Public Service Commission of Wisconsin Update

Commissioner Tyler Huebner
Public Service Commission of Wisconsin
February 9, 2022– PSCW Pipeline Safety Event
Disclaimers: My remarks reflect my views only, not the views of the full Public Service Commission or other Commissioners. I cannot comment on the merits of any open dockets, item, or topic on which I as a Commissioner will vote on in the future.
Quick Overview of the PSCW:

The PSC of Wisconsin ensures safe, reliable, affordable, and environmentally responsible utility services and equitable access to telecommunications and broadband services.

PSCW regulates over 600 Electric, Gas, and Water Utilities

Administer Broadband Expansion Grants & State Broadband Office

Administer Office of Energy Innovation including the State Energy Office and Focus on Energy
5-EI-158: Roadmap to Zero Carbon (Electricity)

5-EI-157: Parallel Generation Policy Generic Docket
**TE Dockets** for 5 individual electric utilities
1-AC-256: Interconnection Rules for Distributed Generation Facilities

5-EI-156: Electric Vehicle Policy & Regulation
Pilots for MG&E, NSPW/Xcel, WE, WPS, WP&L/Alliant
The Commission’s investigation will evaluate a wide range of topics, including but not limited to:

1. Wisconsin electric utilities’ publicly announced goals to reduce carbon dioxide emissions, including the goals established by the state’s five largest electric utilities to reduce their carbon dioxide emissions 100 percent by 2050.
2. Recommendations from the Wisconsin Energy Distribution and Technology Initiative (WEDTI) on opportunities to accelerate the clean energy transition and optimize the benefits of the transition for all customers.¹
3. Recommendations from the Governor’s Task Force on Climate Change.²
4. Clean energy plan recommendations developed through Executive Order 38, which directs utilities and state agencies to work in partnership towards a goal of achieving 100 percent carbon-free electricity consumption in the state by 2050.

This investigation will help the Commission gather information needed to develop a roadmap to achieving zero carbon electricity that analyzes the full range of considerations and identify approaches to achieve the economic and environmental benefits the transition can provide, while maintaining adequate electric supply, reliability, and affordability for all customers.
Carbon Emissions in WI circa 2017

WI DNR
Greenhouse Gas Inventory Report (2020)
WI Electric Generation

$CO_2$ emissions decreased 16.1% from 2005 to 2017

Dockets: 5-EI-158 Roadmap to Zero Carbon

2005-2017 Data from WI DNR Greenhouse Gas Inventory (2020)
**WI Electric Generation**

**CO₂ emissions decreased 16.1% from 2005 to 2017**

2005-2017 Data from WI DNR Greenhouse Gas Inventory (2020)

PSC’s Strategic Energy Assessment 2020 Estimate: 37% reduction vs. 2005
September 2021 Preliminary Decisions:

- Utility Resource Planning & Strategic Energy Assessment
  - Gathering additional data & conducting staff analysis
- Performance Based Regulation
  - Workshop held January 11, 2022
- Energy Efficiency
- Customer Affordability
At stated capacity factors, this is about 6.5% of Wisconsin’s 2020 retail electric sales.

### Utility-Scale Solar 2019-2021

<table>
<thead>
<tr>
<th>Category</th>
<th>Number ofProjects</th>
<th>Megawatts</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPCNs (Construction Permits) 100+ MW Projects</td>
<td>11</td>
<td>1,850</td>
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<tr>
<td>Sub-100 MW Projects – Approved IOU Purchases</td>
<td>4</td>
<td>249</td>
</tr>
<tr>
<td>Renewable Energy Rider</td>
<td>3</td>
<td>32</td>
</tr>
<tr>
<td>Totals</td>
<td>18</td>
<td>2,131</td>
</tr>
</tbody>
</table>
Office of Energy Innovation Programs

- Energy Innovation Grant Program (EIGP)
- Critical Infrastructure and Community Resilience Center
  Microgrid Feasibility Grant
- Wisconsin Biogas Survey 2021
- Energy Assurance & Energy Security
- Wisconsin Inclusive Community Solar Pilot w/ Electric Cooperatives
- Energy Statistics (Coming Online)
Focus on Energy Program

Quadrennial Planning for 2023-2026 (Docket 5-FE-104)

- **Spring:** “Phase I” Memo – 2-3 week public comment period

- “Phase 2” Memo to follow – will again have a public comment period

- Set Goals for 2023-2026 by early fall 2022

<table>
<thead>
<tr>
<th>Phase in Quad Planning</th>
<th>Proposed Quad IV Topics</th>
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| **Phase I – Macro Policies and Priorities** | 1. Alignment of Focus performance goals and program offerings with decarbonization goals  
2. Electrification programs and offerings  
3. Programs and offerings for low-income customers  
4. Collaboration between Focus and Utility Demand Response Programs  
5. Utility Voluntary Programs |
| **Phase II – Micro Implementation Decisions** | 1. How should overall energy goals be stated and tracked?  
2. Emphasis between Energy and Demand  
3. Emphasis between Business and Residential  
4. Inclusion of Underserved Rural Areas  
5. Resource Acquisition and Market Transformation |
| **Phase II – Cost Effectiveness Decisions** | 1. Primary and Secondary Cost-Effectiveness Tests  
2. Carbon Value  
3. Avoided Costs  
4. Discount Rate  
5. Avoided Transmission & Distribution (T&D) Costs |
| **Phase II – Budget Issues** | 1. Energy Efficiency  
2. Renewables  
3. Environmental and Economic Research and Development  
4. Other |
| **Phase II – Other** | Does the Commission need to approve pilots for behavioral programs? |
| **Phase III** | Goals, Targets and Key Performance Indicators |
Current FERC & MISO Issues

FERC (Federal Energy Regulatory Commission) & MISO (Midcontinent Independent System Operator)

- Order 841: **Energy Storage Resources** – Available 2022
- Order 2222: **Distributed Energy Resources** – Expected 2025-26
- MISO’s Reliability Imperative
  - **Seasonal Accreditation of Resources**: Switching from “Summer Peak” only to 4 seasonal peaks
  - **Long-Range Transmission Planning**
    - Cost Allocation proposal filed at FERC
    - Project evaluation ongoing, with March – June 2022 key deliverables
- FERC – NARUC Joint Task Force on Transmission
- FERC Investigation on Regional / Inter-regional Transmission
- FERC Ambient Transmission Line Ratings (MISO Implementation)
- FERC increased focus on cybersecurity
Customers to be Served

<table>
<thead>
<tr>
<th></th>
<th>Businesses</th>
<th>Residential</th>
</tr>
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<tbody>
<tr>
<td>Total</td>
<td>22,974</td>
<td>336,212</td>
</tr>
</tbody>
</table>

- $125 million allocated
- 2021-23 Biennial Budget
- Applications due March 17, 2022 for $100 million round.

- Bipartisan Infrastructure Package: $42 billion nationwide for broadband connection
Natural Gas Pipeline Safety

- Call 811
- Digger’s Hotline complaints
- April 2021: $150,000 Fine levied
- Renewable Natural Gas (RNG)
  - “Carbon intensity” measurement
  - CO2 sequestration pipelines: Iowa, North Dakota
- Hydrogen
  - Blending, co-firing, new infrastructure?
Thank You!

Any Questions?

Commissioner Tyler Huebner
Public Service Commission of Wisconsin
Customer Access & Affordability

COVID-19: Protected residential customers from being disconnected during initial phase of the pandemic (March 2020 until April 2021)

Improved Deferred Payment Agreements and Arrearage Management Plans

Energy Burden Analyses in utility annual reports

Partial Securitization Approved for one retiring coal power plant

Affordability remains a focus in 2022 and beyond