sub. (3) before the date
12 specified in the notice published under s. 196.493 (3) (b).

13 **SECTION 253.** 196.491 (5) of the statutes is renumbered 196.491 (5) (c).

14 **SECTION 254.** 196.491 (5) (am) of the statutes is created to read:

15 196.491 **(5)** (am) In this subsection, “nuclear power plant” means a nuclear
16 power plant for which the commission has issued a certificate of public convenience
17 and necessity under sub. (3) on or after the date specified in the notice published
18 under s. 196.493 (3) (b).

19 **SECTION 255.** 196.491 (5) (c) 1. am. of the statutes is created to read:

20 196.491 **(5)** (c) 1. am. Nuclear power plants in this state that are not owned or
21 operated by public utilities, or that provide service to persons that are not public
22 utilities under contracts with terms of 5 years or more.

23 **SECTION 256.** 196.491 (5) (c) 2. bm. of the statutes is created to read:

1 196.491 (5) (c) 2. bm. Nuclear power plants in this state that are not owned or
2 operated by public utilities, or that provide service to persons that are not public
3 utilities under contracts with terms of 5 years or more.

4 **SECTION 257.** 196.493 (title) of the statutes is amended to read:

5 **196.493 (title) ~~Construction of nuclear~~ Nuclear power plants limited.**

6 **SECTION 258.** 196.493 (1) of the statutes is renumbered 196.493 (1r) (intro.) and
7 amended to read:

8 196.493 (1r) ~~DEFINITION~~ DEFINITIONS. (intro.) In this section, “nuclear:

9 (ar) Except as provided in par. (b), “nuclear power plant” means a nuclear-fired
10 large electric generating facility as defined under s. 196.491 (1) (g). ~~This paragraph~~
11 does not apply beginning on the date specified in the notice published under sub. (3)
12 (b).

13 **SECTION 259.** 196.493 (1g) of the statutes is created to read:

14 196.493 (1g) **LEGISLATIVE FINDINGS.** The legislature finds all of the following:

15 (a) The state retains its authority under the United States constitution to
16 exercise its police power to protect public health, safety, and welfare.

17 (b) Determining the need for the construction of electric generating facilities
18 and controlling land use, including the siting of new or expanded electric generating
19 facilities, is primarily and traditionally a matter of state interest and under state
20 control.

21 (c) The state has a particular and unique interest in determining the need for
22 and siting of nuclear power plants, given the size, cost, and environmental and safety
23 issues associated with these plants and the resulting economic impact on the state.

24 (d) As of the effective date of this paragraph [LRB inserts date], the federal
25 government has failed to meet its obligation to implement a policy to provide for the

1 safe and effective disposal of spent nuclear fuel from nuclear power plants. This
2 situation has and will continue to lead to the long-term storage of spent nuclear fuel
3 at the sites of nuclear power plants resulting in increased risk of exposure to
4 accidental releases of radioactive materials from the handling and storage of the
5 spent nuclear fuel and increased expenses for local and state governments providing
6 emergency response services to the nuclear power plants.

7 (e) While the recent safety record and security of the nuclear power industry
8 is good and the likelihood of an accident or incident at a new or expanded nuclear
9 power plant resulting in a major release of radioactive materials is low, if such an
10 accident or incident were to occur, its effects could be catastrophic to the health and
11 safety of the people of Wisconsin, the economic well-being of Wisconsin, and the
12 natural resources of Wisconsin.

13 (f) To limit the risks associated with the long-term storage of spent nuclear fuel
14 at the sites of nuclear power plants and with the operation of nuclear power plants,
15 it is necessary that Wisconsin adopt policies that limit the number of new or
16 expanded nuclear power plants constructed in the state.

17 (g) To distribute the risks associated with the long-term storage of spent
18 nuclear fuel at the sites of nuclear power plants and with the operation of nuclear
19 power plants, it is necessary that Wisconsin adopt policies that encourage the siting
20 of nuclear power plants relatively close to the demand for the electricity produced by
21 the plants.

22 (h) To offset the risks associated with the long-term storage of spent nuclear
23 fuel at the sites of nuclear power plants and with the operation of nuclear power
24 plants, it is necessary that Wisconsin adopt policies that ensure citizens of the state

1 will receive the maximum benefits from any new or expanded nuclear power plants
2 constructed in the state.

3 (i) The most effective policy to achieve the objectives in pars. (f) to (h) is to
4 require that the entire output from any new or expanded nuclear power plant
5 constructed in the state will be needed to meet the expected requirements for
6 electricity of electric utility ratepayers or members of electric cooperatives in the
7 state.

8 **SECTION 260.** 196.493 (1r) (ag) of the statutes is created to read:

9 196.493 (1r) (ag) “Electric cooperative” means a cooperative association that
10 is organized under ch. 185 for the purpose of providing electricity at retail or
11 wholesale to its members only.

12 **SECTION 261.** 196.493 (1r) (b) of the statutes is created to read:

13 196.493 (1r) (b) “Nuclear power plant” has the meaning given in s. 196.491 (1)
14 (j). This paragraph takes effect on the date specified in the notice published under
15 sub. (3) (b).

16 **SECTION 262.** 196.493 (2) (intro.) of the statutes is renumbered 196.493 (2) (am)
17 (intro.) and amended to read:

18 196.493 (2) (am) (intro.) The commission may not certify under s. 196.49 (3) (b)
19 or 196.491 (3) any nuclear power plant unless the commission finds that all of the
20 following:

21 **SECTION 263.** 196.493 (2) (a) of the statutes is renumbered 196.493 (2) (am) 1.
22 and amended to read:

23 196.493 (2) (am) 1. A federally licensed facility, or a facility outside of the
24 United States which the commission determines will satisfy the public welfare
25 requirements of the people of this state, with adequate capacity to dispose of

1 high-level nuclear waste from all nuclear power plants operating in this state will
2 be available, as necessary, for disposal of the waste; ~~and. This subdivision does not~~
3 ~~apply to certifications made on or after the date specified in the notice published~~
4 ~~under sub. (3) (b).~~

5 **SECTION 264.** 196.493 (2) (am) 1m. of the statutes is created to read:

6 196.493 (2) (am) 1m. The plan for managing the nuclear waste from the
7 proposed nuclear power plant is economic, reasonable, stringent, and will satisfy the
8 public welfare requirements of the people of this state, given the safety, security, and
9 other risks presented by the waste. This subdivision first applies to certifications
10 made on the date specified in the notice published under sub. (3) (b).

11 **SECTION 265.** 196.493 (2) (am) 2. c. of the statutes is created to read:

12 196.493 (2) (am) 2. c. The benefits to the state and the environment resulting
13 from reductions of air pollutant emissions from the proposed nuclear power plant
14 compared to emissions from feasible alternatives. This subd. 2. c. first applies to
15 certifications made on or after the date specified in the notice published under sub.
16 (3) (b).

17 **SECTION 266.** 196.493 (2) (am) 3. of the statutes is created to read:

18 196.493 (2) (am) 3. For certifications made on or after the date specified in the
19 notice published under sub. (3) (b), the proposed nuclear power plant will provide
20 electricity to ratepayers or members of electric cooperatives in this state at a
21 reasonable cost based upon all of the following:

22 a. The existence of a reliable and adequate nuclear fuel supply.

23 b. The costs for construction, operation, and decommissioning of nuclear power
24 plants and for nuclear waste disposal.

1 c. Any other factor having an impact on the economics of nuclear power plants,
2 as determined by the commission.

3 **SECTION 267.** 196.493 (2) (am) 4. of the statutes is created to read:

4 196.493 (2) (am) 4. For certifications made on or after the date specified in the
5 notice published under sub. (3) (b), the proposed nuclear power plant satisfies the
6 reasonable needs of the public for an adequate supply of electric energy.

7 **SECTION 268.** 196.493 (2) (b) (intro.) of the statutes is renumbered 196.493 (2)
8 (am) 2. (intro.) and amended to read:

9 196.493 (2) (am) 2. (intro.) The Except as provided in par. (c), the proposed
10 nuclear power plant, in comparison with feasible alternatives, is economically
11 advantageous to ratepayers, based upon all of the following:

12 **SECTION 269.** 196.493 (2) (b) 1. of the statutes is renumbered 196.493 (2) (am)
13 2. a. and amended to read:

14 196.493 (2) (am) 2. a. The existence of a reliable and adequate nuclear fuel
15 supply;

16 **SECTION 270.** 196.493 (2) (b) 2. of the statutes is renumbered 196.493 (2) (am)
17 2. b. and amended to read:

18 196.493 (2) (am) 2. b. The costs for construction, operation, and
19 decommissioning of nuclear power plants and for nuclear waste disposal; and,

20 **SECTION 271.** 196.493 (2) (b) 3. of the statutes is renumbered 196.493 (2) (am)
21 2. d.

22 **SECTION 272.** 196.493 (2) (c) of the statutes is created to read:

23 196.493 (2) (c) For certifications made on or after the date specified in the notice
24 published under sub. (3) (b), the commission shall make the finding under par. (am)

1 2. based on economic advantages to ratepayers or members of electric cooperatives
2 in this state.

3 **SECTION 273.** 196.493 (3) of the statutes is created to read:

4 196.493 (3) REGISTER PUBLICATION. (a) The commission shall determine all of
5 the following:

6 1. The effective dates of all rules promulgated by the commission, and all orders
7 issued by the commission, that are necessary to initially implement the changes to
8 s. 196.378 by 2009 Wisconsin Act ... (this act), and other related statutory changes
9 made by that act.

10 2. The effective dates of all rules promulgated by the commission, and all orders
11 issued by the commission, that are necessary to initially implement the changes to
12 s. 196.374 by 2009 Wisconsin Act ... (this act), and other related statutory changes
13 made by that act.

14 (b) The commission shall publish a notice in the Wisconsin Administrative
15 Register specifying the first date on which all of the rules and orders described in par.
16 (a) are in effect.

17 **SECTION 274.** 196.493 (4) of the statutes is created to read:

18 196.493 (4) DECOMMISSIONING. The commission may by order specify the
19 method for an owner or operator of a nuclear power plant to provide reasonable
20 assurance that funds in an amount determined by the commission will be available
21 to decommission the plant and to dispose of spent nuclear fuel from the plant, and
22 require the owner or operator to provide such assurance. This subsection applies to
23 a nuclear power plant for which the commission issues a certificate of public
24 convenience and necessity under s. 196.491 (3) on or after the date specified in the
25 notice published under sub. (3) (b).

1 **SECTION 275.** 196.494 (1) (a) of the statutes is amended to read:

2 196.494 (1) (a) “Electric utility” means a public utility, other than a municipal
3 utility, as ~~defined in s. 196.377 (2) (a) 3.,~~ that provides retail electric service to
4 customers in this state.

5 **SECTION 276.** 196.494 (1) (am) of the statutes is created to read:

6 196.494 (1) (am) “Municipal utility” means a public utility that is a
7 municipality or that is wholly owned or operated by a city, village, or town.

8 **SECTION 277.** 196.52 (9) (g) of the statutes is amended to read:

9 196.52 (9) (g) Nothing in this subsection prohibits a cooperative association
10 organized under ch. 185, a municipal utility, as defined in s. ~~196.377 (2) (a) 3.~~ 196.494
11 (1) (am), or a municipal electric company, as defined in s. 66.0825 (3) (d), from
12 acquiring an interest in an electric generating facility that is constructed pursuant
13 to a leased generation contract or from acquiring an interest in land on which such
14 an electric generating facility is located.

15 **SECTION 278.** 196.65 (1) of the statutes is renumbered 196.65 (1r).

16 **SECTION 279.** 196.65 (1g) of the statutes is created to read:

17 196.65 (1g) In this section, “public utility” includes all of the following:

18 (a) The owner or operator of a nuclear power plant, as defined in s. 196.491 (1)
19 (j), for which the commission has issued a certificate of public convenience and
20 necessity under s. 196.491 (3) on or after the date specified in the notice published
21 under s. 196.493 (3) (b).

22 (b) A prime supplier, as defined in s. 196.374 (1) (ig).

23 **SECTION 280.** 196.65 (2) of the statutes is amended to read:

24 196.65 (2) A penalty of not less than \$500 nor more than \$5,000 shall be
25 recovered from the public utility for each offense under sub. ~~(1)~~ (1r) if the officer,

1 agent or employee of the public utility acted in obedience to the direction, instruction
2 or request of the public utility or any general officer of the public utility.

3 **SECTION 281.** 196.66 (1) of the statutes is renumbered 196.66 (1r).

4 **SECTION 282.** 196.66 (1g) of the statutes is created to read:

5 196.66 (1g) DEFINITION. In this section, “public utility” includes all of the
6 following:

7 (a) The owner or operator of a nuclear power plant, as defined in s. 196.491 (1)
8 (j), for which the commission has issued a certificate of public convenience and
9 necessity under s. 196.491 (3) on or after the date specified in the notice published
10 under s. 196.493 (3) (b).

11 (b) A prime supplier, as defined in s. 196.374 (1) (ig).

12 **SECTION 283.** 196.66 (2) of the statutes is amended to read:

13 196.66 (2) EACH DAY SEPARATE OFFENSE. Every day during which any public
14 utility or any officer, agent, as defined in sub. (3) (a), or employee of a public utility
15 fails to comply with any order or direction of the commission or to perform any duty
16 enjoined by this chapter or ch. 197 shall constitute a separate and distinct violation
17 under sub. ~~(1)~~ (1r). If the order is suspended, stayed or enjoined, this penalty shall
18 not accrue.

19 **SECTION 284.** 196.66 (4) (b) of the statutes is amended to read:

20 196.66 (4) (b) If a public utility fails to comply with any rule, order or direction
21 of the commission after actual receipt by the public utility of written notice from the
22 commission specifying the failure, the maximum forfeiture under sub. ~~(1)~~ (1r) shall
23 be \$15,000.

24 **SECTION 285.** 196.795 (6m) (a) 4m. of the statutes is created to read:

1 196.795 **(6m)** (a) 4m. “Nonutility nuclear power plant” means a nonutility
2 nuclear power plant, as defined in s. 196.491 (1) (i), that is located in the reliability
3 council area and that is owned, operated, or controlled by an affiliated interest of a
4 public utility. This subdivision takes effect on the date specified in the notice
5 published under s. 196.493 (3) (b).

6 **SECTION 286.** 196.795 (6m) (cm) of the statutes is created to read:

7 196.795 **(6m)** (cm) *Nonutility nuclear power plants.* The assets of a nonutility
8 nuclear power plant shall not be included in the sum of the assets of a public utility
9 affiliate under par. (b) 1. a., b., or c. and shall not be included in a nonutility affiliate’s
10 total assets under par. (b) 2. a. if the requirements specified in s. 196.491 (3m) (a) 1.
11 and 2. are satisfied. This paragraph takes effect on the date specified in the notice
12 published under s. 196.493 (3) (b).

13 **SECTION 287.** 196.795 (11) (b) of the statutes is amended to read:

14 196.795 **(11)** (b) This section shall be deemed to legalize and confirm the
15 formation, prior to November 28, 1985, of any holding company, which is not itself
16 a public utility, and shall be deemed to legalize and confirm the operations and
17 issuances of securities of the holding company, except that nothing in this section
18 shall be deemed to prevent the commission from imposing reasonable terms,
19 limitations or conditions on any holding company which are consistent with the
20 requirements of sub. (6m) (c) ~~or~~ to (d) or which are consistent with and necessary to
21 satisfy the requirements of sub. (5) (b) to (o) and (q) to (s) or which relate to future
22 investments by the holding company unless the holding company owns, operates,
23 manages or controls a telecommunications utility and does not also own, operate,
24 manage or control a public utility which is not a telecommunications utility.

25 **SECTION 288.** 196.80 (1r) of the statutes is created to read:

1 196.80 **(1r)** (a) In this subsection, “nuclear power plant” means a nuclear power
2 plant, as defined in s. 196.491 (1) (j), for which the commission has issued a certificate
3 of public convenience and necessity under s. 196.491 (3) on or after the date specified
4 in the notice published under s. 196.493 (3) (b).

5 (b) With the consent and approval of the commission but not otherwise an
6 owner or operator of a nuclear power plant may sell, acquire, lease, or rent any
7 nuclear power plant or property constituting an operating unit or system of a nuclear
8 power plant.

9 **SECTION 289.** 196.85 (1m) (a) of the statutes is amended to read:

10 196.85 **(1m)** (a) For the purpose of direct assessment under sub. (1) of expenses
11 incurred by the commission in connection with its activities under s. 196.491, the
12 term “public utility” includes electric utilities, as defined in s. 196.491 (1) (d).
13 Subsection (1) (b) does not apply to assessments for the commission’s activities under
14 s. 196.491 related to the construction of wholesale merchant plants, as defined in s.
15 196.491 (1) (w) or, beginning on the date specified in the notice published under s.
16 196.493 (3) (b), related to the construction of nonutility nuclear power plants, as
17 defined in s. 196.491 (1) (i).

18 **SECTION 290.** 196.85 (1m) (e) of the statutes is created to read:

19 196.85 **(1m)** (e) For the purpose of direct assessment under sub. (1) of expenses
20 incurred by the commission in connection with its activities under s. 196.374, the
21 term “public utility” includes retail electric cooperatives, as defined in s. 196.374 (1)
22 (L), and prime suppliers, as defined in s. 196.374 (1) (ig).

23 **SECTION 291.** 285.60 (11) of the statutes is created to read:

24 285.60 **(11)** REDUCING GREENHOUSE GAS EMISSIONS. As part of its continual
25 assessment under sub. (10) in 2010 and 2011, the department shall develop and

1 implement measures to lessen permit obligations under this section and ss. 281.61
2 to 281.65 for the construction, reconstruction, replacement, or modification of a
3 stationary source if all of the following apply:

4 (a) The owner or operator of the stationary source is not required to obtain a
5 major source construction permit for the proposed project.

6 (b) The construction, reconstruction, replacement, or modification would
7 significantly reduce emissions of greenhouse gasses, as defined in s. 299.03 (1) (d).

8 (c) The proposed project satisfies other requirements specified by the
9 department by rule.

10 **SECTION 292.** 292.75 (5) of the statutes is renumbered 292.75 (5) (a).

11 **SECTION 293.** 292.75 (5) (a) 2m. of the statutes is created to read:

12 292.75 (5) (a) 2m. Whether the project is a qualifying project under sub. (5m).

13 **SECTION 294.** 292.75 (5) (b) of the statutes is created to read:

14 292.75 (5) (b) The department may give greater weight to the criterion under
15 par. (a) 2m. than to the other criteria under par. (a) in determining whether to award
16 a grant.

17 **SECTION 295.** 292.75 (5m) of the statutes is created to read:

18 292.75 (5m) **QUALIFYING PROJECTS.** A proposed project is a qualifying project for
19 the purposes of subs. (5) (a) 2m. and (7) (b) if the project will result in a reduction of
20 travel, energy use, or emissions of greenhouse gases, as defined in s. 299.03 (1) (d),
21 or if one of the following applies:

22 (a) The eligible site or facility is located in an area that is designated for
23 traditional neighborhood development, as defined in s. 66.1027 (1) (c), in a
24 comprehensive plan adopted under s. 66.1001 and at least one of the following
25 applies:

- 1 1. The area is surrounded by or is adjacent to existing development.
- 2 2. The area is within a sewer service territory in the sewer service area
3 provisions of an areawide water quality management plan under s. 283.83 approved
4 by the department.
- 5 3. The area consists primarily of blighted properties.
- 6 4. The area meets other criteria, specified by the department by rule, designed
7 to ensure that the project reduces greenhouse gas emissions.
- 8 (b) The city, village, town, or county in which the eligible site or facility is
9 located has adopted the design standards under s. 101.027 (4) and the eligible site
10 or facility is in an area that is subject to the design standards.
- 11 (c) All of the following apply:
- 12 1. The eligible site or facility is located in an area that is subject to either a
13 charter under s. 299.83 (7e) issued to an association of entities that includes the city,
14 village, town, or county in which the area is located or a participation contract under
15 s. 299.83 (6) entered into by the city, village, town, or county in which the area is
16 located.
- 17 2. The department determines, in consultation with the department of
18 commerce, the department of administration, the public service commission, and the
19 office of energy independence, that implementation of the charter or the
20 participation contract is likely to result in significant reductions in emissions of
21 greenhouse gases, as defined in s. 299.03 (1) (d), or in energy use by public or private
22 entities within the city, village, town, or county.
- 23 (d) The eligible site or facility is located in a city, village, town, or county that
24 participates in tier I under s. 299.83 (3), the area in which the eligible site or facility
25 is located is affected by the participation in tier I, and the department of natural

1 resources determines, in consultation with the department of commerce, the
2 department of administration, the public service commission, and the office of energy
3 independence, that the participation in tier I is likely to result in significant
4 reductions in emissions of greenhouse gases, as defined in s. 299.03 (1) (d), or in
5 energy use by public or private entities within the city, village, town, or county.

6 **SECTION 296.** 292.75 (7) of the statutes is renumbered 292.75 (7) (a) and
7 amended to read:

8 292.75 (7) (a) The Except as provided under par. (b), the department may not
9 distribute a grant unless the applicant contributes matching funds equal to ~~20%~~ 20
10 percent of the grant. Matching funds may be in the form of cash or in-kind
11 contribution or both.

12 **SECTION 297.** 292.75 (7) (b) of the statutes is created to read:

13 292.75 (7) (b) The department may promulgate a rule that specifies a minimum
14 contribution of matching funds by an applicant that is less than 20 percent of a grant
15 for a project if the project is a qualifying project under sub. (5m).

16 **SECTION 298.** 299.03 of the statutes is created to read:

17 **299.03 Greenhouse gas emission goals. (1) DEFINITIONS.** In this section:

18 (a) “Annual net greenhouse gas emissions” means the amount of greenhouse
19 gasses, measured as tons of carbon dioxide equivalent, emitted to the atmosphere by
20 all sources and activities in this state in a year minus the amount of greenhouse
21 gasses, measured as tons of carbon dioxide equivalent, removed from the atmosphere
22 by all sources and activities, including by carbon sequestration, in this state in the
23 year.

24 (b) “Carbon dioxide equivalent” means the amount of carbon dioxide that has
25 the equivalent radiative effect as a specified amount of a greenhouse gas, calculated

1 by multiplying the specified amount of the greenhouse gas by its global warming
2 potential.

3 (bm) “Carbon sequestration” means the long-term storage of carbon in water
4 bodies, soil, vegetation, or geologic formations.

5 (c) “Global warming potential” means the relative radiative effect of a
6 greenhouse gas compared to the radiative effect of carbon dioxide.

7 (d) “Greenhouse gas” means carbon dioxide, methane, nitrous oxide, sulphur
8 hexafluoride, nitrogen trifluoride, a hydrofluorocarbon, a perfluorocarbon, or any
9 other gas identified by the department under sub. (4).

10 (dm) “Radiative effect” means the capability of a gas in the atmosphere to
11 absorb infrared radiation that is emitted from the earth’s surface.

12 (e) “Renewable energy generation” means the generation of energy using a
13 renewable resource, as defined in s. 196.374 (1) (j).

14 (f) “Zero net energy building” means one of the following:

15 1. A building that annually, based on a 3-year average, uses no more energy
16 than is provided by on-site renewable energy generation.

17 2. One of 2 or more buildings that have an integrated system of energy supply
18 and use and that together annually, based on a 3-year average, use no more energy
19 than is provided by renewable energy generation that is part of the integrated
20 system.

21 **(2) GREENHOUSE GAS EMISSION REDUCTION GOALS.** (a) It is the goal of this state
22 that annual net greenhouse gas emissions in 2014 are no greater than annual net
23 greenhouse gas emissions in 2005.

24 (b) It is the goal of this state that annual net greenhouse gas emissions in 2022
25 are at least 22 percent less than annual net greenhouse gas emissions in 2005.

1 (c) It is the goal of this state that annual net greenhouse gas emissions in 2050
2 and each year thereafter are at least 75 percent less than annual net greenhouse gas
3 emissions in 2005.

4 (d) It is the goal of this state to make continuous progress in reducing net
5 greenhouse gas emissions in order to achieve the goals in pars. (a), (b), and (c).

6 **(3)** NEW BUILDING ENERGY USE GOAL. It is the goal of this state that, by 2030, all
7 newly constructed residential and commercial buildings are zero net energy
8 buildings.

9 **(3m)** STATEWIDE ENERGY CONSERVATION GOALS. (a) *Electricity*. It is the goal of
10 this state to reduce the statewide consumption of electricity in each year by an
11 amount not less than the product of the public service commission's projection of the
12 statewide consumption of electricity for the year and the following percentages:

13 1. In 2011, 1 percent.

14 2. In 2012, 1.25 percent.

15 3. In 2013, 1.5 percent.

16 4. In 2014, 1.75 percent.

17 5. In 2015 and each year thereafter, 2 percent.

18 (am) *Small scale renewable facilities*. It is the goal of this state that by 2025
19 at least 1 percent of the renewable energy, as defined in s. 196.378 (1r) (fg), produced
20 in this state annually is derived from renewable facilities, as defined in s. 196.378
21 (1r) (g), that are designed for nominal operation at a capacity of 10 megawatts or less.

22 (b) *Liquified petroleum gas, heating oil, and natural gas*. It is the goal of this
23 state to reduce the statewide consumption of liquified petroleum gas, heating oil, and
24 natural gas in each year by an amount not less than the product of the public service

1 commission's projection of statewide consumption of liquified petroleum gas, heating
2 oil, and natural gas for the year and the following percentages:

3 1. In 2011, 0.5 percent.

4 2. In 2012, 0.75 percent.

5 3. In 2013 and each year thereafter, 1 percent.

6 **(4) RULE MAKING.** The department may promulgate rules identifying additional
7 gasses as greenhouse gasses.

8 **(5) INFORMATION AND ANALYSES.** (a) *Emission and sequestration information.*
9 The department shall periodically collect or estimate information concerning all of
10 the following:

11 1. Amounts of greenhouse gas emissions from sectors of this state's economy,
12 including from stationary and mobile sources of greenhouse gas emissions, and from
13 natural systems in this state associated with various types of land uses.

14 2. Amounts of carbon sequestered by natural systems in this state associated
15 with various types of land uses.

16 (b) *Comprehensive accounting system.* 1. As part of its activities under par. (a),
17 the department shall develop and maintain a comprehensive accounting system to
18 estimate the net annual emissions of greenhouse gases from natural systems in this
19 state in 2005 and changes in these emissions in subsequent years due to significant
20 changes in land cover or in the management of land. The department shall ensure
21 that the system identifies greenhouse gas emissions for at least agricultural,
22 forestry, grassland, wetland, urban, and suburban land uses.

23 2. The department shall design and operate the system under subd. 1. to
24 produce statistically valid data, for use in each of the assessments under sub. (6), that
25 can be used to estimate the emissions and changes in emissions specified in subd. 1.

1 and to provide information for the smallest land areas consistent with economic
2 practicality, but in no case larger than a county.

3 3. The department shall include a land cover database in the system under
4 subd. 1.

5 4. The department may design and operate the system under subd. 1. to serve
6 other purposes, including use in climate change programs related to public
7 education, the management and supply of bioenergy feedstocks, and sustainable
8 forest management.

9 (c) *Inventories and analyses.* The department shall periodically prepare
10 inventories and analyses of the information collected or estimated under par. (a) that
11 include inventories of greenhouse gas emissions from man-made sources in 2005
12 and of net greenhouse gas emissions from natural systems in 2005 and trends in
13 greenhouse gas emissions from man-made sources and of net greenhouse gas
14 emissions from natural systems adjusted for all of the following:

15 1. Meteorological, economic, and other variable factors that cause significant
16 deviations from normal trends.

17 2. Changes in energy use, fuel composition, and other factors likely to
18 permanently affect future emissions, or sequestration, of greenhouse gases.

19 (d) *Emission reporting requirements.* 1. The department shall promulgate a
20 rule to revise the air contaminant emissions reporting requirements under ss. 285.17
21 and 299.15 (1) and (2) in effect on the effective date of this subdivision [LRB
22 inserts date], to set the reporting level for carbon dioxide at 10,000 tons per year and
23 to require a person owning or operating a stationary source who is required to report
24 carbon dioxide emissions to also report methane and nitrous oxide emissions from
25 the combustion of a solid, liquid, or gaseous fuel.

1 2. After it complies with subd. 1., the department may promulgate a rule that
2 modifies the reporting requirements described in subd. 1.

3 **(5m)** EMISSIONS FROM TRANSPORTATION USE. (a) In this subsection:

4 1. “Metropolitan planning organization” has the meaning given in 23 USC 134
5 (b) (2).

6 2. “Transportation use” does not include the construction or maintenance of
7 vehicles or of infrastructure related to any mode of transportation.

8 (b) The department of natural resources and the department of transportation
9 jointly, with the assistance of metropolitan planning organizations, shall do all of the
10 following:

11 1. Periodically estimate annual amounts of greenhouse gas emissions
12 generated by transportation use in this state, by mode of transportation, and predict
13 amounts of greenhouse gas emissions that will be generated by transportation use
14 in this state, by mode of transportation, 5, 10, and 15 years after the year for which
15 the estimate is made.

16 2. Base the estimate and predictions under subd. 1. on transportation plans of
17 this state and metropolitan planning organizations, state and federal laws, trends
18 in the use of each mode of transportation, other factors used in emission modeling
19 conducted for the purpose of preparing state implementation plans under 42 USC
20 7410, and other relevant factors identified by the departments.

21 3. Select the most appropriate method for making the estimate and predictions
22 under subd. 1.

23 4. No later than July 1, 2011, and every 2 years thereafter, submit a report on
24 the estimates and predictions under subd. 1. to the climate change coordinating
25 council.

1 (c) The department of transportation shall make available on its Internet site
2 the reports under par. (b) 4. or a link to those reports on the Internet site under sub.
3 (10).

4 **(6) QUADRENNIAL ASSESSMENT.** No later than March 1, 2014, and every 4 years
5 thereafter, the department shall prepare an assessment of the changes in net
6 greenhouse gas emissions in this state and of public and private climate change goals
7 and programs, based on the inventories and analyses under sub. (5) (c) and other
8 relevant information. In the assessment, the department shall address at least all
9 of the following:

10 (a) Whether this state is achieving the applicable greenhouse gas emission
11 reduction goal under sub. (2) (a), (b), or (c).

12 (b) Whether this state is making continuous progress in reducing net
13 greenhouse gas emissions in accordance with the goal in sub. (2) (d).

14 (c) If this state is not achieving the applicable greenhouse gas emission
15 reduction goal or is not likely to achieve its future greenhouse gas emission reduction
16 goals, proposals for alternative programs for meeting the goals.

17 (d) Whether any state or local governmental climate change goal or
18 nonregulatory program should be modified to make the program more effective at
19 reducing net greenhouse gas emissions or mitigating the effects of climate change or
20 less costly to implement.

21 (e) Whether any state or local governmental climate change goal or
22 nonregulatory program should be modified or created to respond to a new federal
23 initiative relating to climate change or a new scientific understanding of climate
24 change processes or effects.

1 (f) Estimates of the likely reductions in net greenhouse gas emissions and of
2 the effects on energy use in this state and on the state's economy associated with each
3 new program or program change analyzed under pars. (c) to (e).

4 **(7) CONSULTATION AND ASSISTANCE.** (a) The department shall consult with the
5 climate change coordinating council in fulfilling its duties under subs. (4), (5), and
6 (6).

7 (b) Other state agencies shall assist the department to the fullest extent
8 possible in fulfilling its duties under subs. (4), (5), (6), and (10).

9 **(8) PUBLIC REVIEW.** The department shall provide an opportunity for public
10 review and comment on all of the following:

11 (a) The inventories under sub. (5) (c).

12 (b) The methodologies used under sub. (6) to estimate the effects of policies and
13 other factors on changes in net emissions of greenhouse gases.

14 (c) The assessments under sub. (6).

15 **(9) POLICY REVIEW AND REPORT.** (a) No later than June 1, 2014, and every 4 years
16 thereafter, the climate change coordinating council shall submit a report to the
17 legislature, under s. 13.172 (2), and to the governor on all of the following:

18 1. Whether this state is achieving the applicable greenhouse gas emission
19 reduction goal in sub. (2) (a), (b), or (c), whether the state is making continuous
20 progress in reducing net greenhouse gas emissions in accordance with sub. (2) (d),
21 and whether this state is likely to achieve its future greenhouse gas emission
22 reduction goals in sub. (2) and, if not, recommended changes in programs needed to
23 achieve the goals.

24 2. Other recommended changes in state and local governmental climate change
25 goals and programs.

1 3. The likely reductions in net greenhouse gas emissions and effects on energy
2 use in this state and on the state's economy associated with each program change
3 recommended under subds. 1. and 2.

4 4. Whether any climate change goals should be modified and whether any new
5 climate change goals should be created.

6 (b) The climate change coordinating council shall base its report under par. (a)
7 on the assessment under sub. (6) and other information received by the council and
8 shall include in the report a summary of the assessments and reports related to
9 climate change that state agencies are required to submit to the department or the
10 council.

11 **(10) INTERNET SITE.** (a) The department, in consultation with the climate
12 change coordinating council, and the administrator of the statewide energy
13 efficiency and renewable resource programs under s. 196.374 (2) (a) 1., and other
14 appropriate public and private entities providing educational and training programs
15 on climate change to the public shall establish and maintain an Internet site on
16 climate change.

17 (b) The department shall make all of the following available on the Internet site
18 under par. (a):

19 1. The information under sub. (5) (a).

20 2. The inventories and analyses under sub. (5) (c).

21 3. The assessments under sub. (6).

22 4. The reports under sub. (9).

23 5. The assessments and reports related to climate change that state agencies
24 are required to submit to the department or the climate change coordinating council.

25 **SECTION 299.** 299.035 of the statutes is created to read:

1 **299.035 Climate change coordinating council. (1) DEFINITION.** In this
2 section, “council” means the climate change coordinating council.

3 **(2) DUTIES.** (a) The council shall prepare reports under s. 299.03 (9).

4 (b) The council shall assist state agencies in improving and coordinating their
5 programs relating to climate change.

6 (c) The council, in consultation with the administrator of the statewide energy
7 efficiency and renewable resource programs under s. 196.374 (2) (a) 1., and other
8 appropriate public and private entities providing educational and training programs
9 on climate change to the public, shall promote and coordinate state educational and
10 training programs related to climate change, including programs that provide
11 information on all of the following:

12 1. State goals for the reduction of net greenhouse gas emissions and other
13 related state goals for reducing the consumption of fossil fuels.

14 2. Assessments, under s. 299.03 (6) and (9), of changes in net greenhouse gas
15 emissions in this state and of state climate change goals and programs.

16 3. Activities by state agencies to meet goals for the reductions of their
17 greenhouse gas emissions and to meet their related goals for energy efficiency and
18 the use of energy derived from renewable sources.

19 4. State, local, and federal governmental programs related to or affecting
20 climate change.

21 5. Actions that persons can take to reduce the amount of their greenhouse gas
22 emissions.

23 6. Other significant mitigation and adaptation strategies that address climate
24 change.

25 7. The causes and effects of climate change.

1 (d) The council shall give priority under par. (a) to promoting and coordinating
2 programs for students in kindergarten through 12th grade and to undergraduate
3 and graduate students and their teachers.

4 (3) SUBCOMMITTEES. The council may create subcommittees to assist in its
5 work. The council may appoint to its subcommittees members of the council,
6 employees of the agencies with members on the council, employees of other state
7 agencies, representatives of counties and municipalities, and others. The council
8 shall consider the need for subcommittees on the subjects within the scope of its
9 duties under sub. (2) and other subjects determined to be appropriate by the council.

10 (4) SUPPORT. The state agencies with membership on the council and its
11 subcommittees shall provide adequate staff to conduct the functions of the council.

12 **SECTION 300.** 299.04 of the statutes is created to read:

13 **299.04 Report on greenhouse gas cap and trade program.** (1) In this
14 section:

15 (a) “Cap and trade program” means a program that imposes limits on emissions
16 of greenhouse gases from specified sources of emissions and that provides for the
17 trading of allowances that may be used to satisfy those limits.

18 (b) “Greenhouse gas” has the meaning given in s. 299.03 (1) (d).

19 (2) The department shall submit a report to the appropriate standing
20 committees of the legislature, under s. 13.172 (3), and to the governor if any of the
21 following occurs:

22 (a) Enactment of federal legislation creating a federal cap and trade program.

23 (b) Adoption of a federal regulation creating a federal cap and trade program.

1 (c) Recommendation of a regional cap and trade program by governors of
2 midwestern states, including the governor of this state, that would be applicable to
3 any person in this state.

4 (3) The department shall include in the report under sub. (2) a description of
5 the cap and trade program and recommendations on any legislation that would be
6 necessary to implement the cap and trade program in this state. In preparing the
7 report under sub. (2), the department shall consult with state agencies that would
8 be affected by the cap and trade program.

9 **SECTION 301.** 299.045 of the statutes is created to read:

10 **299.045 Greenhouse gas emissions by state agencies. (1) DEFINITIONS.**

11 In this section:

12 (a) "Agency" means the department of administration, the department of
13 agriculture, trade and consumer protection, the department of corrections, the
14 department of health services, the department of natural resources, the department
15 of public instruction, the department of transportation, the department of veterans
16 affairs, and the Board of Regents of the University of Wisconsin System.

17 (b) "Biomass" has the meaning given in s. 196.374 (1) (am).

18 (c) "Global warming potential" has the meaning given in s. 299.03 (1) (c).

19 (d) "Greenhouse gas" has the meaning given in s. 299.03 (1) (d).

20 (2) ANALYSIS. No later than the first day of the 13th month beginning after the
21 date on which the department of administration prescribes the initial guidelines and
22 protocols under s. 16.954 (2), each agency shall prepare an analysis that estimates
23 the amount of greenhouse gas emissions that are attributable to activities of the
24 agency in calendar years 2005 and 2010.

25 (3) DEVELOPMENT AND ACHIEVEMENT OF GOALS. Each agency shall:

1 (a) Establish achievable goals for the reduction of greenhouse gas emissions
2 identified in its analysis under sub. (2) which shall include a reduction by January
3 1, 2020, to an annual amount that is 22 percent lower than the annual amount
4 attributable to the agency in 2005.

5 (b) Develop a plan for achieving the goals established in par. (a) by means of
6 specific actions to be taken and completed no later than January 1, 2020.

7 **(4) ELEMENTS OF PLAN.** In developing its plan under sub. (3) (b), each agency
8 shall consider all cost-effective and technically feasible opportunities to reduce
9 greenhouse gas emissions, including:

10 (a) Increasing the efficiency of energy use by the agency.

11 (b) Installing renewable energy systems in facilities used by the agency.

12 (c) Purchasing energy derived from renewable resources for use by the agency.

13 (d) Increasing the efficiency of boilers in existing facilities used by the agency.

14 (e) Converting boilers in existing facilities used by the agency to fuels that
15 result in lower net greenhouse gas emissions, including biomass fuels.

16 (f) Reducing transportation-related emissions by the agency in all of the
17 following ways:

18 1. Converting the agency's on-road and off-road vehicle fleet to vehicles that
19 are more efficient, or that use renewable fuels, or both.

20 2. Encouraging teleconferencing in lieu of attending in-person meetings that
21 require travel to meeting sites.

22 3. Encouraging employees of the agency to telecommute, carpool, bicycle, walk,
23 or use public transit.

24 4. Reducing the idling of on-road and off-road motor vehicles operated by the
25 agency.

1 5. Reducing the idling of on-road and off-road motor vehicles operated by any
2 person who enters into a contract with an agency and who receives payments under
3 that contract from moneys appropriated by this state with respect to services
4 performed under the contract, whether or not within this state, during the period
5 that the contract is in effect.

6 6. Converting the refrigerants used in on-road and off-road motor vehicles in
7 the vehicle fleet maintained by the agency to refrigerants with low global warming
8 potential.

9 7. Purchasing fuels for on-road and off-road motor vehicles used by the agency
10 that are derived in whole or in part from renewable resources.

11 8. Any other appropriate means.

12 (g) Reducing the water and other materials used by the agency.

13 (h) Increasing the recycling of waste generated by the agency.

14 (i) Planting trees or deep-rooted, herbaceous, perennial plants on lands
15 controlled by the agency, including highway rights-of-way and building grounds.

16 **(5) BIENNIAL REPORTS.** No later than March 1 of each odd-numbered year each
17 agency shall report to the department of administration in the form specified by that
18 department concerning its progress toward achieving or success in maintaining
19 adherence to the goals established by the agency under sub. (3) (a).

20 **(6) IDLING REDUCTION ASSISTANCE.** The department shall assist agencies in
21 identifying opportunities to reduce greenhouse gas emissions through development
22 of idling reduction techniques for incorporation into agency plans under sub. (4) (f)
23 4. and 5.

24 **SECTION 302.** 299.97 (1) of the statutes is amended to read:

1 299.97 (1) Any person who violates this chapter, except s. 299.15 (1), 299.47
2 (2), 299.51 (4) (b), 299.53 (2) (a) or (3), 299.62 (2) ~~or~~, 299.64 (2), or 299.045, or any rule
3 promulgated or any plan approval, license or special order issued under this chapter,
4 except under those sections, shall forfeit not less than \$10 nor more than \$5,000, for
5 each violation. Each day of continued violation is a separate offense. While the order
6 is suspended, stayed or enjoined, this penalty does not accrue.

7 **SECTION 303.** 343.32 (2) (bs) of the statutes is created to read:

8 343.32 (2) (bs) The scale adopted by the secretary may not assess any demerit
9 points for a violation of s. 346.947.

10 **SECTION 304.** 346.947 of the statutes is created to read:

11 **346.947 Idling of motor vehicles used for commercial purposes. (1)**

12 Except as provided in sub. (5), and subject to sub. (3), an operator of a motor vehicle
13 designed primarily for on-highway operation, and the operator's employer, may not,
14 while the vehicle is being used for commercial purposes, cause or permit the vehicle's
15 primary propulsion engine to idle for more than 5 minutes in any 60 minute period.

16 **(2)** Except as provided in sub. (5), and subject to sub. (3), an operator of a motor
17 vehicle designed primarily for off-highway operation may not, while the vehicle is
18 being used for commercial purposes, cause or permit the vehicle's primary propulsion
19 engine to idle for more than 5 consecutive minutes when the vehicle is not in use.

20 **(3)** (a) Except as provided in par. (c), an operator of a motor vehicle designed
21 primarily for on-highway operation, and the operator's employer, may not, while the
22 vehicle is being used for commercial purposes, cause or permit the vehicle's primary
23 propulsion engine to idle within 100 feet of an occupied school, day care or child care
24 center, hospital, or facility for housing the elderly, if the school, day care or child care
25 center, hospital, or facility for housing the elderly is clearly marked as a school, day

1 care or child care center, hospital, or facility for housing the elderly by signage visible
2 from the roadway.

3 (b) Except as provided in par. (c), an operator of a motor vehicle designed
4 primarily for off-highway operation may not, while the vehicle is being used for
5 commercial purposes at a construction site, cause or permit the vehicle's primary
6 propulsion engine to idle within 100 feet of an occupied school, day care or child care
7 center, hospital, or facility for housing the elderly, if the school, day care or child care
8 center, hospital, or facility for housing the elderly is identified on the project plan
9 documents for the construction site, as required under sub. (7).

10 (c) Paragraph (a) does not apply with respect to any of the motor vehicles or
11 circumstances specified in sub. (5) (a) to (h), (j) to (o), (q), and (s). Paragraph (b) does
12 not apply with respect to any of the motor vehicles or circumstances specified in sub.
13 (5) (d) to (g), (j), (m), (p), (r), and (t).

14 (4) A person operating a location where a motor vehicle subject to sub. (1) that
15 is used to transport property is loaded or unloaded may not require an operator of
16 the vehicle to idle the vehicle's primary propulsion engine for a period longer than
17 30 minutes by directing that the vehicle be kept running pending the loading or
18 unloading of the vehicle at that location. This subsection does not apply if an
19 exception under sub. (5) applies with respect to the vehicle.

20 (5) Subsections (1) and (2) do not apply to any of the following:

21 (a) The period when a motor vehicle remains motionless because of traffic, an
22 official traffic control device, or the direction of a traffic officer.

23 (b) The period when a motor vehicle's defroster, heater, air conditioner, medical
24 equipment, or emergency lighting is being operated on the motor vehicle to prevent
25 a safety or health emergency and not as part of a rest period.

1 (c) An authorized emergency vehicle or military vehicle being used in the
2 course of official business.

3 (d) The idling of a motor vehicle’s primary propulsion engine for maintenance,
4 servicing, repair, or diagnostic purposes if the idling is necessary to accomplish any
5 of these purposes.

6 (e) The idling of a motor vehicle as part of a state or federal vehicle inspection
7 to verify that all of the vehicle’s equipment is in good working order if the idling is
8 required as part of the inspection.

9 (f) The period when the idling of a motor vehicle’s primary propulsion engine
10 is necessary to power work-related mechanical or electrical operations, excluding
11 operations related to propulsion, cabin comfort, or nonessential on-board equipment
12 but including any of the following operations:

13 1. Mixing, dumping, or processing cargo.

14 2. Operating a lift, generator, crane, pump, drill, hoist, or other auxiliary
15 mechanical equipment.

16 3. Heating or refrigeration to protect cargo or freight being transported by the
17 motor vehicle.

18 4. Utility service restoration.

19 (g) The period when a motor bus used for transit purposes, or a motor vehicle
20 designed primarily for off-highway operation, is engaged in a stop-and-go project
21 element or is in immediate stand-by mode for purposes related to passenger loading
22 or unloading, project or worker safety, or readiness for an upcoming phase of a
23 specific project element.

24 (h) An armored vehicle for the period when a person remains inside the vehicle
25 to guard the contents of the vehicle or the vehicle is being loaded or unloaded.

1 (i) The period when an occupied motor vehicle with a sleeper berth
2 compartment idles for purposes of air conditioning or heating during a rest or sleep
3 period.

4 (j) The period when a motor vehicle's idling is necessary for regeneration of
5 exhaust emission control devices or to recharge batteries on a hybrid vehicle.

6 (k) A motor bus or school bus idling to maintain passenger comfort while
7 passengers other than the operator are on board, if the motor bus or school bus does
8 not exceed 15 minutes of idling in any 60 minute period.

9 (L) The period when a motor vehicle's idling is necessary due to mechanical
10 difficulties over which the vehicle operator has no control, if within 30 days after the
11 end of this period the motor vehicle's owner submits by mail to the appropriate
12 authority repair paperwork or a product receipt verifying that the mechanical
13 difficulty has been fixed.

14 (m) The period when a motor vehicle's idling is necessary to warm the motor
15 vehicle up to the manufacturer's recommended operating temperature.

16 (n) A motor vehicle designed primarily for on-highway operation if the outdoor
17 temperature is below 40 degrees Fahrenheit or above 75 degrees Fahrenheit and if
18 the motor vehicle does not exceed 15 consecutive minutes of idling in any 60 minute
19 period.

20 (o) A motor vehicle designed primarily for on-highway operation if the outdoor
21 temperature is below 10 degrees Fahrenheit.

22 (p) A motor vehicle designed primarily for off-highway operation if the outdoor
23 temperature is below 40 degrees Fahrenheit or above 75 degrees Fahrenheit.

24 (q) A motor vehicle operated completely by electric power.

1 (r) A motor vehicle designed primarily for off-highway operation that is a farm
2 tractor or an implement of husbandry.

3 (s) A motor vehicle designed primarily for on-highway operation that remains
4 motionless while it is in a queue of motor vehicles delivering construction materials
5 at a construction site.

6 (t) A motor vehicle designed primarily for off-highway operation that is subject
7 to an air pollution operation permit, including a general permit, under subch. VII of
8 ch. 285.

9 **(6)** This section applies to the idling of motor vehicles' primary propulsion
10 engines both on highways and off highways.

11 **(7)** With respect to construction activity that involves the operation of motor
12 vehicles designed primarily for off-highway operation, the owner of the applicable
13 construction site has the responsibility to identify on the project plan documents that
14 portion of any school, day care or child care center, hospital, or facility for housing
15 the elderly that is located within 100 feet of any part of the construction site and that
16 will be occupied during any part of the construction activity.

17 **(8)** A person operating a location specified in sub. (4) shall, to the maximum
18 extent practical, minimize delays in loading and unloading operations in order to
19 reduce idling times.

20 **(9)** Every employer of an operator of a motor vehicle designed primarily for
21 off-highway operation, other than a motor vehicle described in sub. (5) (r), shall
22 provide to each such operator information on the benefits of reducing the idling of
23 these motor vehicles and the requirements under this section.

24 **(10)** This section is an enactment of statewide concern for the purpose of
25 providing uniform regulation of motor vehicle idling. Notwithstanding ss. 59.03,

1 61.34 (1), 62.11 (5), 85.16, 349.03, 349.06, and any other provision of law, no
2 municipality or county may enact an ordinance, and no state agency may promulgate
3 a rule, regulating the same or similar subject matter as that covered in this section.

4 **SECTION 305.** 346.95 (11) of the statutes is created to read:

5 346.95 (11) Beginning on July 1, 2011, any person violating s. 346.947 (1), (2),
6 (3), (4), (7), or (9) may be required to forfeit \$150 for each violation. Notwithstanding
7 s. 939.61, prior to July 1, 2011, no penalty shall apply to a violation specified in this
8 subsection.

9 **SECTION 306.** 560.032 (1) of the statutes is renumbered 560.032 (1r) (a) and
10 amended to read:

11 560.032 (1r) ALLOCATION. (a) The department, by rule, shall establish under
12 26 USC 146 and administer a system for the allocation of the volume cap on the
13 issuance of private activity bonds, ~~as defined under 26 USC 141 (a)~~, among all
14 municipalities, as defined in s. 67.01 (5), and any corporation formed on behalf of
15 those municipalities, and among this state, the Wisconsin Health and Educational
16 Facilities Authority, the Wisconsin Aerospace Authority, and the Wisconsin Housing
17 and Economic Development Authority.

18 **SECTION 307.** 560.032 (1g) of the statutes is created to read:

19 560.032 (1g) DEFINITIONS. In this section:

20 (a) "Clean energy manufacturing facility" means a facility that manufactures
21 any of the following:

22 1. Energy efficient fixtures or building components, metering equipment, or
23 appliances.

24 2. Equipment used to produce energy from a renewable resource or components
25 of that equipment.

1 3. Equipment used to produce fuel made from a renewable resource or
2 components of that equipment.

3 4. Renewable fuel, flex fuel, advanced diesel, hybrid, electric, or other advanced
4 drive train vehicles designed to operate on highways, as defined in s. 340.01 (22).

5 5. A component of any vehicle identified in subd. 4..

6 (b) “Private activity bond” has the meaning given in 26 USC 141 (a).

7 (c) “Renewable fuel” means a fuel produced from a renewable resource.

8 (d) “Renewable power generating facility” means a facility owned by a person
9 that is not a public utility or an electric cooperative with equipment to generate
10 electricity or another form of energy from a renewable resource if that facility is
11 projected to consume no less than 70 percent of the energy generated by that
12 equipment in manufacturing processes at the site where the equipment is located.

13 (e) “Renewable resource” has the meaning given in s. 196.374 (1) (j).

14 **SECTION 308.** 560.032 (1r) (b) of the statutes is created to read:

15 560.032 (1r) (b) In the rules under par. (a), the department shall provide that
16 25 percent of the amount allocated to municipalities and corporations formed on
17 behalf of municipalities each year will be allocated for all of the following:

18 1. Clean energy manufacturing facilities.

19 2. Renewable power generating facilities.

20 **SECTION 309.** 560.032 (2) of the statutes is renumbered 560.032 (2) (a) and
21 amended to read:

22 560.032 (2) **AMENDMENT TO OR REALLOCATION OF ALLOCATION.** (a) At any time
23 prior to December 31 in any year, the department may promulgate rules to revise the
24 allocation system established for that year under sub. ~~(1)~~ (1r) (a), except that any
25 revision under this ~~subsection~~ paragraph does not apply to any allocation under

1 which the recipient of that allocation has adopted a resolution authorizing the
2 issuance of a private activity bond, as defined in ~~26 USC 141~~ (a).

3 **SECTION 310.** 560.032 (2) (b) of the statutes is created to read:

4 560.032 (2) (b) Beginning on September 1 in any year, the department may
5 reallocate using the system established by rule under sub. (1r) (a) any amount of the
6 allocation made for that year under sub. (1r) (b) for which bonds have not been issued,
7 except that any reallocation under this paragraph does not apply to any allocation
8 under which the recipient of that allocation has adopted a resolution authorizing the
9 issuance of a private activity bond.

10 **SECTION 311.** 560.032 (4) of the statutes is amended to read:

11 560.032 (4) CERTIFICATION. If the secretary receives notice of the issuance of a
12 bond under an allocation under subs. ~~(1) to (3)~~ this section, the secretary shall certify
13 that that bond meets the requirements of 26 USC 146.

14 **SECTION 312.** 560.081 (1m) of the statutes is created to read:

15 560.081 (1m) A proposed project is a “qualifying project” for purposes of sub.
16 (2) (e) and (f) 6. if the project will result in a reduction in travel, energy use, or the
17 emission of greenhouse gases, as defined in s. 299.03 (1) (d), or if any of the following
18 applies:

19 (a) The project is located in an area that is designated for traditional
20 neighborhood development, as defined in s. 66.1027 (1) (c), in a comprehensive plan
21 adopted under s. 66.1001 and at least one of the following applies:

22 1. The area is surrounded by or is adjacent to existing development.

23 2. The area is within a sewer service territory in the sewer service area
24 provisions of an areawide water quality management plan under s. 283.83 approved
25 by the department of natural resources.

1 3. The area consists primarily of blighted properties.

2 4. The area meets other criteria, specified by the department by rule, designed
3 to ensure that the project reduces greenhouse gas emissions.

4 (b) The municipality in which the project is located has adopted the design
5 standards under s. 101.027 (4) and the project is in an area that is subject to the
6 design standards.

7 (c) All of the following apply:

8 1. The project is located in an area that is subject to either a charter under s.
9 299.83 (7e) issued to an association of entities that includes the municipality in
10 which the area is located or a participation contract under s. 299.83 (6) entered into
11 by the municipality in which the area is located.

12 2. The department of natural resources determines, in consultation with the
13 department of commerce, the department of administration, the public service
14 commission, and the office of energy independence, that implementation of the
15 charter is likely to result in significant reductions in emissions of greenhouse gases,
16 as defined in s. 299.03 (1) (d), or in energy use by public or private entities within the
17 municipality.

18 (d) The project is located in a municipality that participates in tier I under s.
19 299.83 (3), the area in which the project is located is affected by the participation in
20 tier I, and the department of natural resources determines, in consultation with the
21 department of commerce, the department of administration, the public service
22 commission, and the office of energy independence, that the participation in tier I is
23 likely to result in significant reductions in emissions of greenhouse gases, as defined
24 in s. 299.03 (1) (d), or in energy use by public or private entities within the
25 municipality.

1 **SECTION 313.** 560.081 (2) (e) of the statutes is amended to read:

2 560.081 (2) (e) Annually select, upon application, up to 5 municipalities to
3 participate in the state main street program. The program for each municipality
4 shall conclude after 3 years, except that the program for each municipality selected
5 after July 29, 1995, shall conclude after 5 years. The department shall select
6 program participants representing various geographical regions and populations,
7 and may give greater weight to a municipality that has proposed a project that is a
8 qualifying project under sub. (1m). A municipality may apply to participate, and the
9 department may select a municipality for participation, more than one time. In
10 selecting a municipality, however, the department may give priority to those
11 municipalities that have not previously participated.

12 **SECTION 314.** 560.081 (2) (f) 6. of the statutes is created to read:

13 560.081 (2) (f) 6. Whether a project proposed by a municipality that has applied
14 to participate in the program under par. (e) is a qualifying project under sub. (1m).

15 **SECTION 315.** 560.13 (2) (b) 2. of the statutes is amended to read:

16 560.13 (2) (b) 2. ~~For~~ Except as provided in subd. 3., for a grant that does not
17 exceed \$300,000, the recipient shall be required to contribute not less than 20% of
18 the cost of the project. ~~For~~ Except as provided in subd. 3., for a grant that is greater
19 than \$300,000 but that does not exceed \$700,000, the recipient shall be required to
20 contribute not less than 35% of the cost of the project. ~~For~~ Except as provided in subd.
21 3., for a grant that is greater than \$700,000 but that does not exceed \$1,250,000, the
22 recipient shall be required to contribute not less than 50% of the cost of the project.

23 **SECTION 316.** 560.13 (2) (b) 3. of the statutes is created to read:

1 560.13 (2) (b) 3. The department may promulgate a rule that specifies a
2 minimum contribution by a recipient that is less than the percentage of the cost of
3 the project specified in subd. 2. if all of the following apply:

4 a. The recipient is a city, village, town, or county.

5 b. The project is a qualifying project.

6 **SECTION 317.** 560.13 (3) (intro.) of the statutes, as affected by 2009 Wisconsin
7 Act 28, is amended to read:

8 560.13 (3) (intro.) The department may consider the following criteria in
9 making awards under this section, and shall give additional consideration to a
10 project that satisfies the criteria under par. (em):

11 **SECTION 318.** 560.13 (3) (em) of the statutes is created to read:

12 560.13 (3) (em) The project is a qualifying project under sub. (3m).

13 **SECTION 319.** 560.13 (3m) of the statutes is created to read:

14 560.13 (3m) A proposed project is a “qualifying project” for purposes of subs.
15 (2) (b) 3. b. and (3) (em) if the project is proposed by a city, village, town, or county
16 and the project will result in a reduction in travel, energy use, or the emission of
17 greenhouse gases, as defined in s. 299.03 (1) (d), or if any of the following applies:

18 (a) The project is located in an area that is designated for traditional
19 neighborhood development, as defined in s. 66.1027 (1) (c), in a comprehensive plan
20 adopted under s. 66.1001 and at least one of the following applies:

21 1. The area is surrounded by or is adjacent to existing development.

22 2. The area is within a sewer service territory in the sewer service area
23 provisions of an areawide water quality management plan under s. 283.83 approved
24 by the department of natural resources.

25 3. The area consists primarily of blighted properties.

1 4. The area meets other criteria, specified by the department by rule, designed
2 to ensure that the project reduces greenhouse gas emissions.

3 (b) The city, village, town, or county in which the project is located has adopted
4 the design standards under s. 101.027 (4) and the project is in an area that is subject
5 to the design standards.

6 (c) All of the following apply:

7 1. The project is located in an area that is subject to either a charter under s.
8 299.83 (7e) issued to an association of entities that includes the city, village, town,
9 or county in which the area is located or a participation contract under s. 299.83 (6)
10 entered into by the city, village, town, or county in which the area is located.

11 2. The department of natural resources determines, in consultation with the
12 department of commerce, the department of administration, the public service
13 commission, and the office of energy independence, that implementation of the
14 charter is likely to result in significant reductions in emissions of greenhouse gases,
15 as defined in s. 299.03 (1) (d), or in energy use by public or private entities within the
16 city, village, town, or county.

17 (d) The project is located in a city, village, town, or county that participates in
18 tier I under s. 299.83 (3), the area in which the project is located is affected by the
19 participation in tier I, and the department of natural resources determines, in
20 consultation with the department of commerce, the department of administration,
21 the public service commission, and the office of energy independence, that the
22 participation in tier I is likely to result in significant reductions in emissions of
23 greenhouse gases, as defined in s. 299.03 (1) (d), or in energy use by public or private
24 entities within the city, village, town, or county.

1 **SECTION 320.** 560.205 (1) (g) of the statutes, as affected by 2009 Wisconsin Act
2 2, is amended to read:

3 560.205 (1) (g) It is not primarily engaged in real estate development,
4 insurance, banking, lending, lobbying, political consulting, professional services
5 provided by attorneys, accountants, business consultants, physicians, or health care
6 consultants, wholesale or retail trade, leisure, hospitality, transportation, or
7 construction, except construction of power production plants that derive energy from
8 a renewable resource, as defined in s. ~~196.378 (1) (h)~~ 196.374 (1) (j).

9 **SECTION 321.** 560.302 of the statutes, as created by 2009 Wisconsin Act 28, is
10 renumbered 560.302 (2m), and 560.302 (2m) (intro.) and (h), as renumbered, are
11 amended to read:

12 560.302 (2m) (intro.) Upon receipt of an application by an any eligible
13 recipient, the department may consider any of the following in determining whether
14 to award a grant or make a loan under s. 560.304:

15 (h) Any other criteria established by the department by rule, including the
16 types of projects that are eligible for funding and the types of eligible projects that
17 will receive priority. The criteria established under this paragraph shall include a
18 criterion that requires the department to give additional consideration to an eligible
19 activity proposed by an eligible recipient that is a municipality if the eligible activity
20 is described in sub. (1m).

21 **SECTION 322.** 560.302 (1m) of the statutes is created to read:

22 560.302 (1m) Upon receipt of an application by an eligible recipient that is a
23 municipality, the department shall consider whether an eligible activity proposed by
24 that municipality will result in a reduction in travel, energy use, or the emission of

1 greenhouse gases, as defined in s. 299.03 (1) (d), or whether one of the following
2 applies to that eligible activity:

3 (a) The eligible activity is located in an area that is designated for traditional
4 neighborhood development, as defined in s. 66.1027 (1) (c), in a comprehensive plan
5 adopted under s. 66.1001 and at least one of the following applies:

6 1. The area is surrounded by or is adjacent to existing development.

7 2. The area is within a sewer service territory in the sewer service area
8 provisions of an areawide water quality management plan under s. 283.83 approved
9 by the department of natural resources.

10 3. The area consists primarily of blighted properties.

11 4. The area meets other criteria, specified by the department by rule, designed
12 to ensure that the eligible activity reduces greenhouse gas emissions.

13 (b) The municipality in which the eligible activity is located has adopted the
14 design standards under s. 101.027 (4) and the eligible activity is in an area that is
15 subject to the design standards.

16 (c) All of the following apply:

17 1. The eligible activity is located in an area that is subject to either a charter
18 under s. 299.83 (7e) issued to an association of entities that includes the municipality
19 in which the area is located or a participation contract under s. 299.83 (6) entered into
20 by the municipality in which the area is located.

21 2. The department of natural resources determines, in consultation with the
22 department of commerce, the department of administration, the public service
23 commission, and the office of energy independence, that implementation of the
24 charter is likely to result in significant reductions in emissions of greenhouse gases,

1 as defined in s. 299.03 (1) (d), or in energy use by public or private entities within the
2 municipality.

3 (d) The eligible activity is located in a municipality that participates in tier I
4 under s. 299.83 (3), the area in which the eligible activity is located is affected by the
5 participation in tier I, and the department of natural resources determines, in
6 consultation with the department of commerce, the department of administration,
7 the public service commission, and the office of energy independence, that the
8 participation in tier I is likely to result in significant reductions in emissions of
9 greenhouse gases, as defined in s. 299.03 (1) (d), or in energy use by public or private
10 entities within the municipality.

11 **SECTION 323.** 560.305 (4) of the statutes, as created by 2009 Wisconsin Act 28,
12 is renumbered 560.305 (4) (a) and amended to read:

13 560.305 (4) (a) The Except as provided in par. (b), the board shall require, as
14 a condition of a grant or loan, that a recipient contribute to a project an amount that
15 is not less than 25 percent of the amount of the grant or loan.

16 **SECTION 324.** 560.305 (4) (b) of the statutes is created to read:

17 560.305 (4) (b) The department may promulgate a rule that specifies a
18 minimum contribution by an eligible recipient that is less than 25 percent of the
19 amount of the grant or loan if all of the following apply:

20 1. The eligible recipient is a municipality.

21 2. The eligible recipient has proposed an eligible activity that satisfies the
22 criteria in s. 560.302 (1m).

23 3. The eligible recipient receives a grant or loan under this subchapter.

24 **SECTION 325.** 1983 Wisconsin Act 401, section 1 is repealed.

25 **SECTION 9101. Nonstatutory provisions; Administration.**

1 (1) GREENHOUSE GAS EMISSIONS BY STATE AGENCIES; GUIDELINES AND PROTOCOLS.

2 The department of administration shall prescribe initial guidelines and protocols
3 under section 16.954 (2) of the statutes, as created by this act, no later than the first
4 day of the 13th month beginning after the effective date of this subsection.

5 (2) GREENHOUSE GAS EMISSIONS BY STATE AGENCIES; INITIAL REPORT.

6 Notwithstanding section 16.954 (6) of the statutes, as created by this act, the
7 department of administration shall submit its initial report under that subsection
8 no later than July 1, 2013.

9 (3) LEVY LIMITS EXCEPTION. Using the procedure under section 227.24 of the

10 statutes, the department of administration may promulgate the rules required
11 under section 66.0602 (3) (e) 9. of the statutes for the period before the effective date
12 of the permanent rule promulgated under that section but not to exceed the period
13 authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding
14 section 227.24 (1) (a), (2) (b), and (3) of the statutes, the department of administration
15 is not required to provide evidence that promulgating a rule under this subsection
16 as an emergency rule is necessary for the preservation of the public peace, health,
17 safety, or welfare and is not required to provide a finding of emergency for a rule
18 promulgated under this subsection.

19 **SECTION 9110. Nonstatutory provisions; Commerce.**

20 (1) AGRICULTURAL FACILITIES ENERGY CONSERVATION CODE. The department of
21 commerce shall submit in proposed form the rules required under section 101.028 of
22 the statutes, as created by this act, to the legislative council staff under section
23 227.15 (1) of the statutes no later than the first day of the 25th month beginning after
24 the effective date of this subsection.

25 **SECTION 9137. Nonstatutory provisions; Natural Resources.**

1 (1) AIR PERMIT STREAMLINING RULES. The department of natural resources shall
2 submit in proposed form the rules to implement section 285.60 (11) of the statutes,
3 as created by this act, to the legislative council staff under section 227.15 (1) of the
4 statutes no later than the first day of the 18th month beginning after the effective
5 date of this subsection.

6 (2) FOREST GRANT PROGRAM. The department of natural resources shall submit
7 in proposed form the rules required under section 26.38 (3) (d) of the statutes, as
8 created by this act, to the legislative council staff under section 227.15 (1) of the
9 statutes no later than the first day of the 7th month beginning after the effective date
10 of this subsection.

11 (3) BIOMASS AVAILABILITY STUDY. The department of natural resources shall
12 create a committee consisting of representatives of state agencies and of groups with
13 interests in the production, availability, and use of biomass. The committee shall
14 study the availability of different types of biomass throughout the state and the
15 impact that the use of biomass for energy production has on prices for biomass and
16 shall evaluate the highest and best uses for biomass. The committee shall submit
17 the results of the study and evaluation to the legislature, in the manner provided
18 under section 13.172 (2) of the statutes, and to the governor no later than July 1,
19 2012.

20 **SECTION 9141. Nonstatutory provisions; Public Service Commission.**

21 (1) RENEWABLE PORTFOLIO STANDARD REPORT.

22 (a) In this subsection:

23 1. “Electric provider” has the meaning given in section 196.378 (1r) (c) of the
24 statutes, as affected by this act.

1 2. “Renewable portfolio standard” has the meaning given in section 196.378
2 (1r) (gm) of the statutes, as created by this act.

3 (b) The public service commission shall study options for ensuring that electric
4 providers are able to comply with the renewable portfolio standard, including options
5 for doing all of the following with regard to renewable energy construction projects:

6 1. Streamlining the regulatory approval and siting process.

7 2. Encouraging proposals that encompass multiple projects, with multiproject,
8 integrative plans for the acquisition of sites, equipment, and contractors.

9 3. Approving multiyear commitments for the acquisition of necessary
10 equipment in a timely manner, with appropriate recovery of development costs.

11 4. Encouraging larger electric providers to partner with smaller electric
12 providers.

13 (c) No later than 6 months after the effective date of this paragraph, the public
14 service commission shall submit a report to the legislature and governor under
15 section 13.172 (2) of the statutes that describes the actions the commission has taken
16 or proposes to take to implement the options specified in paragraph (b) and any
17 recommendations for legislation necessary to fully implement the options.

18 (2) LARGE ENERGY CUSTOMER PROGRAM RULES. The public service commission
19 shall study the rules it has promulgated under section 196.374 (3) (f) 3. of the statutes
20 to determine whether the rules provide adequate opportunities for creating
21 programs under section 196.374 (2) (c) of the statutes. No later than 6 months after
22 the effective date of this subsection, the public service commission shall submit a
23 report to the legislature in the manner provided under section 13.172 (2) of the
24 statutes and to the governor that describes the commission’s findings and the actions
25 the commission has taken or intends to take to correct any deficiencies in the rules.

1 (3) PORTFOLIO CREDIT RULES. The public service commission shall submit in
2 proposed form the rules required under section 196.378 (3) (a) 5., (b), and (c) 4. of the
3 statutes, as created by this act, to the legislative council staff under section 227.15
4 (1) of the statutes no later than the first day of the 6th month beginning after the
5 effective date of this subsection.

6 (4) CONSERVATION CERTIFICATE AND CAPITAL INVESTMENT RULES.

7 (a) Using the procedure under section 227.24 of the statutes, the public service
8 commission shall promulgate rules required under section 196.378 (3m) (b) and (c)
9 3. of the statutes, as created by this act, for the period before the effective date of the
10 permanent rules promulgated under that section, but not to exceed the period
11 authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding
12 section 227.24 (1) (a), (2) (b), and (3) of the statutes, the public service commission
13 is not required to provide evidence that promulgating a rule under this paragraph
14 as an emergency rule is necessary for the preservation of public peace, health, safety,
15 or welfare and is not required to provide a finding of an emergency for a rule
16 promulgated under this paragraph.

17 (b) The public service commission shall submit in proposed form the rules
18 required under section 196.378 (3m) (b) and (c) 3. of the statutes, as created by this
19 act, to the legislative council staff under section 227.15 (1) of the statutes no later
20 than the first day of the 6th month beginning after the effective date of this
21 paragraph.

22 (c) Before the date on which the rules required under section 196.378 (3m) (b)
23 and (c) 3. of the statutes, as created by this act, are promulgated, the public service
24 commission shall administer section 196.378 (3m) of the statutes, as created by this
25 act, according to policies and procedures established by that public service

1 commission, but not promulgated as rules, notwithstanding the absence of rules to
2 administer that section. The public service commission shall make available to the
3 public on its Internet Web site the policies and procedures established by the
4 commission under this paragraph.

5 (d) Before the date on which the rules required under section 196.374 (9) (b) of
6 the statutes, as created by this act, are promulgated, the public service commission
7 shall administer section 196.374 (9) (a) of the statutes, as created by this act,
8 according to policies and procedures established by the public service commission,
9 but not promulgated as rules, notwithstanding the absence of rules to administer
10 that section. In administering section 196.374 (9) (a) of the statutes, as created by
11 this act, pursuant to this paragraph, the public service commission shall give
12 expeditious treatment to investments that involve the creation of conservation
13 certificates, as defined in section 196.378 (1r) (at) of the statutes, as created by this
14 act. The public service commission shall make available to the public on its Internet
15 Web site the policies and procedures established by the commission under this
16 paragraph.

17 (5) MICROCOGENERATION EQUIPMENT.

18 (a) In this subsection, “microcogeneration equipment” means equipment that
19 produces electricity and heat for space or water heating through the combustion of
20 natural gas or liquid propane gas, to which all of the following apply:

21 1. The equipment has a rated electric generation capacity of not more than 20
22 kilowatts.

23 2. The equipment captures not less than 85 percent of the energy content of the
24 fuel in the form of electricity or usable heat.

1 3. The equipment modulates its electric power output to match the electric
2 power demand of the load it serves.

3 (b) A statewide programs contractor, as defined in section 196.374 (1) (me) of
4 the statutes, as created by this act, shall conduct a study of microcogeneration
5 equipment, including the availability and reliability of the equipment, the cost of
6 acquiring, installing, and operating the equipment, and the energy savings that can
7 be realized by replacement of existing equipment commonly in use with
8 microcogeneration equipment. If the contractor finds that microcogeneration
9 equipment has reasonable potential to cost effectively reduce the use of fossil fuels
10 while meeting the electric power and heating needs of residential buildings, the
11 contractor shall include in the residential energy efficiency and conservation
12 programs under the statewide programs, as defined in section 196.374 (1) (mb) of the
13 statutes, as created by this act, elements to promote microcogeneration equipment,
14 including financial assistance or incentives to the owners of residential buildings for
15 the purchase and installation of microcogeneration equipment and elements to
16 provide education to residential building owners regarding the availability of the
17 equipment and and to provide education and training to persons in the building
18 trades regarding the installation and maintenance of the equipment.

19 **SECTION 9150. Nonstatutory provisions; Transportation.**

20 (1) WIND TURBINE REPORT. The department of transportation shall review
21 regulatory barriers to the transport over the highways in this state of wind turbine
22 components. No later than 6 months after the effective date of this subsection, the
23 department shall submit a report to the legislature and governor under section
24 13.172 (2) of the statutes that describes the actions the department has taken to

1 remove such barriers and any recommendations for legislation necessary to fully
2 remove such barriers.

3 **SECTION 9157. Nonstatutory provisions; Other.**

4 (1) SCHOOL DISTRICT PARTICIPATION; INITIAL OEI REPORT. Notwithstanding section
5 16.956 (3) (i) of the statutes, as created by this act, the office of energy independence
6 shall submit its initial report under section 16.956 (3) (i) of the statutes, as created
7 by this act, on July 1, 2013.

8 (2) GREENHOUSE GAS EMISSIONS; INITIAL STATE AGENCY REPORT. Notwithstanding
9 section 299.045 (5) of the statutes, as created by this act, each agency, as defined in
10 section 299.045 (1) (a) of the statutes, as created by this act, shall submit its initial
11 report under section 299.045 (5) of the statutes, as created by this act, on March 1,
12 2013.

13 **SECTION 9333. Initial applicability; Local Government.**

14 (1) LEVY LIMITS EXCEPTION. The treatment of section 66.0602 (3) (e) 9. of the
15 statutes first applies to a fiscal year that begins on January 1 of the year following
16 the year in which this subsection takes effect.

17 **SECTION 9341. Initial applicability; Public Service Commission.**

18 (1) RENEWABLE ENERGY PERCENTAGE REPORTS. The treatment of sections 196.374
19 (1) (am) and 196.378 (1) (ar), (fg), and (fm) (intro.), 1., and 2., (1r) (at), (dm), (ds), (dw),
20 (em), (fg) 2., 3., and 4., (fm) 3. and 4., and (kg), (3), and (3m) of the statutes first
21 applies to reports submitted for the April 15, 2012, deadline under section 196.378
22 (2) (c) 1. of the statutes, as affected by this act.

23 **SECTION 9400. Effective dates; general.** Except as provided in SECTIONS
24 9401 to 9457 of this act, this act takes effect on the day after publication.

25 **SECTION 9401. Effective dates; Administration.**

