

Regulatory Assistance Project Electric Resource Long-range Planning Survey¹

State: **Wisconsin** Date: 5/29/03
Name of Agency: Wisconsin Public Service Commission (PSC)
Source: Phone interview, email and some web research
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Policies

1. Is any form of long-range electrical resource and/or investment planning required?

Yes

2. What is it called?

The Strategic Energy Assessment (SEA).

3. What is the process?

Every two years, all electric utilities must file historic data, forecasts and plans to meet electricity needs with the PSC. The initial data submissions from all utilities are due February 15 on forms provided by the PSC, available on the web. The PSC staff then prepares an aggregate report, addressing 4 assessments (see below). This draft Strategic Energy Assessment (SEA) is due July 1 of even-numbered years. It is subject to review and comment by utilities and the public. The staff completes a revised draft SEA, taking public comments into account. The Commission reviews this draft and issues the final SEA by December. The process answers the questions “where are we?” and “is this new system (deregulation/competition) working?” It does not result in a PSC Order, like the old “Advance Plan” process. In July 2003 the PSC jump-started the 2004 SEA by requesting 7 years of data to be filed by September 15, 2003.

4. Describe the analysis required by the regulatory body.

The statute (Chapter 196.491) and Administrative Code (Chapter PSC 111) lay out the analysis required. It revolves around the four assessments, which are along these

¹ All responses written from notes compiled and edited by Cathie Murray at RAP. Corrections to the draft document, suggested by the contact persons, have been incorporated.

lines: How is the bulk power market contributing to adequacy and reliability of supply? What is the adequacy and reliability of purchased generation capacity and energy? To what extent is competition contributing to reliable, low cost and environmentally sound sources of electricity? To what extent will sufficient capacity and energy be available at a reasonable price? [See the statute and the Code for the most accurate description of the analysis required.]

5. Is it statewide or utility-specific planning? What types of entities are required to participate?

The intention is for this to be a statewide market assessment. All IOUs, municipal utilities, cooperatives and transmission companies (e.g. American Transmission Company) serving Wisconsin must participate. There are some caveats in the final report. For instance, since some of the IOUs provide service to other states, their figures have to be “teased” a bit.

6. This form of planning has been required since what date?

This process was required by 1997 Wisconsin Act 204. Two SEAs have been completed to date: one in 2000; the other in 2002.

Required elements

7. Which of the following resources must be evaluated/included:

Generation	Yes
Transmission	Yes
Distribution	No
Energy efficiency	Yes*
Load Management	Yes*

*The law and code may make this clearer. The historic contributions of efficiency and load management are discussed, and the future impact of load management programs are definitely discussed. The law requires a certain focus on renewables.

8. The plans’ objectives,

From the regulatory perspective: The PSC wants to know that planning is being done and that energy needs will be met in the new regulatory environment.

From the utility perspective: They use it to state their view of the future. Some utilities use this as an opportunity to say that we can move ahead and meet Wisconsin’s needs. Others use it to say it’s not working.

16. Agency Authority over Plans:

One must distinguish between the submission of utility data and plans, and the final SEA report written by PSC staff and released by the Commission. The utilities report their data and plans on forms mandated by the PSC. PSC staff work with the utilities to fill out their forms and revise them if needed. Then the staff prepares the first draft SEA. A final draft is completed after public comment and submitted to the Commission. The final version of the aggregate State Energy Assessment must be approved by the Commission.

17. Have resource acquisition decisions changed as a result of the planning [SEA] process?

No, but meetings are held to address issues that come up. The PSC could then decide to open a more formal investigation.

18. Are competitive processes used to acquire new resources? Yes and No

19. How are Energy Efficiency resources acquired?
Is competitive bidding used?

Other staff members would have more specifics.

20. Does the regulatory agency have open dockets or is it considering opening a docket investigating any long-range electrical investments? Yes

21. Citation and description:

There are many dockets involving construction of facilities and transmission lines. Information may be found at the PSC website (see above). The docket has not opened yet on the question of changing the planning horizon. A docket will open later this year for the next SEA.

22. Are filed plans available on-line?

The most recent (2002) Environmental Assessment, Executive Summary and SEA are available on-line at:

<http://psc.wi.gov/electric/cases/sea/2002/seafinal.htm>

For utility forms with sample numbers and some reports, see:

http://psc.wi.gov/electric/cases/sea/ind_sea.htm

The utility filings are not on-line. The utilities file a paper and electronic copy. Some of the material is confidential. The public can request what is public. The earlier SEA is not on-line anymore, but the last Advance Plan is.

23. Citation and description of State policies (legislation, rules/regs, PUC orders) governing planning:

Statute: Chapter 196.491

http://folio.legis.state.wi.us/cgi-bin/om_isapi.dll?clientID=93493&infobase=stats.nfo&j1=196.491&jump=196.491&softpage=Browse_Frame_Pg

Administrative Code: Chapter PSC111

http://folio.legis.state.wi.us/cgi-bin/om_isapi.dll?clientID=191201&infobase=code.nfo&jump=ch%20PSC%20111

24. Does your state do performance-based regulation? No

State Energy Plan

25. Is there a State Energy Plan?

There is a State of Wisconsin Energy Policy, issued by the former Governor in 2001, which is often referenced in decisions. If there is another Plan, this respondent is not aware of it.

26. Is it connected to the planning described above? NA
27. If yes, who is responsible for the Plan? NA
28. What is included in the Plan, apropos of long-range electrical planning? NA