



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-2934/2
JK:ahe

2015 ASSEMBLY BILL 490

November 9, 2015 - Introduced by Representatives THIESFELDT, KREMER and BALLWEG, cosponsored by Senator LASEE. Referred to Committee on Energy and Utilities.

1 **AN ACT to amend** 79.04 (1) (a), 79.04 (2) (a), 79.04 (6) (a) and 79.04 (6) (c) 1.; and
2 **to create** 79.04 (1) (d) and 79.04 (2) (c) of the statutes; **relating to:** utility aid
3 payments to towns and counties for production plants that generate electricity
4 from wind power.

Analysis by the Legislative Reference Bureau

Under this bill, if a production plant that generates electricity from wind power is located in a town, the town receives a payment equal to 50 percent of the total amount of the utility aid payment for that plant and the county in which the plant is located receives a payment equal to 50 percent of the total amount of that utility aid payment. This distribution method applies with regard to any such production plant regardless of when the plant began operating.

Under current law, for power production plants that begin operation as a new or repowered production plant after December 31, 2003, each county and municipality in which such a plant is located receives a utility aid payment based on the plant's megawatt capacity. The total amount of the payment for each production plant is calculated by multiplying the plant's megawatt capacity by \$2,000. If the production plant is located in a city or village, the city or village receives a payment equal to two-thirds of the total amount of the payment and the county in which the plant is located receives a payment equal to one-third of the total amount of the payment. If the production plant is located in a town, the town receives a payment equal to one-third of the total amount and the county in which the plant is located receives a payment equal to two-thirds of the total amount.

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For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 79.04 (1) (a) of the statutes is amended to read:

2 79.04 (1) (a) ~~An~~ Except as provided in par. (d), an amount from the public utility
3 account determined by multiplying by 3 mills in the case of a town, and 6 mills in the
4 case of a city or village, the first \$125,000,000 of the amount shown in the account,
5 plus leased property, of each public utility except qualified wholesale electric
6 companies, as defined in s. 76.28 (1) (gm), on December 31 of the preceding year for
7 “production plant, exclusive of land,” “general structures,” and “substations,” in the
8 case of light, heat and power companies, electric cooperatives or municipal electric
9 companies, for all property within a municipality in accordance with the system of
10 accounts established by the public service commission or rural electrification
11 administration, less depreciation thereon as determined by the department of
12 revenue and less the value of treatment plant and pollution abatement equipment,
13 as defined under s. 70.11 (21), as determined by the department of revenue plus an
14 amount from the public utility account determined by multiplying by 3 mills in the
15 case of a town, and 6 mills in the case of a city or village, of the first \$125,000,000 of
16 the total original cost of production plant, general structures, and substations less
17 depreciation, land and approved waste treatment facilities of each qualified
18 wholesale electric company, as defined in s. 76.28 (1) (gm), as reported to the
19 department of revenue of all property within the municipality. The total of amounts,
20 as depreciated, from the accounts of all public utilities for the same production plant
21 is also limited to not more than \$125,000,000. The amount distributable to a

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1 municipality under this subsection and sub. (6) in any year shall not exceed \$300
2 times the population of the municipality, except that, beginning with payments in
3 2009, the amount distributable to a municipality under this subsection and sub. (6)
4 in any year shall not exceed \$425 times the population of the municipality.

5 **SECTION 2.** 79.04 (1) (d) of the statutes is created to read:

6 79.04 (1) (d) With regard to a production plant that generates electricity from
7 wind power and regardless of when the production plant began operating, the town
8 where the plant is located receives a payment equal to 50 percent of the combined
9 amount determined under par. (a) for the town and the county where the plant is
10 located and the county where the plant is located receives a payment equal to 50
11 percent of the combined amount determined under par. (a) for the town and the
12 county.

13 **SECTION 3.** 79.04 (2) (a) of the statutes is amended to read:

14 79.04 (2) (a) Annually, except for production plants that begin operation after
15 December 31, 2003, or begin operation as a repowered production plant after
16 December 31, 2003, and except as provided in par. (c) and sub. (4m), the department
17 of administration, upon certification by the department of revenue, shall distribute
18 from the public utility account to any county having within its boundaries a
19 production plant, general structure, or substation, used by a light, heat or power
20 company assessed under s. 76.28 (2) or 76.29 (2), except property described in s.
21 66.0813 unless the production plant or substation is owned or operated by a local
22 governmental unit that is located outside of the municipality in which the production
23 plant or substation is located, or by an electric cooperative assessed under ss. 76.07
24 and 76.48, respectively, or by a municipal electric company under s. 66.0825 an
25 amount determined by multiplying by 6 mills in the case of property in a town and

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1 by 3 mills in the case of property in a city or village the first \$125,000,000 of the
2 amount shown in the account, plus leased property, of each public utility except
3 qualified wholesale electric companies, as defined in s. 76.28 (1) (gm), on December
4 31 of the preceding year for “production plant, exclusive of land,” “general
5 structures,” and “substations,” in the case of light, heat and power companies,
6 electric cooperatives or municipal electric companies, for all property within the
7 municipality in accordance with the system of accounts established by the public
8 service commission or rural electrification administration, less depreciation thereon
9 as determined by the department of revenue and less the value of treatment plant
10 and pollution abatement equipment, as defined under s. 70.11 (21), as determined
11 by the department of revenue plus an amount from the public utility account
12 determined by multiplying by 6 mills in the case of property in a town, and 3 mills
13 in the case of property in a city or village, of the total original cost of production plant,
14 general structures, and substations less depreciation, land and approved waste
15 treatment facilities of each qualified wholesale electric company, as defined in s.
16 76.28 (1) (gm), as reported to the department of revenue of all property within the
17 municipality. The total of amounts, as depreciated, from the accounts of all public
18 utilities for the same production plant is also limited to not more than \$125,000,000.
19 The amount distributable to a county under this subsection and sub. (6) in any year
20 shall not exceed \$100 times the population of the county, except that, beginning with
21 payments in 2009, the amount distributable to a county under this subsection and
22 sub. (6) in any year shall not exceed \$125 times the population of the county.

23 **SECTION 4.** 79.04 (2) (c) of the statutes is created to read:

24 79.04 (2) (c) With regard to a production plant that generates electricity from
25 wind power and regardless of when the production plant began operating, the town

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1 where the plant is located receives a payment equal to 50 percent of the combined
2 amount determined under par. (a) for the town and the county where the plant is
3 located and the county where the plant is located receives a payment equal to 50
4 percent of the combined amount determined under par. (a) for the town and the
5 county.

6 **SECTION 5.** 79.04 (6) (a) of the statutes is amended to read:

7 79.04 (6) (a) Annually, beginning in 2005, for production plants that begin
8 operation after December 31, 2003, or begin operation as a repowered production
9 plant after December 31, 2003, except as provided in par. (c) 1. and sub. (4m), the
10 department of administration, upon certification by the department of revenue, shall
11 distribute payments from the public utility account, as determined under par. (b), to
12 each municipality and county in which a production plant is located, if the production
13 plant has a name-plate capacity of at least one megawatt and is used by a light, heat,
14 or power company assessed under s. 76.28 (2) or 76.29 (2), except property described
15 in s. 66.0813, unless the production plant is owned or operated by a local
16 governmental unit located outside of the municipality; by a qualified wholesale
17 electric company, as defined in s. 76.28 (1) (gm); by a wholesale merchant plant, as
18 defined in s. 196.491 (1) (w); by an electric cooperative assessed under ss. 76.07 and
19 76.48, respectively; or by a municipal electric company under s. 66.0825.

20 **SECTION 6.** 79.04 (6) (c) 1. of the statutes is amended to read:

21 79.04 (6) (c) 1. If the production plant is located in a city or village, the city or
22 village receives a payment equal to two-thirds of the amount determined under par.
23 (b) and the county in which the city or village is located receives a payment equal to
24 one-third of the amount determined under par. (b). If the production plant is located
25 in a town, the town receives a payment equal to one-third of the amount determined

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1 under par. (b), and the county in which the town is located receives a payment equal
2 to two-thirds of the amount determined under par. (b), except that with regard to a
3 production plant that generates electricity from wind power and regardless of when
4 the production plant began operating, the town where the plant is located receives
5 a payment equal to 50 percent of the amount determined under par. (b) and the
6 county where the plant is located receives a payment equal to 50 percent of the
7 amount determined under par. (b). If a municipality is located in more than one
8 county, the county in which the production plant is located shall receive the county
9 portion of the payment.

10 **SECTION 7. Initial applicability.**

11 (1) This act first applies to utility aid payments paid in 2016.

12 (END)