

January 26, 2007

Sandra J. Paske, Secretary to the Commission
Public Service Commission of Wisconsin
P.O. Box 7854
Madison, WI 53707-7854

Re: Docket 1-AC-220 Creation of Rules Regarding Energy Efficiency and Renewable Resource Programs: Proposed Rule

Dear Ms. Paske:

We submit this letter in response to the proposed order to create ch. PSC 137 relating to energy efficiency and renewable resource programs (Docket 1-AC-220). We appreciate the opportunity to provide input in this process.

The Wisconsin Industrial Energy Group (WIEG) represents over 30 large companies with operations in Wisconsin, which employ roughly 60,000 people. There were 25 members of the Governor's Task Force on Energy Efficiency & Renewables, but WIEG was the only appointed representative of the interests of large end-use consumers.

Wisconsin Manufacturers & Commerce (WMC) is the statewide, non-profit business association representing Wisconsin business. Currently, the association has nearly 4,000 members that include both large and small manufacturers, service companies, local chambers of commerce and specialized trade associations. Promoting a healthy business climate since 1911, it is a merger of the Wisconsin Manufacturers Association, the State Chamber of Commerce, and the Wisconsin Council of Safety.

The Wisconsin Paper Council (WPC) is the trade association representing the pulp, paper and allied industry. WPC's membership is comprised of 25 Regular Members, which are manufacturers of pulp, paper and paperboard products, and 115 Associate and Converter Members, which are suppliers of goods and services to the industry. WPC was formed in 1950.

WIEG-WMC-WPC collaborated closely on the development of Senate Bill 459/Act 141. Consequently, the comments and recommendations identified in this correspondence reflect the perspective of all three industrial trade associations.

Our groups are generally very disappointed in the proposed rules for two major reasons. First, the rules appear to industrial customers to be overly bureaucratic and not user-friendly. Second, the three conservation options (statewide program,

utility-administered programs and self-directed directed programs) are not afforded a “level playing field” as there is a bias toward the statewide program.

Overall, the rules need to engender programs that (a) encourage participation (b) are easy to administer and implement, and (c) are flexible and not burdensome in which to participate. The Commission should drive processes that do not result in the creation of unnecessary work load for the PSCW staff, administrators and participants. Since the overall goal is encouraging energy efficiency, the focus should be on creating a streamlined process that eliminates barriers to participation.

We also urge the Commission to solicit input from interested parties on major issues related to the development and implementation of these programs, including, but not limited to, the program administrator selection and methodology for evaluating the performance of these programs.

Summary of Issues

We have identified areas that need modification. The theme of our requested changes is that the three options must exist on a level playing field. We also emphasize that the end user should have adequate flexibility to choose the option(s) best suited for their needs and circumstances and administrative burdens must not create barriers to participation.

It should be noted, however that some of the most difficult aspects of implementing Act 141 are rules that will be addressed at a future date. These difficult issues include, but are not limited to, the following items:

- The determination of exact contributions by industrial customers;
- The equitable allocation of the contributions for each customer class across all utilities;
- The equitable distribution of the contributions for each customer class;
- The method of collection (fixed charge, energy charge, other options);
- The creation of a mechanism for greater bill transparency; and
- The determination of emission credits ownership.

Prior to discussing specific language/concerns regarding the proposed rule changes, WIEG-WMC-WPC recommend that from a procedural perspective, the Commission provide information regarding the schedule, milestones and timelines of events following the hearing. As mentioned above, there are several important issues yet to be discussed and since the test year begins on July 1, 2007, it would be beneficial for interested parties to know this information and be prepared.

WIEG-WMC-WPC would also like to address here questions we have over the administrative responsibilities transferred out of the Department of Administration (DOA). The PSC and DOA currently use the 1 .2% to cover their administrative expenses. We request that the administrative costs that the energy utilities will now incur be covered by the 1 .2% funding mechanism in order to minimize the ultimate cost to the

ratepayer. The legislative authors were quite clear that they did not expect to see an impact on rates due to the new regulatory system created by Act 141.

The comments of WIEG-WMC-WPC refer sequentially to the draft of the proposed rule.

Item #1: Page 1, Definitions, line 14 “net cost-effectiveness.”

It is our understanding, based on conversations with PSC personnel, that the reference(s) to the net cost effectiveness for the self-directed programs is incorrect. We have been told that the net cost effectiveness might not apply to the self directed program. We appreciate the PSC staff identifying this error, which had confused our reading of the draft, and we look forward to the text being corrected to reflect the legislative intent of Act 141.

In order for programs to be considered successful, they need to be cost effective. The rules define cost effectiveness as either of the following:

- (a) The extent to which an energy efficiency program achieves incremental savings of KW, kWh. or therms that exceed what would likely occur without the program, and the program costs plus the costs assigned to program participants are less than the incremental savings times the avoided costs of the participants' energy provider
- (b) The extent to which a customer-owned renewable resources program produces KW, kWh or therms that would otherwise be delivered to the customer by its energy provider, and the program costs plus the costs assigned to the customers are less than the avoided costs of the customer's energy provider.

Although the aforementioned language is not explicit, it is our understanding that free ridership levels may be accounted for, in order to provide a net benefit. While netting out free ridership levels may be one way of estimating net cost effectiveness from an evaluation perspective, it is often the most challenging to identify free riders as these estimates are a result of survey responses. Survey questions are often at the mercy of the respondent's perception of what is being asked and, when misunderstandings occur, responses are prone to generate erroneous and/or misleading results. Ultimately, the whole free-rider issue hinges on the fact that it is notoriously difficult to measure. Therefore, we urge the Commission to consider the following options for the statewide and utility administered programs since the issue of netting out free riders is not applicable in self-administered programs:

1. If surveys to estimate free ridership levels are going to be used, ensure that survey questions estimating free drivership levels are also considered. In addition, interested parties should have the opportunity to comment on evaluation methodologies that will be used to develop these estimates.
2. Other state commissions such as MN have determined that free riders and free drivers offset each other and therefore, cost effectiveness is determined without the free rider/driver estimates.

3. Free riders could be termed “early adopters” and may appropriately be considered free drivers (with a lag) since these customers could be acting upon increased awareness about energy efficiency programs from the past. There is a fine line between determining participants that are considered a cost versus a benefit. WIEG-WMC-WPC recommend that since the goal is encouraging energy efficiency in the state, it would be more effective to assess programs with respect to what level of energy efficiency resulted in the state and how that impacts power plant construction avoidance. Since our members already feel the pressure of ever-increasing rates due to the building cycle in Wisconsin, it would be more effective to drive energy efficiency as much as possible without including subjective estimates such as free ridership levels.

We also recommend that the Commission develop standardized templates of basic measures (eg. lighting, motors etc.) to estimate cost effectiveness. In addition, guidelines and instructions should be developed regarding requirements for estimating cost effectiveness of custom projects (eg. process related). These guidelines and templates should be the same for all programs.

We also urge the Commission to leverage processes, template and resources that have worked well in the past as well as statewide programs in order to not “reinvent-the-wheel.”

Finally, because renewable energy is encouraged as part of the expanded RPS, and because evaluations by Focus on Energy indicate that the current renewable resource programs do not provide benefits that would justify greater levels of spending, the Commission should place a much greater emphasis on energy efficiency programs. Energy efficiency programs score much higher on cost effectiveness test whereas renewable programs usually do not register fare well under cost effectiveness tests.

Item #2 Pages 3-4, PSC 137.03 Program administrator selection.

We believe that although the proposed rule provides good criteria for program administrator selection, it would behoove the Commission to welcome feedback regarding program administrator selection criteria from non-utility stakeholders. Stakeholders other than the energy utilities will be affected by the program administrator selection criteria and ultimately, the program administrator will spend ratepayer dollars. Ratepayers ought to be able to comment regarding the criteria by which the administrator will be selected. We urge the Commission to, by rule, allow interested parties to comment on the proposed criteria submitted by the energy utilities. The Commission should allow such comments after the proposed criteria are submitted by the energy utilities and before the Commission takes action on the proposed criteria.

Similarly, other stakeholders may have a legitimate interest in disputing the Commission’s rejection of a selected program administrator. Energy utilities would have a right to do so under PSC 137.03(5) and (6). We suggest that an “energy consumer advocacy group,” as defined in s. 196.378(2)(g), be granted, by rule, a similar opportunity to dispute the Commission’s rejection of a selected program administrator.

Simply stated, it is Wisconsin ratepayers who ultimately pay for these programs and it is Wisconsin ratepayers who will be affected by them.

Item #3: Page 6, lines 15-18 PSC 137.05 (2) RENEWABLE RESOURCE PROGRAMS FOR LARGE INDUSTRIAL CUSTOMERS.

We would like further clarification on the amount set aside for renewable programs for large industrial customers and what methodology is being used to calculate this amount. In addition, we recommend that these programs be offered as a choice and not be set as a minimum requirement.

Item #4: Page 6, lines 19-20 (3) Environmental Benefits.

While we agree the environmental reductions are a priority, we have concerns with treating this as a minimum requirement in this section. Since the legislative intent was to provide streamlined operations and more user-friendly programs, imposing minimum requirements for environmental reductions will likely be a bureaucratic hurdle that reduces participation. Energy efficiency & renewables initiatives are inherently beneficial to the environment and should not be a minimum requirement.

Act 141 addresses this issue in a different manner. Wis. Stat. § 196.374(3) directs the PSCW *“to cooperate with the department of natural resources to ensure coordination of energy efficiency and renewable resource programs with air quality programs and to maximize and document the air quality improvement benefits that can be realized from energy efficiency and renewable resource programs.”*

This language is very important for several reasons. First, it is possible that federal laws and regulations will change in regard to air emissions in the future. We refer to the Clean Air Interstate Rule (CAIR) and potential restrictions on greenhouse gases, such as a carbon tax. There are markets beginning to develop that will trade credits related to the volume of air emissions reduced. Second, the Wisconsin Department of Natural Resources (WDNR) is currently receiving testimony on the proposed implementation of CAIR in the state. The WDNR has selected more stringent options in some cases than contained in the U.S. Environmental Protection Agency’s model rule.

Within the framework of the proposed rule, or in future Act 141 rulemaking, the Commission should define who will possess ownership of these emissions credits. Determining ownership of the credits could be a major economic driver in Wisconsin’s future. We believe that emission credits should be owned by the entities that are responsible for implementing the energy efficiency initiatives. This may necessitate a shared approach for programs administered by the state and the utilities. For self-directed programs, the ownership of these credits should belong to the customers that are participating in these programs. We welcome the opportunity to discuss this important issue further with the Commission as more detailed rules for the implementation of Act 141 are created.

In summary, our recommendation would be to remove all language regarding environmental benefits as a minimum requirement.

Item# 5; Page 7, lines 3-9 (5) Data Collection.

It is worthwhile noting that data collection is an important and key element to gauge performance. We commend the Commission for making this a minimum requirement. We urge the Commission to put appropriate and adequate mechanisms in place to monitor and perform data reasonability checks; and we recommend that the Commission hold workshops for administrators so that all relevant stakeholders have the same understanding of the data collection effort. In addition, we recommend that the data collection effort be synchronized across programs such that appropriate data will be collected and permit an apples-to-apples comparison regarding program effectiveness, performance, etc.

Safeguards must also be in place for the hardware, software, property and data used. These safeguards include proprietary or other competitiveness data that should not become public. The data and tracking system should be available to the public only at a customer class level or some other level of aggregation. No individual customer's data should be publicly disclosed without the express, prior written consent of the affected customer.

Customers must not be required to agree to disclose their identity or projects to the public. Such public availability of proprietary information most assuredly will be a barrier to participation. Customers view certain customized projects as proprietary and cannot tolerate disclosure to competitors. Disclosure should therefore be voluntary - not a requirement.

Item #6: Page 7, lines 13-17 (7) Performance Goals and Reporting and/or Page 7 lines 22-23 (9) Priorities.

The most important language here is: *"assign priority status to implementing programs that reduce growth in electric and natural gas demand and usage..."* That was the overall legislative intent of Act 141 -- to reduce demand by making the state energy efficiency and renewable resource programs as cost effective as possible while driving down electricity rates and natural gas costs to the greatest extent possible.

Because renewable energy is encouraged as part of the expanded RPS, and because evaluations by Focus on Energy indicate that the current renewable resource programs do not provide benefits that would justify greater levels of spending, the Commission should place a much greater emphasis on energy efficiency programs.

We recommend clarifying either the section on Performance Goals and Reporting or Priorities in which the Commission establishes a target or a competitively bid Request for Proposal (RFP) for a reduction in megawatts reduced and/or consumption of natural gas. One guideline for such a target is the energy potential study produced by the Energy Center of Wisconsin (ECW). It concluded that average annual spending for both commercial and industrial classes could range from \$38 million to \$65 million. The estimated goal ranges from 177 million to 264 million kWh of electricity saved and 3.5 million to 7.8 million therms of natural gas saved (see p. 14 of ECW report).

This is a very wide range and we believe determinations should be up to the Commission, not a program administrator, in order to avoid a potential conflict of interest. Act 141 establishes a process where stakeholders could comment on allocation within a Commission docket.

Item #7: Page 8, lines 14-22 (12) Equal opportunities to participate in programs.

WIEG-WMC-WPC advocates maximum autonomy and flexibility for the utility-administered and self-directed programs. Although we recognize switching between the statewide programs, utility-administered programs and the self-directed programs could result in more complicated administration, our members indicate to us that creation of a level playing field and allowing maximal flexibility will mean greater interest, investment and participation. Additionally, legislative comments and testimony specifically refer to ease-of-use and minimal bureaucracy as key attributes for industrial programs.

We recommend that the Commission reconsider language that will “lock in” the end user to one of the three major programs. As drafted, this specifically states that a large energy customer using a self-directed program or utility-administered program cannot access the statewide program and vice versa. We understand the need to prevent “double dipping” however, mutually exclusive programs implicitly favor the statewide program. It might also limit the amount of overall energy efficiency created by the industrial sector. These are likely to be unnecessary barriers to participation and should be removed or modified in the final order.

Item #8: Page 9, lines 3-10, (13) Cost-Effectiveness.

Earlier in this letter we expressed our concern over net cost-effectiveness definition. The language concerning the “portfolio level test of net cost-effectiveness” could be problematic for the same reasons.

WIEG-WMC-WPC generally does not object to cost-effectiveness metrics. However, we feel the net cost-effectiveness test as created in the draft rule is extreme, especially for the utility-administered programs and the self-directed programs. It appears the Commission is going to great lengths to screen out “free riders.” In so doing, unnecessary hurdles to participation are created.

Item #9: Page 10, lines 14-19: Utility Administered Programs – General Comments.

WIEG-WMC-WPC has concerns with this provision. Our members utilize these programs and have a good track record working with utilities to achieve energy conservation and load management. We believe once new rules are implemented, end users should not be able to notice a difference when compared to the utility-administered program they had participated in.

We have stated our perspective that the intent of the Task Force and Senate Bill 459/Act 141 was essentially to “leave utility-administered programs alone.” We see no benefit or efficiency in “reinventing the wheel” as utility-administered programs (i.e. Shared

Savings) have operated for two decades. In 20 years, we should hope that there are some standardized M&V for apples-to-apples metrics.

By our count, there are over five pages dedicated to new rules for utility-administered programs. Existing protocols should be sufficient to ensure a cost-effective and efficient utility-administered program.

Item #10: Page 10, lines 14-19: Utility Administered Programs.

WIEG-WMC-WPC would like more clarification regarding the funding that is available for any given year for energy efficiency programs and the amount set aside for statewide renewable resource programs. We recommend that the Commission solicit comments regarding the methodology to be used to set aside amounts for renewable resource programs.

Item #11: Page 14, lines 1-5, portfolio cost-effectiveness test and environmental benefits.

We have already stated our concerns with this language in previous sections of the draft rule. WIEG-WMC-WPC urges modification or deletion of this language.

Item #12: Page 16-17, Large energy customer self-directed energy efficiency programs - PROGRAM REQUIREMENTS.

It is our understanding, based on conversations with PSC personnel, that the reference(s) to the net cost effectiveness for the self-directed programs is incorrect. We have been told that the net cost effectiveness might not apply to the self directed program. We appreciate the PSC staff identifying this error, which had confused our reading of the draft, and we look forward to the text being corrected to reflect the legislative intent of Act 141.

We have the following major concerns regarding the program requirements for self-directed programs:

- (a) Streamline the process: The process needs to be more streamlined overall from an administrative perspective in order to encourage participation. Efforts should be made to ensure that the process is developed around what would work effectively for customers. The Commission should make efforts to provide guidelines on M&V protocols that are not complicated and are easy to administer. In addition, performance reports should be required less frequently. These suggestions will also result in greater efficiency and reduced work load for the Commission staff.
- (b) Large customer definition: It is important that the definition of a large customer be more clearly stated. For instance, if a customer has multiple facilities and implements major energy conservation initiatives in one facility, those should be counted towards the fulfillment of goals for this customer as a whole.
- (c) Overachieving goals: We recommend that the Commission provide some clear direction regarding the energy savings targets set by the company and the

Commission. It is unclear how the accounting/reconciliation will function regarding accumulated energy savings that exceed the desired goal amount by customer. Industrial customers need clarification regarding what will result if customers "over achieve" their goals and meet multi-year targets.

- (d) Ownership of emission credits: The Commission should address and define who will possess ownership of these emissions credits. Determining ownership could be a major economic driver in Wisconsin's future. We believe that emission credits should be owned by the entities that are responsible for implementing the energy efficiency initiatives. This may necessitate a shared approach for programs administered by the state and the utilities. For self-directed programs, the ownership of these credits should belong to the customers that are participating in these programs. As noted above, we welcome the opportunity to discuss this important issue further with the Commission as more detailed rules for the implementation of Act 141 are created.

Item #13: Page 17, line 1, six-month lead-time for large energy customer self-directed energy efficiency programs.

WIEG-WMC-WPC recommends that the six month lead time before the start of the program year be shortened to three months. We recognize shorter lead times could make overall coordination somewhat more difficult; nevertheless, we believe that optimal flexibility for the end user is the best public policy. Implementing user-friendly self-directed programs will stimulate several benefits, including heightened interest, investment and participation.

Often, industrial customers will not know far in advance when they will install energy efficiency equipment. Or, they may opt for a mid-stream initiative, depending on the type and size of project. It is important that customers signing up for self-directed programs have the option to inform the Commission of their intent prior to commencing such projects. These companies might not be aware of the program year's deadline when designing or implementing their self-directed programs.

Item #14: Page 17, lines 7-9 large energy customer self-directed energy efficiency programs - PROGRAM REQUIREMENTS – coordination.

Wis. Stat. § 196.374 (3) directs the Commission to maximize coordination between the state energy efficiency and renewable resource programs, utility ordered programs, utility administered, low-income weatherization, etc. We believe a self-directed program with the proper implementation and annual reporting requirements should satisfy the law.

However, determining what "coordination" between the other energy efficiency programs exactly means could hamper the effectiveness of these programs and create confusion for participants. Self-directed programs are meant to be cost effective and user-friendly. WIEG-WMC-WPC requests as much autonomy as possible for the utility-administered and self-directed programs.

We respectfully ask that the Commission delete lines 7-9 altogether.

Item #15: Page 17, lines 15-16, tracking and reporting system, measurement and verification plan.

The Commission should make efforts to develop guidelines for tracking and reporting, as well as monitoring and verification, that are simple for the Commission to administer and for industrial customers to employ. A tedious process or method for obtaining such information may create barriers to participation. Also, it is important to clarify whether the actual or estimated savings contribute towards the fulfillment of the goal.

Further, it is unclear from the draft rule how reporting and M&V databases will be set up, who will own the data and how proprietary information will be kept secure.

Item #16: Page 17, lines 19-22 net on-site reduction in the use of electricity or natural gas...

WIEG-WMC-WPC believes the focus of these rules should be to drive down overall electricity and natural gas usage in Wisconsin. However, the “net on-site reduction” language might become problematic. A factory that greatly increases energy efficiency and conservation has the potential to boost production by an even greater amount. A company could generate more emissions in this example, and yet become much more energy-efficient in their internal processes. A clarification with respect to this situation would be useful.

Item #17: Page 18, lines 3-5 large energy customer self-directed energy efficiency programs – exclusion from other programs - PROGRAM REQUIREMENTS.

As stated earlier, WIEG-WMC-WPC advocate maximum autonomy and flexibility for utility-administered and self-directed programs. Although we recognize switching between the statewide, utility-administered and self-directed programs could be challenging to administer, we believe creating a level playing field and allowing the most flexibility will mean heightened interest, investment and participation. As noted above, legislative comments and testimony specifically refer to the attributes of ease-of-use and reduced bureaucracy in industrial programs.

We recommend that the Commission eschew provisions that “lock in” the end user to one of the three major programs. Large energy customers with self-directed programs are not eligible for the utility-administered under this section of the proposed order. We understand the need to prevent “double dipping” however, mutually exclusive programs implicitly favor the statewide program. It might also limit the amount of overall energy efficiency created by the industrial sector. These are likely to be unnecessary barriers to participation and should be removed or modified in the final order.

Item #18: Page 18, line 6-7, net cost effectiveness, environmental benefits.

We have already stated our objections to this language in previous sections of the draft rule. Please also note that industrial customers typically must meet very stringent internal criteria in order to obtain approval for projects that require major capital expenditure (due to tight budget constraints and sister companies competing for limited capital resources).

In addition, as stated earlier, WIEG-WMC-WPC finds this language to be onerous and urge that it be modified or deleted.

Item #19: Page 18, lines 20-22, large energy customer self-directed energy efficiency programs - PROGRAM REQUIREMENTS – THREE-YEAR MINIMUM.

WIEG-WMC-WPC support the spirit with which this provision was written. However, Commission needs to consider the following observations before finalizing the "three-year minimum" provision. Similar to other procedural recommendations made in our comments, we urge the Commission to provide as much flexibility as possible regarding a minimum program requirement. We realize that for ease of administration, the Commission would want to impose a minimum requirement.

However, presently we do not know how much individual customers are paying towards public benefits. As we stated elsewhere, ratepayers have never been provided full and adequate information quantifying how much they pay towards public benefits. Hopefully, at least for some large customers, the Commission will soon determine how much they pay and disclose this information to them.

Without knowing what customers are actually paying, or potentially going to pay, towards public benefits, it is challenging to discern whether the three-year minimum requirement is reasonable. As such, we recommend it is premature to set a three-year minimum provision. We recommend that a three-year minimum provision not be established at this time, but rather determinations should be left to the Commission, on a case-by-case basis, whether a particular self-directed proposal is appropriate. A minimum requirement period may be revisited once it is established what large customers are actually paying towards public benefits.

Another challenge related to this requirement is the differences in "retained utility revenues" for customers in the same industry cluster but in different utility service areas. The Commission should place careful consideration on how to impose this requirement so that, for example, a plastics manufacturer in one utility's franchise is afforded a similar self-directed opportunity as a plastics manufacturer in a different utility's service area.

It is also unclear what "initiates and completes" means in this provision. If this implies "completes installation of the project," then we recommend that clarification be added.

It is also unclear what implications this minimum requirement has on the size of the project. For example, if the project costs \$200,000 and the utility revenues for the three-year term are \$150,000, how will the remaining \$50,000 be treated? Alternatively, if the project costs are \$200,000 and the utility revenues for the three-year term are \$250,000, how is this remaining \$50,000 treated? Overall, when imposing such requirements, we urge the Commission to develop provisions that are fair and flexible, and which do not result in adverse, unintended consequences for the Commission or the customers.

At this time, we strongly recommend that the Commission allow industrial customers the opportunity to access statewide programs or utility-administered programs to the degree

they fund the other programs. In other words, allow large industrial customers the ability to opt-out of the statewide program either entirely or partially with self-directed programs. Often, industrial customers will not know far enough in advance when they will install additional energy efficiency equipment. Or, they may initiate a project mid-stream depending on its type and size. Wisconsin should create as many options for the end user as possible.

Overall, the primary goal of the statewide program so far has been market transformation. Market transformation implies educating customers and building processes that drive sustainable changes regarding energy efficiency in the marketplace. Customers that enroll for self-directed programs should be empowered and afforded as much flexibility as possible in order to promote participation in such programs as well as sustainability of energy efficiency initiatives.

Item #20: Page 19, lines 1-5 large energy customer self-directed energy efficiency programs - PROGRAM REQUIREMENTS – quarterly activity reports.

WIEG-WMC-WPC believes having quarterly activity reporting requirements is probably excessive and not cost effective for the self-directed program. We recommend annual reporting instead. We cannot state often enough that the priority for self-directed programs should be cost effectiveness, efficiency and ease-of-use.

Item #21: Pages 19, lines 15-19, MODIFYING OR DISCONTINUING A LARGE ENERGY CUSTOMER SELF-DIRECTED PROGRAM.

More specificity is needed regarding the process to be used for customers modifying or discontinuing a self-directed program. At present, it is unclear whether customers could, for example, reinstate participation after discontinuing; or what process would be used if a customer elects to modify/discontinue such programs.

Conclusion

Overall, we are disappointed with the draft rule. Act 141 was designed to provide safeguards to ensure that it does not negatively impact electric rates. It was also intended to be user-friendly to impart necessary flexibility to the industrial customer. WIEG-WMC-WPC respectfully urges the Commission to embrace those guiding principles when developing the final proposed rule.

Thank you for the opportunity to provide preliminary comments on the proposed order. We look forward to address these and other issues – some which may not have been “discovered” at this point – in the coming months.

Please contact us with any questions or concerns.

Respectfully submitted,

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