March 30, 2022

Ms. Cindy Smith, General Counsel
Public Service Commission of Wisconsin
P.O. Box 7854
Madison, WI 53707-7854

Regarding: Docket 5-FE-104

Dear Ms. Smith,

As chairs of the Legislative utility committees in the State Senate and Assembly, we have reviewed the documents outlining the quadrennial planning process for the Focus on Energy program and are concerned by several aspects of the proposal.

We have questions regarding:

- The breadth of changes being considered by the commission could fundamentally change the prioritization and impact of the Focus on Energy program.
- Changes of this magnitude would require changes to state statute and/or administrative code; steps that have not been pursued at this time.
- Specifically, the Focus on Energy program has traditionally prioritized energy conservation and efficiency, but the Quadrennial Planning Process IV – Phase I Memorandum moves well past that to prioritizing decarbonization.
- Examples cited by the memorandum including Massachusetts’ 2018 expansion of their energy efficiency program as well as Minnesota and Illinois’s energy efficiency initiatives required legislative changes. The Public Service Commission should consider pursuing similar enabling language in state law if the Focus on Energy Program needs such a dramatic shift in emphasis.
- If the goals of the Focus on Energy Program have been achieved and policymakers wish to reshape the program, the State Legislature should have a seat at the table to ensure ratepayers have a voice.
- Unregulated fuels have historically been a low priority, but an effort to shift users from an unregulated energy source to a regulated energy source could pose significant policy challenges within our current state laws and administrative code. Subsidies to shift consumers from unregulated energy sources to regulated energy
sources fundamentally undermines the role of the commission to maintain a level playing field between unregulated Wisconsin-based companies and regulated monopolies within the state.

- The Public Service Commission does not have the ability to incentivize commodities, only the State Legislature has that ability.

- By switching to a beneficial electrical program, will the 3rd-Party Program Administrator seek to restructure the contract to administer the program? If such a change occurs, will it encourage the use of more electricity or reduce it? How much would this change in priorities cost?

- Finally, the policy changes proposed by the Governor’s Task Force on Climate Change were rejected by the State Legislature during the budget process.

Without adequate data to rationalize the proposed changes, how can the PSC support decarbonization as a priority of the Focus on Energy Program? As the commission considers broad policy changes, we would hope to see more data and analysis to justify policy changes.

Without adequate rationale, the legislature may be forced to reconsider the effectiveness of the program and reconsider its future and funding. Thank you for your consideration and please let us know if you have any questions.

Best regards,

M. Julian Bradley

Senator Julian Bradley, Chairman
Senate Committee on Utilities,
Technology & Telecommunications

Mike Kuglitsch

Representative Mike Kuglitsch,
Chairman
Assembly Committee on Energy and Utilities