

The information in this legislative brief has been prepared by the staff  
of the Wisconsin Electric Cooperative Association.

## Advanced Renewable Tariffs

### Background:

Under current law, utilities regulated by the Public Service Commission (PSC) do not have a uniform or statewide rate for electricity generated from renewable sources. In the past, the PSC has approved renewable tariffs for utilities on a case-by-case basis for special projects or programs designated as “green energy.”

Wisconsin’s utilities, including co-ops, have to meet the state’s Renewable Portfolio Standard (RPS), which requires 10% of energy to be generated from renewable sources by 2015.

Recently, the PSC has opened a docket, or investigation, to examine whether and how to expand the availability of advanced renewable tariffs (ARTs) in Wisconsin and to promote greater uniformity in the ARTs offered by Wisconsin’s electric utilities. Advanced Renewable Tariffs are also referred to as “feed-in tariffs,” referring to the energy being fed into the grid. These are also called “buy-back” rates, since excess electricity generated would be sold to the utility.

Electric cooperatives are not regulated by the PSC, but WECA has submitted comments to the PSC volunteering information on co-op renewable rates. WECA also expressed concerns that such tariffs could be burdensome to co-op members as their territory has the greatest potential for small-scale renewable energy production but the smallest customer base to share the cost.

Although no legislation is pending, several Wisconsin legislators have indicated interest in a proposal to require utilities to pay rates for electricity generated from renewable sources that are:

- ✦ guaranteed to make small-scale projects profitable
- ✦ set by the PSC (regulator)
- ✦ fixed over time, usually 10-20 years
- ✦ required to be interconnected to the grid
- ✦ different depending on source such as wind, solar, biomass or methane (as each will need its own rate to be profitable)

Wisconsin’s electric cooperatives support and encourage renewable energy production proposals that are cost-effective and can be reliably interconnected with existing distribution and transmission line systems. Incentives to develop renewable energy must instill a sense of fairness among all rate payers without placing burdensome costs on the shoulders of a few.

### Action:

With no legislation currently being considered, ask your legislator to proceed with caution before acting on proposals to create Advanced Renewable Tariffs in Wisconsin. Ask them to weigh possible benefits associated with new sources of renewable energy against concerns regarding reliability, practicality and cost.