



1997 SENATE BILL 517

March 19, 1998 - Introduced by Senator BURKE, cosponsored by Representative R. POTTER. Referred to Committee on Agriculture and Environmental Resources.

1 **AN ACT to amend** 196.374 (1); and **to create** 15.07 (1) (a) 7., 15.07 (1) (d), 15.792,
2 20.155 (1m), 25.17 (1) (kx), 25.96, 196.374 (4), 196.378 and 196.96 of the
3 statutes; **relating to:** establishing programs for low-income energy
4 assistance, improving energy conservation and efficiency markets and
5 encouraging the development and use of renewable resources, creating a public
6 benefits and energy assistance board, establishing a public benefits and energy
7 assistance fund, requiring electric utilities and retail cooperatives to charge
8 access fees to customers and members, imposing requirements on the use of
9 renewable resources by electric and gas utilities and cooperatives, requiring the
10 exercise of rule-making authority, making appropriations and providing a
11 penalty.

Analysis by the Legislative Reference Bureau

This bill creates a public benefits and energy assistance board (board), which is required to establish and administer programs for providing energy assistance to low-income households and conservation and efficiency services to eligible recipients and for encouraging the development and use of renewable energy

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resources. The bill also imposes certain requirements on the generation of electricity from renewable energy resources by public utilities and retail cooperative associations.

Public benefits and energy assistance board

The board, which is attached to the public service commission (PSC), is required to establish programs for each of the following: 1) assisting low-income households with weatherization and energy conservation services and payment of energy bills (low-income assistance programs); 2) providing energy conservation and efficiency services to eligible recipients (conservation programs); and 3) encouraging the development and use of renewable energy resources (renewables programs). The board must hold a hearing before establishing the programs. Interested persons, including members of the public, may intervene in a hearing and, under certain circumstances, receive compensation from the PSC for the reasonable costs of intervention.

The bill requires the division of housing in DOA to contract with certain nonprofit or governmental entities for the administration of the low-income assistance programs. The board may contract with the same types of entities for the administration of the conservation and renewables programs. Under the low-income assistance programs, in each fiscal year, no less than the difference between \$50,000,000 and the amount of funding received by the state under certain federal low-income assistance and weatherization programs (federal programs) must be used for purposes other than paying energy bills. The bill also specifies the minimum amounts that must be used for certain purposes under the conservation and renewables programs.

The programs established by the board are funded by an access fee that the board collects from nonmunicipal electric public utilities, which must charge the access fees to their customers. Municipal electric public utilities and retail electric cooperatives (municipal utilities and cooperatives) are also required to charge an access fee to their customers or members. Every 3 years, a municipal utility or cooperative may elect to contribute all or a specified portion of the access fees to the board for the programs established by the board. A municipal utility or cooperative that does not elect to contribute all of the access fees to the board must spend specified portions of the access fees on its own "commitment to community programs", which are defined as low-income assistance programs, energy conservation programs and programs for promoting the welfare of communities that include the municipal utility's or cooperative's customers or members.

The bill directs the board to determine the amount of an access fee that must be charged by nonmunicipal public utilities, municipal utilities and cooperatives. Each municipal utility and cooperative must charge an access fee that is sufficient for the utility or cooperative to collect an annual average of \$13.16 per meter for each customer or member. However, for the period ending on June 30, 2008, the amount of the access fee paid by an individual customer or member may not exceed 3% of the total of every other charge that is billed to the customer or member during that period.

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For nonmunicipal utilities, the board must determine the amount of the access fee as follows. In fiscal year 1998-99, a portion of the access fee must be in an amount that is sufficient for the board to collect from the nonmunicipal electric utilities the amount that results from subtracting the sum of the following from \$105,000,000: 1) the amount received by the state under the federal programs; and 2) 50% of the access fees charged by municipal utilities and cooperatives. For fiscal years after 1998-99, the amount is determined by subtracting the same amounts from an amount of low-income need that is determined by the board. The remaining portion of the access fee must be sufficient for the board to collect from nonmunicipal utilities the amount that results from subtracting the sum of the following from \$112,000,000: 1) the amount of funding received under the federal programs; and 2) 20% of the access fees charged by municipal utilities and cooperatives. After fiscal year 2000-01, the board may reduce the amount that must be collected from the remaining portion of the access fee if the board discontinues or reduces any of the conservation or renewables programs. The total access fee paid by a customer of a nonmunicipal utility is subject to the same 3% limit that applies to an access fee paid by a customer or member of a municipal utility or cooperative.

The bill also requires certain electric utilities to spend a portion of the access fees on energy conservation programs, rather than paying the entire amount to the board. Under current law, certain electric utilities are required to spend at least 0.5% of their annual operating revenues on energy conservation programs. The bill requires instead that, through fiscal year 2001-02, such electric utilities must spend a specified portion of the access fees on energy conservation programs. After fiscal year 2001-02, the electric utilities are not required to spend a portion of the access fees on energy conservation programs, but must pay the entire amount to the board.

The bill imposes other requirements on the board's programs and the commitment to community programs, including the following:

1. The bill requires public utilities to allow electric customers to make contributions to the board's programs or the commitment to community programs.
2. For purposes of determining whether a municipal utility or cooperative has spent a required amount on a commitment to community program, the bill allows a municipal utility or cooperative to receive credit for any spending by its wholesale electric supplier on the supplier's own commitment to community programs.
3. The bill imposes certain reporting requirements on municipal utilities and cooperatives that spend access fees on commitment to community programs.

Renewable energy resources

Under this bill, a certain percentage of the electricity generated by a public utility or retail cooperative association must be generated from renewable energy resources. The percentage is calculated on the basis of a public utility's or retail cooperative association's "system peak load share", which is defined as the amount of electricity that the public utility or retail cooperative association delivered to its customers or members at that time during the summer of 1996 that the maximum amount of electricity was delivered to all customers and members of all public utilities and retail cooperative associations. The following percentages of a public utility's or retail cooperative association's system peak load share must be generated

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from renewable resources: 1% by December 31, 2000; 1.5% by December 31, 2002; 2% by December 31, 2004; 2.5% by December 31, 2006; 3% by December 31, 2008; and 4% by December 31, 2010.

The bill allows a municipal public utility or retail cooperative association to receive a credit for the amount of electricity generated from renewable resources by its wholesale supplier. In addition, the bill allows public utilities and retail cooperative associations to purchase credits from other public utilities and retail cooperative associations that generate electricity from renewable resources in excess of the required percentages of system peak load share. A public utility or retail cooperative association that purchases such a credit may use the credit for purposes of determining whether it satisfies a required percentage. The PSC must promulgate rules establishing requirements and procedures for sales of such credits.

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

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

1 **SECTION 1.** 15.07 (1) (a) 7. of the statutes is created to read:

2 15.07 (1) (a) 7. Members of the public benefits and energy assistance board
3 appointed under s. 15.792 (1) (b) or (c) shall be appointed as provided in s. 15.792 (1)
4 (b) or (c) without senate confirmation.

5 **SECTION 2.** 15.07 (1) (d) of the statutes is created to read:

6 15.07 (1) (d) Except as provided in s. 15.792 (1) (b) 5. or 8. or (c), no member
7 appointed to the public benefits and energy assistance board may be an employe of
8 a utility, as defined in 196.374 (1).

9 **SECTION 3.** 15.792 of the statutes is created to read:

10 **15.792 Same; attached board.** PUBLIC BENEFITS AND ENERGY ASSISTANCE
11 BOARD. (1) (a) In this subsection:

12 1. "Electric utility" has the meaning given in s. 196.96 (1) (f).

13 2. "Low-income household" has the meaning given in s. 196.96 (1) (L).

14 3. "Municipal utility" has the meaning given in s. 196.96 (1) (p).

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- 1 4. “Renewable resource” has the meaning given in s. 196.378 (1) (g).
- 2 5. “Retail cooperative” has the meaning given in s. 196.96 (1) (r).
- 3 6. “Small business” has the meaning given in s. 16.75 (4) (c).
- 4 7. “Small business representative” means a director, manager, member, officer,
5 owner or partner of a small business.
- 6 (b) There is created a public benefits and energy assistance board that is
7 attached to the public service commission under s. 15.03. The board shall consist of
8 the following members appointed for 3-year terms:
- 9 1. One member appointed by the governor who is a member of a low-income
10 household or who represents a low-income household advocacy group.
- 11 2. One member appointed by the president of the senate who is a residential
12 electric utility customer or who represents a residential electric utility customer
13 advocacy group.
- 14 3. One member appointed by the governor who is a small business
15 representative or who represents a small business advocacy group.
- 16 4. One member appointed by the president of the senate who represents an
17 environmental or renewable resource advocacy group.
- 18 5. One member appointed by the president of the senate who represents of a
19 municipal utility or retail cooperative or municipal utility or retail cooperative
20 advocacy group.
- 21 6. One member appointed by the speaker of the assembly who is a member of
22 a low-income household or who represents a low-income household advocacy group.
- 23 7. One member appointed by the speaker of the assembly who represents an
24 environmental or renewable resource advocacy group.

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1 8. One member appointed by the speaker of the assembly who represents an
2 electric utility or electric utility advocacy group.

3 9. One member appointed by the chairperson of the public service commission
4 to represent the public service commission.

5 10. One member appointed by the secretary of natural resources to represent
6 the department of natural resources.

7 11. One member appointed by the administrator of the division of housing in
8 the department of administration to represent the division of housing.

9 (c) 1. a. Notwithstanding par. (b) (intro.) and 5., if fewer than one-third of the
10 municipal utilities and retail cooperatives doing business in this state notify the
11 board under s. 196.96 (5) (b) 1. that they have elected not to contribute to any of the
12 programs established under s. 196.96 (2) (a) or (b), the president of the senate shall
13 appoint a representative of an electric utility or electric utility advocacy group to
14 succeed the member appointed under par. (b) 5. and the member appointed under
15 par. (b) 5. shall vacate his or her membership at the time that the member is
16 appointed under this subd. 1. a. A member appointed under this subd. 1. a. shall
17 serve on the board until a member is appointed under subd. 2.

18 b. If one-third or more of the municipal utilities and retail cooperatives doing
19 business in this state notify the board under s. 196.96 (5) (b) 1. that they have elected
20 to contribute to any of the programs established under s. 196.96 (2) (a) or (b), the
21 member appointed under par. (b) 5. shall serve for a term expiring on the first day
22 of the 48th month beginning after the effective date of this subd. 1. b. [revisor
23 inserts date].

24 2. a. If one-third or more of the municipal utilities and retail cooperatives doing
25 business in this state notify the board under s. 196.96 (5) (b) 2. that they have elected

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1 to contribute to any of the programs established under s. 196.96 (2) (a) or (b), the
2 president of the senate shall appoint one member to the board who is a
3 representative of a municipal utility or retail cooperative or municipal utility or
4 retail cooperative advocacy group for a 3-year term.

5 b. Notwithstanding par. (b) (intro.) or 5., if fewer than one-third of the
6 municipal utilities and retail cooperatives doing business in this state notify the
7 board under s. 196.96 (5) (b) 2. that they have elected not to contribute to any of the
8 programs established under s. 196.96 (2) (a) or (b), the president of the senate shall
9 appoint a member to the board who is a representative of an electric utility or electric
10 utility advocacy group for a 3-year term.

11 **SECTION 4.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
12 the following amounts for the purposes indicated:

| | 1997-98 | 1998-99 |
|---|----------------|----------------|
| 20.155 Public service commission | | |

15 (1m) PUBLIC BENEFITS AND ENERGY ASSISTANCE BOARD

| | | | |
|-------------------------------------|-------|---------|---------|
| 16 (s) Compensation of interverners | SEG A | 500,000 | 500,000 |
|-------------------------------------|-------|---------|---------|

17 **SECTION 5.** 20.155 (1m) of the statutes is created to read:

18 20.155 (1m) PUBLIC BENEFITS AND ENERGY ASSISTANCE BOARD. (q) *General*
19 *program operations.* From the public benefits and energy assistance fund, a sum
20 sufficient for general program operations of the public benefits and energy
21 assistance board.

22 (r) *Grants.* From the public benefits and energy assistance fund, a sum
23 sufficient for low-income assistance grants under s. 196.96 (2) (a) and energy
24 conservation and efficiency and renewable resource grants under s. 196.96 (2) (b).

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1 (s) *Compensation of intervenors.* From the public benefits and energy
2 assistance fund, the amounts in the schedule for compensating persons who
3 intervene in hearings under the rules promulgated under s. 196.96 (2) (e) 3.

4 **SECTION 6.** 25.17 (1) (kx) of the statutes is created to read:

5 25.17 (1) (kx) Public benefits and energy assistance fund (s. 25.96);

6 **SECTION 7.** 25.96 of the statutes is created to read:

7 **25.96 Public benefits and energy assistance fund.** There is established
8 a separate nonlapsible trust fund designated as the public benefits and energy
9 assistance fund, consisting of the access fees received under s. 196.96 (4) (a) and (5)
10 (c) and (d) and contributions received under s. 196.96 (2) (f) and (g).

11 **SECTION 8.** 196.374 (1) of the statutes is amended to read:

12 196.374 (1) In this section, “utility” means a class A gas or electric utility, as
13 defined by the commission. Every utility shall spend ~~annually at least 0.5% of its~~
14 ~~total annual operating revenues~~ the amount specified in s. 196.96 (4) (d) 1. on
15 programs designed to promote and accomplish energy conservation. ~~The commission~~
16 ~~may require a utility to spend annually, for the purpose of promoting and~~
17 ~~accomplishing energy conservation, an amount which is more or less than 0.5% of its~~
18 ~~annual operating revenues if, after notice and hearing, the commission finds that the~~
19 ~~expenditure of such amount is in the public interest.~~

20 **SECTION 9.** 196.374 (4) of the statutes is created to read:

21 196.374 (4) This section does not apply after June 30, 2002.

22 **SECTION 10.** 196.378 of the statutes is created to read:

23 **196.378 Renewable resources. (1) DEFINITIONS.** In this section:

24 (a) “Biomass” means a resource that generates energy from wood or plant
25 material or residue, biological waste, crops grown for use as a resource or landfill

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1 gases. "Biomass" does not include garbage, as defined in s. 289.01 (9), or industrial,
2 commercial or household waste.

3 (b) "Capacity" means the amount of electricity that an electric or gas provider
4 is capable of delivering to its customers or members at a specified time.

5 (c) "Conventional resource" means a resource that generates energy from coal,
6 oil, nuclear power or natural gas, except for natural gas used in a fuel cell.

7 (d) "Electric or gas provider" means an electric or gas utility or retail
8 cooperative.

9 (e) "Electric or gas utility" means a public utility that generates, transmits,
10 delivers or furnishes electricity or gas.

11 (f) "Municipal utility" means an electric or gas utility that is owned or operated
12 wholly by a municipality.

13 (g) "Renewable resource" means any of the following:

14 1. A resource that generates energy from any of the following:

15 a. A fuel cell that uses, as determined by the commission, a renewable fuel.

16 b. Tidal action.

17 c. Solar photovoltaic energy.

18 d. Wind power.

19 e. Geothermal technology.

20 f. Hydroelectric power.

21 g. Biomass.

22 2. Any other resource, except a conventional resource, that the commission
23 designates as a renewable resource in rules promulgated under sub. (4).

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1 (h) "Renewable resource credit" means a percentage by which an electric or gas
2 provider's renewable resource percentage exceeds a percentage of the electric or gas
3 provider's system peak load share specified in sub. (2) (a) 1. to 6.

4 (i) "Renewable resource percentage" means the percentage of an electric or gas
5 provider's capacity that is generated from renewable resources.

6 (j) "Resource" means a source of electric power generation.

7 (k) "Retail cooperative" means a cooperative association organized under ch.
8 185 for the purpose of providing electricity or gas at retail to its members only.

9 (L) "System peak load" means the maximum amount of electricity that was
10 delivered to all customers or members of all electric or gas providers at any one time
11 during the period from May 1, 1996, to September 15, 1996.

12 (m) "System peak load share" means the amount of electricity that was
13 delivered to all customers or members of an electric or gas provider by the electric
14 or gas provider at the time that the system peak load was delivered to all customers
15 or members of all electric or gas providers.

16 **(2) RENEWABLE RESOURCE PERCENTAGES.** (a) The renewable resource percentage
17 of an electric or gas provider, as calculated under par. (b), shall be at least the
18 following percentages of the electric or gas provider's system peak load share:

- 19 1. By December 31, 2000, 1%.
- 20 2. By December 31, 2002, 1.5%.
- 21 3. By December 31, 2004, 2%.
- 22 4. By December 31, 2006, 2.5%.
- 23 5. By December 31, 2008, 3%.
- 24 6. By December 31, 2010, 4%.

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1 (b) In calculating an electric or gas provider's renewable resource percentage
2 under par. (a), each of the following applies:

3 1. Any amount of capacity that is generated from hydroelectric power and that
4 is more than 1% of the electric or gas provider's system peak load share may not be
5 counted as part of the provider's capacity that is generated from renewable
6 resources.

7 1g. An electric or gas provider may not count as part of the provider's capacity
8 that is generated from renewable resources any capacity that the electric provider
9 is required, as determined by the commission, to generate from renewable resources
10 under the law of another state.

11 1r. An electric or gas provider may count as part of the provider's capacity that
12 is generated from renewable resources only that capacity which is installed and
13 rated on the basis of periodic tests.

14 2. The amount of any renewable resource credit purchased by the electric or gas
15 provider under sub. (3) may be counted as part of the provider's capacity that is
16 generated from renewable resources.

17 3. For a municipal utility or retail cooperative, the amount of any capacity that
18 the municipal utility or retail cooperative purchases at wholesale and that is
19 generated from renewable resources may be counted as part of the provider's
20 capacity that is generated from renewable resources.

21 **(3) RENEWABLE RESOURCE CREDITS.** An electric or gas provider that has a
22 renewable resource percentage that is more than the percentage of the electric or gas
23 provider's system peak load share specified in sub. (2) (a) 1. to 6. for the applicable
24 year may sell to any other electric or gas provider a renewable resource credit or a

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1 portion of a renewable resource credit. The commission may promulgate rules that
2 establish requirements and procedures for a sale under this subsection.

3 (4) RULES. The commission may promulgate rules that designate a resource,
4 except for a conventional resource, as a renewable resource in addition to the
5 resources specified in sub. (1) (g) 1.

6 (5) PENALTY. Any person who violates sub. (2) (a) shall forfeit no less than
7 \$10,000 nor more than \$500,000. Forfeitures under this subsection shall be enforced
8 by action on behalf of the state by the attorney general. A court imposing a forfeiture
9 under this subsection shall consider all of the following in determining the amount
10 of the forfeiture:

11 (a) The appropriateness of the forfeiture to the volume of business of the electric
12 or gas provider.

13 (b) The gravity of the violation.

14 **SECTION 11.** 196.96 of the statutes is created to read:

15 **196.96 Public benefits and energy assistance.** (1) DEFINITIONS. In this
16 section:

17 (a) "Board" means the public benefits and energy assistance board created in
18 s. 15.792 (1) (b).

19 (b) "Capacity" has the meaning given in s. 196.378 (1) (b).

20 (c) "Community assistance program" means a program to provide assistance
21 to, or to promote the welfare of, a community that includes the customers or members
22 of a municipal utility or retail cooperative.

23 (cm) "Commitment to community program" means a program for low-income
24 assistance or a community assistance, energy conservation or load management
25 program.

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1 (d) "Division of housing" means the division of housing in the department of
2 administration.

3 (e) "Electric provider" means an electric utility, retail cooperative or wholesale
4 cooperative.

5 (f) "Electric utility" means a public utility that generates, transmits, delivers
6 or furnishes electricity.

7 (g) "Energy conservation program" means a program for reducing the demand
8 for electricity during any period.

9 (h) "Fiscal year" has the meaning given in s. 655.001 (6).

10 (i) "Load management program" means a program for reducing the demand for
11 electricity during an electric provider's period of maximum demand.

12 (j) "Local unit of government" means the governing body of any county, city,
13 town, village or county utility district or the elected tribal governing body of a
14 federally recognized American Indian tribe or band.

15 (k) "Low-income assistance" means assistance to low-income households for
16 weatherization and energy conservation services or payment of energy bills.

17 (L) "Low-income household" means any individual or group of individuals in
18 this state who are living together as one economic unit and for whom residential
19 electricity is customarily purchased in common or who make undesignated
20 payments for electricity in the form of rent, and whose household income is not more
21 than 150% of the poverty line as determined under 42 USC 9902 (2).

22 (m) "Low-income need" means the amount obtained by subtracting from the
23 total low-income electricity bills in a fiscal year the product of 2.2% of the average
24 annual income of low-income households in this state in that fiscal year multiplied
25 by the number of low-income households in this state in that fiscal year.

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1 (n) "Low-income need percentage" means the percentage that results from
2 dividing \$105,000,000 by the amount of low-income need in a fiscal year.

3 (o) "Low-income need target" means the product of the low-income need
4 percentage in a fiscal year multiplied by low-income need in that fiscal year.

5 (p) "Municipal utility" means an electric utility that is owned or operated
6 wholly by a municipality.

7 (q) "Renewable resource" has the meaning given in s. 196.378 (1) (g).

8 (r) "Retail cooperative" means a cooperative association organized under ch.
9 185 for the purpose of providing electricity at retail to its members only.

10 (s) "Total low-income electricity bills" means the total amount that all
11 low-income households are billed for residential electricity by electric providers in
12 a fiscal year.

13 (t) "Wholesale cooperative" means a cooperative association organized under
14 ch. 185 for the purpose of providing electricity at wholesale to its members only.

15 (tm) "Wholesale percentage of capacity" means the percentage of a municipal
16 utility's or retail cooperative's capacity in a fiscal year that is supplied by a wholesale
17 supplier.

18 (u) "Wholesale supplier" means a wholesale supplier of electricity, including a
19 wholesale cooperative, to a municipal utility or retail cooperative.

20 **(2) BOARD DUTIES.** The board shall do all of the following:

21 (a) After holding a hearing, establish programs to be administered by the
22 department of administration through the division of housing for awarding grants
23 from the appropriation under s. 20.155 (1m) (r) to provide low-income assistance.
24 A hearing under this paragraph may not be a hearing under s. 227.42 or 227.44. In
25 each fiscal year, no less than the amount obtained from subtracting from \$50,000,000

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1 the sum of all moneys received under 42 USC 6861 to 6873 in a fiscal year shall be
2 awarded under this paragraph in grants for low-income assistance other than
3 payment of energy bills.

4 (b) Subject to par. (d), after holding a hearing that is not a hearing under s.
5 227.42 or 227.44, establish and administer programs for awarding grants from the
6 appropriation under s. 20.155 (1m) (r) for each of the following:

7 1. Proposals for providing energy conservation or efficiency services. In
8 awarding grants under this subdivision, the board shall give priority to proposals
9 directed at the sectors of energy conservation or efficiency markets that are least
10 competitive and at promoting environmental protection or rural economic
11 development. In each fiscal year, no less than 1.75% of the amount obtained by
12 subtracting from the appropriation under s. 20.155 (1m) (r) the amount awarded
13 under par. (a) shall be awarded in grants for research and development proposals
14 regarding the environmental impacts of the electric industry.

15 2. Proposals for encouraging the development or use of customer applications
16 of renewable resources, including educating customers about renewable resources
17 or encouraging uses of renewable resources by customers or encouraging research
18 technology transfers. In each fiscal year, the board shall ensure that no less than
19 4.5% of the amount obtained by subtracting from the appropriation under s. 20.155
20 (1m) (r) the amount awarded under par. (a) shall be awarded in grants under this
21 subdivision.

22 (bm) The board may award grants under par. (b) only for proposals that are
23 consistent with strategic planning decisions of the commission.

24 (c) For each fiscal year after 1998-99, determine the low-income need target
25 for that fiscal year.

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1 (d) For each fiscal year after 2000-01, determine whether to continue,
2 discontinue or reduce any of the programs established under par. (b) and determine
3 the total amount necessary to fund the programs that the board determines to
4 continue or reduce under under this paragraph. An amount determined under this
5 paragraph may not be more than \$112,000,000.

6 (e) Promulgate rules establishing all of the following:

7 1. Eligibility requirements for low-income assistance under programs
8 established under par. (a). The rules shall prohibit a person who receives
9 low-income assistance from a municipal utility or retail cooperative under a
10 program specified in sub. (5) (d) 2. b. or 3. a. from receiving low-income assistance
11 under programs established under par. (a).

12 2. Requirements and procedures for applications for grants awarded under
13 programs established under par. (a) or (b).

14 3. Requirements and procedures that allow an interested person, including a
15 member of the public, to intervene in a hearing under par. (a) or (b) (intro.) and allow
16 the board to award compensation from the appropriation under s. 20.155 (1m) (s) to
17 a person that is not an electric provider for some or all of the reasonable costs of
18 intervening in a hearing if the board finds any of the following:

19 a. That the intervention is necessary to provide an adequate presentation of a
20 significant position in which the person has a substantial interest and that an
21 adequate presentation would not be possible without compensation.

22 b. That the intervention has provided a significant contribution to the
23 establishment of a program and has caused a significant financial hardship to the
24 person.

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1 (f) Encourage voluntary contributions to assist in funding the programs
2 established under pars. (a) and (b). The board shall deposit all contributions received
3 under this paragraph in the public benefits and energy assistance fund.

4 (g) Promulgate rules that require electric utilities to allow customers to include
5 voluntary contributions to assist in funding a commitment to community program
6 or a program established under par. (a) or (b) with bill payments for electric service.
7 The rules may require an electric utility to provide a space on an electric bill in which
8 a customer may indicate the amount of a voluntary contribution and the customer's
9 preference regarding whether a contribution should be used for a commitment to
10 community program or a program established under par. (a) or (b) 1. or 2. The rules
11 shall establish requirements and procedures for electric utilities to pay to the board
12 any voluntary contributions included with bill payments, except for voluntary
13 contributions to a commitment to community program that are received by a
14 municipal utility that is required under sub. (5) (d) to spend the access fees that it
15 charges on the commitment to community program, and to report customer
16 preferences regarding use of the contributions. The board shall deposit all
17 contributions received under this paragraph in the public benefits and energy
18 assistance fund.

19 (h) Deposit all moneys received under sub. (4) (a) or (5) (c) or (d) in the public
20 benefits and energy assistance fund.

21 **(3) CONTRACTS.** (a) The division of housing shall, on the basis of competitive
22 bids, contract with a community action agency described in s. 46.30 (2) (a) 1., a
23 nonstock, nonprofit corporation organized under ch. 181 or a local unit of government
24 to administer a program established under sub. (2) (a).

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1 (b) The board may, on the basis of competitive bids, contract with a community
2 action agency described in s. 46.30 (2) (a) 1., a nonstock, nonprofit corporation
3 organized under ch. 181 or a local unit of government to administer a program
4 established under sub. (2) (b).

5 (4) ELECTRIC UTILITIES. (a) *Requirement to charge access fees.* Each electric
6 utility, except for a municipal utility, shall charge each customer an access fee in an
7 amount established in rules promulgated by the board under par. (b). An electric
8 utility, except for a municipal utility, shall collect and, except as provided in par. (d)
9 2., pay the fees to the board in accordance with the rules promulgated under par. (b).

10 (b) *Rules.* The board shall promulgate rules that establish the amount of an
11 access fee that an electric utility shall charge a customer under par. (a) and
12 requirements and procedures for an electric utility to collect and pay the fees to the
13 board. Rules promulgated under this paragraph may allow an electric utility to
14 charge different fees to different classes of customers, but no class of customers may
15 be required to pay, in the aggregate, a disproportionate amount in comparison to any
16 other class of customers. The rules shall prohibit an electric utility from itemizing
17 an access fee on a customer's bill unless other nonfuel costs are also itemized on the
18 bill.

19 (c) *Amount of access fees.* A fee established in rules promulgated under par. (b)
20 shall satisfy each of the following:

21 1. In fiscal year 1998-99, a portion of the fee shall be in an amount that is
22 sufficient for the board to receive from all electric utilities the amount obtained by
23 subtracting from \$105,000,000 the sum of all moneys received under 42 USC 8621
24 to 8629 and 42 USC 6861 to 6873 for that fiscal year and 50% of the access fees
25 charged by municipal utilities and retail cooperatives under sub. (5) (a) for that fiscal

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1 year. In each fiscal year after fiscal year 1998-99, the portion of the fee specified in
2 this subdivision shall be in amount that is sufficient for the board to receive from all
3 electric utilities the amount obtained by subtracting from the amount of the
4 low-income need target determined by the board for that fiscal year under sub. (2)
5 (c) the sum of all moneys received under 42 USC 8621 to 8629 and 42 USC 6861 to
6 6873 for that fiscal year and 50% of the access fees charged by municipal utilities and
7 retail cooperatives under sub. (5) (a) for that fiscal year.

8 2. For fiscal years 1998-99, 1999-2000 and 2000-01, a portion of the fee shall
9 be in an amount that is sufficient for the board to receive from all electric utilities
10 the amount obtained by subtracting from \$112,000,000 20% of the access fees
11 charged by municipal utilities and retail cooperatives under sub. (5) (a) for that fiscal
12 year. For each fiscal year after 2000-01, if the board determines under sub. (2) (d)
13 to discontinue or reduce a program established under sub. (2) (b), the portion of the
14 fee specified in this subdivision shall be in an amount that is sufficient for the board
15 to receive from all electric utilities the amount obtained by subtracting from the
16 amount of funding determined by the board under sub. (2) (d) 20% of the access fees
17 charged by municipal utilities and retail cooperatives under sub. (5) (a) for that fiscal
18 year.

19 3. The amount of a fee paid by a customer of an electric utility shall be based
20 on the number of meters that provide service to the customer.

21 4. Except as provided in subd. 5., the average annual amount of a fee paid by
22 a customer of an electric municipal utility per meter may be no less than \$13.16 nor
23 more than \$15.79.

24 5. For the period beginning on the effective date of this subdivision [revisor
25 inserts date], and ending on June 30, 2008, the total amount of a fee charged to a

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1 customer of an electric utility may not exceed 3% of the total of every other charge
2 for which a customer is billed for that period.

3 (d) *Energy conservation programs.* 1. An electric utility shall spend the
4 following percentage of the access fees that it collects under par. (a) on energy
5 conservation programs under s. 196.374:

6 a. In fiscal year 1999-2000, 75%.

7 b. In fiscal year 2000-01, 50%.

8 c. In fiscal year 2001-02, 25%.

9 2. An electric or gas utility shall deduct from the amount that the electric utility
10 is required to pay to the board under par. (a) an amount equal to the amount that it
11 is required to spend under subd. 1.

12 3. This paragraph does not apply after June 30, 2002.

13 (5) MUNICIPAL UTILITIES AND RETAIL COOPERATIVES. (a) *Requirement to charge*
14 *access fees.* Each retail cooperative and municipal utility shall charge an access fee
15 to each customer or member in amount that is sufficient for the retail cooperative or
16 municipal utility to collect an annual average of \$13.16 for each meter that provides
17 service to each customer or member. A retail cooperative or municipal utility may
18 determine the amount that a particular customer or member or particular class of
19 customers or members is required to pay under this paragraph.

20 (am) *Access fee restriction.* Notwithstanding par. (a), for the period beginning
21 on the effective date of this paragraph [revisor inserts date], and ending on June
22 30, 2008, the total amount of a fee charged to a customer or member under par. (a)
23 may not exceed 3% of the total of every other charge for which a member or customer
24 is billed for that period.

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1 (b) *Election to contribute to board programs.* 1. No later than the first day of
2 the 12th month beginning after the effective date of this subdivision [revisor
3 inserts date], each municipal utility or retail cooperative shall notify the board
4 whether it has elected to contribute to the programs established under sub. (2) (a)
5 or (b) for a 3-year period.

6 2. No later than every 3rd year after the date specified in subd. 1., each
7 municipal utility or retail cooperative shall notify the board whether it has elected
8 to contribute to the programs established under sub. (2) (a) or (b) for a 3-year period.

9 (c) *Full contribution.* If a municipal utility or retail cooperative elects under
10 par. (b) 1. or 2. to contribute to the programs established both under sub. (2) (a) and
11 under sub. (2) (b), it shall pay 100% of the access fees that it charges under par. (a)
12 to the board in each fiscal year of the 3-year period for which it has made the election.

13 (d) *Partial contributions.* A municipal utility or retail cooperative not specified
14 in par. (c) may use no more than 10% of the access fees that it charges under par. (a)
15 to compensate a wholesale supplier for costs incurred by the wholesale supplier in
16 satisfying a renewable resource percentage requirement under s. 196.378 (2) (a) and
17 shall do one of the following:

18 1. If the municipal utility or retail cooperative elects to contribute only to the
19 programs established under sub. (2) (a), the municipal utility or retail cooperative
20 shall, in each fiscal year of the 3-year period for which it elects to contribute under
21 par. (b) 1. or 2., do all of the following:

22 a. Pay no less than 50% of the access fees that it charges under par. (a) to the
23 board.

24 b. Spend no less than 20% of the access fees that it charges under par. (a) on
25 energy conservation programs. No more than 10% of the amount that a municipal

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1 utility or retail cooperative spends on energy conservation programs under this subd.

2 1. b. may be spent on load management programs.

3 c. Spend any remaining amounts on community assistance or load
4 management programs.

5 2. If the municipal utility or retail cooperative elects to contribute only to the
6 programs established under sub. (2) (b), the municipal utility or retail cooperative
7 shall, in each fiscal year of the 3-year period for which it elects to contribute under
8 par. (b) 1. or 2., do all of the following:

9 a. Pay 20% of the access fees that it charges under par. (a) to the board.

10 b. Spend no less than 50% of the access fees that it charges under par. (a) on
11 programs for low-income assistance.

12 c. Spend any remaining amounts on community assistance or load
13 management programs.

14 3. If the municipal utility or retail cooperative elects not to contribute to any
15 of the programs established under sub. (2) (a) or (b), the municipal utility or retail
16 cooperative shall, in each fiscal year of the 3-year period for it which elects not to
17 contribute under par. (b) 1. or 2., do all of the following:

18 a. Spend no less than 50% of the access fees that it charges under par. (a) on
19 programs for low-income assistance.

20 b. Spend no less than 20% of the access fees that it charges under par. (a) on
21 energy conservation programs. No more than 10% of the amount that a municipal
22 utility or retail cooperative spends on energy conservation programs under this subd.

23 3. b. may be spent on load management programs.

24 c. Spend any remaining amounts on community assistance or load
25 management programs.

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1 (e) *Wholesale supplier credit.* If a wholesale supplier of a municipal utility or
2 retail cooperative has established a commitment to community program, the
3 municipal utility or retail cooperative may do any of the following:

4 1. Include an amount equal to the product of the municipal utility's or retail
5 cooperative's wholesale supply percentage and the amount that the wholesale
6 supplier has spent on low-income assistance in a fiscal year in calculating the
7 amount that the municipal utility or retail cooperative has spent on low-income
8 assistance in that fiscal year under par. (d) 2. b. or 3. a.

9 2. Include an amount equal to the product of the municipal utility's or retail
10 cooperative's wholesale supply percentage and the amount that the wholesale
11 supplier has spent on energy conservation programs in a fiscal year in calculating
12 the amount that the municipal utility or retail cooperative has spent on energy
13 conservation programs under par. (d) 1. b. or 3. b.

14 (f) *Joint programs.* Municipal utilities or retail cooperatives may establish
15 joint commitment to community programs, except that each municipal utility or
16 retail cooperative that participates in a joint program is required to comply with the
17 spending requirements under par. (d).

18 (g) *Reports.* 1. For each fiscal year, each municipal utility and retail
19 cooperative that does not pay 100% of the access fee that it charges under par. (a) to
20 the board under par. (c) shall file a report with the secretary of state that describes
21 each of the following:

22 a. An accounting of access fees charged to customers or members under par. (a)
23 in the fiscal year and expenditures on commitment to community programs under
24 par. (d), including any amounts included in the municipal utility's or retail
25 cooperative's calculations under par. (e).

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1 b. A description of commitment to community programs established by the
2 municipal utility or retail cooperative in the fiscal year.

3 2. The secretary of state shall maintain reports filed under subd. 1. for a period
4 of at least 6 years.

SECTION 12. Nonstatutory provisions.

5 (1) INITIAL APPOINTMENTS TO PUBLIC BENEFITS AND ENERGY ASSISTANCE BOARD.
6 Notwithstanding section 15.792 (1) (b) (intro.) of the statutes, as created by this act,
7 the following initial members of the public benefits and energy assistance board shall
8 be appointed by the first day of the 3rd month beginning after the effective date of
9 this paragraph for the following terms:
10

11 (a) The members specified in section 15.792 (1) (b) 3., 4. and 9. of the statutes,
12 as created by this act, for terms expiring on July 1, 1999.

13 (b) The members specified in section 15.792 (1) (b) 1., 2., 8. and 10. of the
14 statutes, as created by this act, for terms expiring on July 1, 2000.

15 (c) The members specified in section 15.792 (1) (b) 6., 7. and 11. of the statutes,
16 as created by this act, for terms expiring on July 1, 2001.

17 (2) RENEWABLE RESOURCES STUDY AND REPORT. The public service commission
18 shall study the feasibility and desirability of allowing customers of public utilities
19 to pay separate rates for electricity that is generated from renewable resources, as
20 defined in section 196.378 (1) (g) of the statutes, as created by this act, and evaluate
21 whether such resources are competitive with conventional resources, as defined in
22 section 196.378 (1) (c) of the statutes, as created by this act. The commission shall
23 submit a report on the results of the study and evaluation to the legislature in the
24 manner provided in section 13.172 (2) of the statutes no later than January 1, 2000.
25 The report shall include any recommended proposals for legislation, including

