



# **wui** **DAY** **at the** **CAPITOL**

## **Energy Issues in the State Legislature**

The Wisconsin Legislature kicked off its 2023-24 biennial session in late January and is currently busy reworking the State Budget. The revised Budget is expected to be adopted by the Legislature by the end of the fiscal year – June 30, 2023. Then, the Legislature will return to Madison in September to consider individual bills including at least two proposals that could impact your utility investments.

Legislation has been introduced that would have authorized “community solar” projects to be developed and operate outside of the current system of utility regulation. Specifically, these bills would allow outside interests to build solar generating facilities and require existing utilities to connect them to their distribution system. It would also allow existing utility customers to “subscribe” to the “community solar” project and receive a credit against their regular utility bill based on the share of kilowatt hours represented by their subscription.

This legislation is a back door attempt to circumvent Wisconsin’s long-standing system of utility regulation for the benefit of out of state interests. In other states that have adopted similar laws, the primary investors in so called community solar projects are some of the nation’s largest investment firms. They are attracted by provisions of the law that guarantee them preferential returns at the expense of the existing regulated utilities and their customers.

Wisconsin utilities are investing heavily in solar generation. As a result, their customers are already receiving the low/no carbon benefits of solar without the need for largely unregulated third parties to come into our state and compete unfairly with our existing utilities.

## **WUI POSITION**

Wisconsin has long benefited from a comprehensive system of utility regulation and rate making under which investor-owned gas and electric utilities are granted exclusive rights to supply electricity in a specific service territory subject to PSC rate limits and regulation. Allowing third parties to generate and essentially sell electricity outside of this system is unfair to existing utilities, a threat to utility investors, and is likely to increase costs to consumers.

WUI’s Legislative Day will provide an excellent opportunity for investors to discuss these and other critical issues with members of the Wisconsin Legislature. I hope you will be able to join us for this important event.