

To:Wisconsin LegislatureFrom:WUA, WUI, WPPI Energy, MEUW, FRWD, CBG, IUOE, NCS-RCCRe:Please Support SB 481 and AB 470, "ROFR"Date:October 12, 2023

On behalf of Wisconsin's energy providers, workers and investors, the Wisconsin Utilities Association, the Municipal Electric Utilities of Wisconsin, WPPI Energy, Construction Business Group, Operating Engineers, NCS Regional Council of Carpenters, Fair Rates for Wisconsin's Dairyland and Wisconsin Utility Investors, **respectfully urge you to support SB 481** and AB 470, regarding the Right of First Refusal (ROFR) for Wisconsin transmission companies.

As you may know, Wisconsin's electric providers are seeking support for our state's companies to have the Right of First Refusal to build transmission lines in Wisconsin.

- Passing ROFR will save money for Wisconsin consumers because the <u>MISO</u> (Midcontinent Independent System Operator) permits existing grid companies such as ATC and Xcel to allocate more Operating & Maintenance (O&M) costs to other states across the MISO footprint. This cost advantage is only available to Wisconsin energy consumers when local grid companies build, operate and maintain the project. Thus, allowing out-of-state entities to build these projects will raise transmission rates for Wisconsin energy consumers.
- ROFR legislation keeps the decisions about who builds Wisconsin's power grid in Wisconsin. It ensures that Wisconsin-based utilities will continue to build, operate and maintain the grid. ROFR maintains local and state control of the grid and keeps costs down for Wisconsin energy consumers.
- Under the bill the **Public Service Commission of Wisconsin would retain oversight** over the grid and make decisions with energy consumers in mind; The safe and reliable grid service provided by local Wisconsin grid companies will thus be maintained.
- **Competitive bidding for project construction is specifically maintained** under the ROFR bill; Wisconsin consumers pay less because local grid operators can share overall O&M costs across the Midwest region and the state process for approving large projects stays in place, cutting the time and money spent on the project.
- Without this legislation, Wisconsin transmission regulation will fall under the federal process, per <u>FERC Order</u> <u>1000</u>, allowing out-of-state hedge funds and other developers to make decisions about how the grid is built, operated and maintained. If Wisconsin cedes control to the federal government over who builds out the grid, projects will take more time to be built and put in service sometimes as much as two years more because of the inefficiency of the federal process.

Given the options of the Wisconsin Public Service Commission regulating our transmission system or the federal government, the choice is an easy one. We pick Wisconsin.

On behalf of Wisconsin's energy providers, investors and workers, we respectfully urge policymakers to support SB 481 and AB 470, on the Right of First Refusal for Wisconsin companies to build transmission lines.