

Putting the Public Back in the Public Utility System

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Q: Has Wisconsin made any progress at all in reforming its system, or is it at zero progress?

A: To date Wisconsin is really quite behind other states in reforming the electric energy delivery system (outside of adding new utility scale solar farms). The list of new energy technology that was discussed (microgrids, storage, demand response tools, etc.) is barely even present in Wisconsin. I am cautiously optimistic that with two new Public Service Commission (PSC) commissioners that they may be open to making some changes.

Q: Of the states that have made good progress (CA, HI, NY, etc.), have any of them adopted a strategy that would be particularly well suited (or badly suited) for Wisconsin? Other than pushback from the utility companies and fossil fuel companies, what were the major points of objection (people not wanting to change personal habits, seeing windfarms as "eyesores," etc.)?

A: Probably nearby Midwest states such as Minnesota, Michigan, and Illinois. The big reforms similar to California and New York required major leadership from their governor, legislature, and PSC equivalents. Also, New York has a deregulated market and California is partially deregulated (much more flexible with third-party business vendors).

Q: The Citizens Utility Board (CUB) is focused on the traditional mandate of just and reasonable rates. Sometimes that has led CUB to be against some things that would be good for clean energy transition. How can we get CUB to be part of this transition to more public involvement and changes to the utility regulatory model?

A: I think it would be great to have the Citizen Utility Board more involved in something other than rate issues. I don't feel it is my role to tell them how to run their organization. The more narrow focus on rates must work for them.

Q: What choices are there to expand our energy efficiency programs, both statewide and locally? Can utilities invest in energy efficiency beyond the Focus on Energy program, or is that a limit that needs to be expanded? And how can we convince our legislature to increase building efficiency standards?

A: The Wisconsin Focus on Energy program does have a good track record at cost-effective programs. The problem is budget cuts over the last decade. I think the energy efficiency areas have much greater potential and need a fresh look or independent review or study in Wisconsin. So much more demand management and flexibility exists with new technologies. I like the idea of mandating a target of even 1% reduction (or more) per year over a 5- or 10-year window. We could create a competition for creative solutions. It probably requires some statutory changes to really drive this home.

Q: The issue of data is a big one. Where are states using energy data more effectively?

A: We should look closely at Illinois and California. Illinois has probably the best written energy data access law. California has a long history of data-driven solutions in energy, especially using new technology.

Q: Are performance-based rates something that can be changed at the PSC level or does this require state law change?

A: I am pretty confident the Wisconsin PSC could try a pilot program without a statutory change. It would likely take the support of the utility to try it out for a cycle (5- or 10-year window might work best). Also, taking something like grid modernization (an area that a utility would support) probably is a good starting point. I think Wisconsin should form a citizen advisory committee to the PSC to help design the program and make sure it is implemented. That would create ratepayer leverage and expand buy-in overall.

Q: California has been at reform of energy regulation for 25 years. We in Wisconsin are at the tail end of the states. Where do we have the most leverage in raising our voices? Through the Governor's Task Force?

A: I think 350Madison and Wisconsin Green Fire can serve as organizations to help educate the public in this space. Maybe jointly sponsoring a webinar down the road that takes a more detailed look at one of the question areas (performance rates?). Likewise, it is time to approach the Wisconsin PSC about a stakeholder advisory committee. Finally, maybe during the next legislative session there will be a better opportunity to get bipartisan support for one of the solutions. Likewise, it probably is wise to share ideas with the Governor's Task Force on Climate Change.