

August 30, 2023

The following are highlights of issues which WUA is either monitoring or on which WUA is engaged during the 2023-2024 Legislative Session. The latest actions are noted in italics:

[SB 22](#) / [AB 20](#) **Electricity Tax Exemption (Jacque, Murphy)** - Introduced January 30th, this bill extends the sales and use tax exemption for electricity and natural gas sold for residential use to year-round. *AB 20* was referred to Assembly Committee on Ways and Means. WUA supports these bills. SB 22 was referred to Senate Utilities & Technology which held a public hearing May 16th. WUA registered in favor. *No action since the previous report.*

[SB 308](#) / [AB 302](#) - **Data Centers (Quinn, Zimmerman)** - This bill creates a sales and use tax exemption for equipment or software used by a qualified data center for the processing, storage, retrieval, or communication of data. WUA supports this bill which was introduced May 24th and referred to the Committee on Universities and Revenue. Ways and Means Committee held a public hearing June 8th. WUA registered in favor. Executive session was held June 15 on AB 302 by Ways and Means and the Committee recommended passage, 10-0 with 2 absent. The Joint Survey Committee on Tax Exemptions recommended on June 20th that the tax exemption provisions are good public policy, 9-0. AB 302 passed the Assembly, as amended by [ASA 1](#), (at the request of DOR and WEDC, avoids inconsistencies by consolidating items referenced as exempt; provide a claw back; clarify the certification process; and facilitate data sharing between WEDC-DOR) on a voice vote June 21st. *It was referred to the Senate Committee on Universities and Revenue June 23rd where it currently resides.*

[SB 49](#) / [AB 45](#), **Energy Freedom, a.k.a. "ban the ban" (Bradley, Knodl)** - This bill prohibits local governments from restricting utility service based on the type of energy to be provided and from discriminating against a utility or LP provider based on the source of the service. It does not affect their authority to either 1) manage or operate a public utility; or 2) take steps designed to reduce greenhouse gas emissions. WUA Supports this bill. SB 49 was introduced February 14th and referred to the Senate Utilities and Technology Committee, [SA 1](#) (adds co-ops) was offered. Companion bill AB 45 was introduced February 20, 2023 and referred to the Assembly Energy & Utilities Committee and [AA 1](#) (adds co-ops) was offered. SSA 1 (incorporates SA 1, adds state agencies) was introduced May 15th and a public hearing was held May 16 on both bills. WUA jointly testified in favor of both bills with AGA. SB 49 was voted out of committee, 3-2 (Pfaff, Smith) as amended by [SSA 1](#), also 3-2 (Pfaff, Smith) on May 25th. [AB 45](#) was voted out of committee June 7 on a 11-3 vote, as amended by [ASA 1 \(Adds state agencies\)](#). (Subeck, Andraca, Moore Omokunde voted against adoption of ASA1 and passage, as amended). SB 49 passed the Senate on a 22-11 [party line vote](#) on June 7. In the Assembly, SB 49 was substituted for AB 45 and concurred in on June 21st. ***The Governor vetoed this bill on August 4th, 2023.***

[AB 46](#) / [SB 47](#), **Solar Siting (Plumer, Ballweg) – The bill requires notice to political subdivisions and landowners regarding proposed large solar energy facilities, requirements for applying for CPCNs and joint solar development agreements. WUA generally opposes this bill. AB 46 was introduced February 20th, 2023 and referred to the Assembly Energy & Utilities Committee. SB 47 was introduced February 14th and referred to the Senate Utilities & Technology Committee. *No action has been taken since the last report.***

[SB 67](#) / [AB 73](#), **Utility Aid Payments (Ballweg, Oldenburg) – The bill defines “decommissioned” in statute by codifying the Department of Revenue’s current practice for decommissioned power plants and creates a fix so that communities that host a plant with multiple power generating units do not experience an immediate drop in aid because one of the power generating units closes before the other. WUA supports this bill. SB 67 was introduced February 15th, 2023 and referred to the Senate Utilities & Technology Committee. AB 73 was introduced February 28th, 2023 and referred to the Assembly Energy & Utilities Committee. Public hearings on both bills were held May 16th. WUA registered in favor of both bills. No action has been taken on AB 73 since the hearing May 16th. SB 67 passed the Committee on a 5-0 vote May 25th *and was referred to Joint Finance on August 9th.***

[SB 355](#) / [AB 354](#), **Utility Warning lights (Tomczyk, Callahan) – The bill allows utility vehicles to utilize amber or green lights when marking their vehicles. Under the bill, vehicles utilizing these lights must be restoring utility services or repairing damaged infrastructure. WUA supports these bills. They were introduced July 13th, 2023 and referred to the Senate Transportation and Local Government Committee and Assembly Transportation Committee, respectively. *No action has been taken on either bill since the last report.***

[SB 270](#) / [AB 275](#), **[Memo](#), Utility Relocations (Tomczyk, Steffen) The bills create a process for a highway improvement contractor to seek damages from WisDOT for project delays that are the result of an uncompleted relocation or adjustment of a utility facility located in the right-of-way of the highway. SB 270 and AB 275 were introduced on May 8th and 17th, respectively and received public hearings May 23rd. WUA has no position on these bills. [AA 1](#) and [SA 1](#) (extends repayment period to DOT from 60 to 90 days, etc.) are both pending. [SA 2](#) *and companion [AA 2](#) were offered August 22nd.***

[SB 151](#) / [AB 165](#), **[Memo](#) Wind Energy Regulation (Jacque, Bodden) This bill allows a political subdivision to impose a restriction on a wind energy system that is more restrictive than PSC rules, under certain conditions. WUA has not taken a position. SB 151 was introduced April 3rd 2023 and referred to the Utilities and Technology Committee. AB 165 was introduced April 10th, 2023. It was referred to the Energy & Utilities Committee. *No action has been taken on either bill since the last report.***

[AB 105](#) / [SB 109](#), **ATV's on Highway (Quinn, Green) Allows operation of an all-terrain vehicle or utility terrain vehicle owned by an electric cooperative on a highway. WUA has no position. Introduced March 14th and referred to Assembly Energy and Utilities. SB 109 was introduced March 1, 2023 and referred to Utilities and Technology Committee. [SA 1](#) is**

pending. Both [AA 1](#) and [SA 1](#) include **contractors** of co-ops and municipal electric utilities. A public hearing was held on May 16th on AB 105. Executive action was taken on AB 105 June 6th. The amendment was approved unanimously and the bill was recommended for passage, as amended, 16-0. *No action has been taken on either bill since the last report.*

[SB 226 / AB 258](#), [Memo Community Solar \(Stroebel, Krug\)](#) Authorizing [community solar](#) programs and granting rule-making authority. WUA opposes this bill. SB 226 was introduced April 14th and referred to Utilities and Technology Committee. AB 258 was introduced May 8th and referred to the Energy & Utilities Committee. *No action has been taken since the last report.*

[SB 70/AB 43](#), *State Budget as proposed by Governor Evers February 15, 2023*

- [Utilities](#) - **Highlights of Utility-Related Items from the LRB Budget Document in SB 70** - The bill requires investor-owned and municipal electric utilities to file **integrated resource plans** with PSC. The bill also requires PSC to review the integrated resource plans filed by electric utilities **to inform its biennial strategic energy assessment**. The bill **adds the retiring of any existing electric generating** facility fueled by nonrenewable combustible energy resources as an environmental control activity, the costs of which may be financed by an **environmental trust bond**. The bill allows PSC to authorize a **public utility to finance energy improvements** at a specific dwelling for a residential or commercial customer. Under the bill, a public utility may recover the costs of such an energy improvement through a surcharge periodically placed **on the customer's account**. Equity-focused intervenor compensation The bill requires PSC to reserve **\$50,000 annually to compensate equity-focused participants in PSC proceedings** who review economic and environmental issues affecting low-income populations. The bill **increases the amount utilities must spend to 2.4 percent** of their annual operating revenues from retail sales for FOE. **The bill also expands the definition of "energy efficiency program"** to include a program that deploys electric technologies to meet energy needs currently served by other fuels in order to 1) reduce the usage of energy, increase the efficiency of usage of energy on a fuel-neutral basis, or reduce adverse environmental impacts, including carbon dioxide emissions and 2) reduce costs for electric public utilities and retail electric cooperatives or their customers or members. The bill **requires PSC to consider the social cost of carbon** in determining whether to issue certificates required to construct large electric **generating facilities or high-voltage transmission** lines or to engage in certain other public utility projects. The bill provides that it is **not unreasonable or unjustly discriminatory for a public utility to implement low-income assistance programs** if approved in a rate case in which PSC reviewed the program eligibility criteria and program credits or rebates and if that cost is incorporated in the public utility's published schedules or tariffs. The bill **increases the maximum penalties** (quadruples?) for persons who fail to operate and maintain **gas production, transmission, and distribution** facilities in a reasonably adequate and safe manner. The bill **requires PSC to administer annual impact and onetime environmental impact fees paid**

under current law by persons authorized by PSC to operate high-voltage transmission lines. (Under current law, DOA administers the fees). The bill allows water **public utilities to make grants that cover the full cost of replacing lead-containing** customer-side water service lines.

Republicans built a compromise budget in Joint Finance (JFC) and offered it as [SSA 2](#), as amended by [SA 13](#), after removing the aforementioned policy items. **The Senate passed the budget June 28th and the Assembly passed it on June 29th.**

Of interest to the utilities, which WUA supports, is the provision in the budget that provides \$4 million to boost utility aid payments to counties and municipalities for the presence of production plants that generate power using alternative energy or are located on or adjacent to brownfields.

Signed into law July 5th.

Budget Documents Links

- **Budget in Brief of PSC Recommendations by the Governor**
- <https://doa.wi.gov/budget/SBO/2023-25%20155%20PSC%20ExASExecutive%20Budget.pdf>
- **Full Budget LRB Document, SB 70**
- <https://docs.legis.wisconsin.gov/2023/related/proposals/sb70>
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- [DOA 2023-25 Executive Document Page](#)
-
- [LRB Budget Analysis](#)
-
- <https://doa.wi.gov/budget/SBO/2023-25%20Veto%20Message%20FM.pdf>

Links to Committees:

<https://docs.legis.wisconsin.gov/2023/committees/assembly/2636>

<https://docs.legis.wisconsin.gov/2023/committees/senate/2686>

2023-2024 Session Calendar

https://docs.legis.wisconsin.gov/2023/related/session_calendar/calendar