MEMORANDUM

TO: All Legislators

FROM: Senator Glenn Grothman

DATE: February 12, 2013

RE: Co-sponsorship of LRB 0984/1 relating to: renewable energy requirements for retail electric utilities and cooperatives.

DEADLINE: February 22, 2013

I will be introducing LRB 0984/1 to freeze the renewable energy requirements for retail electric utilities and cooperatives at the 2011 levels.

Under current law, each electric utility or cooperative is required to meet an increasing percentage of retail sales with qualified renewable resources. The utilities and cooperatives were given a baseline percentage with which to comply. That percentage went up two percentage points in 2010 and increases another four percentage points in 2015. The utilities and cooperatives have largely already met the increased 2010 standard.

Therefore, as overall power usage goes up, utilities will have to use more and more renewable energy sources. This will raise the cost of electricity at a time when Wisconsin families are struggling to make ends meet. This legislation is particularly important because such a high percentage of renewable energy is produced with windmills. Many of you have wind farms in your district and know that these developments are very unfavorable and harmful to the community. Please sign on to this bill to help keep electricity affordable for Wisconsin families.
To co-sponsor this legislation, please contact Rachel in my office at (608) 266-7513 by 5:00 PM Friday, February 22, 2013.

Analysis by the Legislative Reference Bureau

Under current law, a retail electric utility or cooperative (electric provider) is subject to certain requirements for ensuring that, in a given year, a specified percentage of the electricity that the electric provider sells to retail customers or members is derived from renewable energy. In 2006 to 2009, an electric provider was required to ensure that the percentage of renewable energy sold to its customers or members did not decrease below its baseline renewable percentage, which is defined as the average percentage of renewable energy sold in 2001 to 2003. In 2010, an electric provider was required to increase its percentage of renewable energy sold to 2 percentage points above its baseline renewable percentage. In 2011 to 2014, an electric provider is required to ensure that its percentage of renewable energy sold does not decrease below the percentage required for 2010. In 2015, an electric provider is required to increase its percentage of renewable energy sold to 6 percentage points above its baseline renewable percentage. In 2016 and each year thereafter, an electric provider is required to ensure that its percentage of renewable energy sold does not decrease below the percentage required in 2015.

This bill changes the above deadlines by requiring an electric provider to ensure that the percentage of renewable energy sold to its customers and members in 2011 and each year thereafter does not decrease below the percentage required under current law for 2010, which is 2 percentage points above its baseline renewable percentage.

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