



STATE OF WISCONSIN
PSC REF#: 395463
DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor
Joel Brennan, Secretary
Susan Brown, Division Administrator

Public Service Commission of Wisconsin
RECEIVED: 08/14/2020 4:47:37 PM

August 13, 2020

Docket 5-ES-110 Comments
Public Service Commission
P.O. Box 7854
Madison, WI 53707-7854

To the Commission:

Thank you for issuing the draft 2020-2026 Strategic Energy Assessment (SEA) to the Department of Administration. The Office of Sustainability and Clean Energy (OSCE) has reviewed the draft and appreciates the opportunity to provide comments on the SEA.

The OSCE was created by Governor Tony Evers, by Executive Order #38, to lead the State of Wisconsin in fighting the effects of climate change through programs and policies that support and improve the state's economy and environment, diversify the resources used to meet the state's energy needs, and generate family-supporting jobs. To do this, the office conducts the following work:

- Coordinates with state agencies and state utilities to achieve a goal of ensuring all electricity consumed within the State of Wisconsin is 100 percent carbon-free by 2050.
- Ensures the State of Wisconsin is fulfilling the carbon reduction goals of the 2015 Paris Climate Accord.
- Developing and implementing a clean energy plan to assist the State of Wisconsin in adapting to and mitigating the harm from climate change by using clean energy resources and technology.
- Promotes clean energy workforce training.
- Fosters innovation, research, and business development within the renewable energy, energy efficiency, and sustainability sectors; and,
- Explores opportunities, develops, and implements State Lead by Example efforts through energy efficiency, sustainability, and renewable energy for all new and existing state facilities, office buildings, and complexes.

To accomplish this work, the OSCE serves as a clearinghouse for all energy activities in the state and as a hub (OSCE) and spoke (agencies) to elevate the work with common objectives, ensuring collaboration and alignment on, 1) projects, 2) engaging stakeholders, and 3) leveraging resources to reach common goals.

Additionally, the OSCE is working closely with the Governor's Task Force on Climate Change, as created by Executive Order #52, to develop recommendations that will advise and assist the governor in developing a strategy to mitigate and adapt to the effects of climate change for the

benefit of all Wisconsin communities. The Task Force is working closely with the OSCE to identify new, cost-effective conservation, sustainability, and efficiency strategies for the state and preparing Wisconsin for climate change by incorporating climate adaptation strategies into existing planning.

The work of the Public Service Commission of Wisconsin (PSCW) and the OSCE are critically important to Wisconsin's residents. Past research by the Wisconsin Initiative on Climate Change Impacts indicates that the statewide average annual temperatures are likely to warm by 6 to 7 degrees Fahrenheit by the middle of the century. This change could result in two weeks per year of dangerous heat. Climate change also threatens to increase the frequency and severity of extreme weather events such as extended dry periods and periods of heavy rains that cause flooding. These climate changes pose significant threats to Wisconsin communities, the health of our residents, our economy, and our future. These potential impacts make the work of the PSCW and the OSCE more urgent than ever.

The PSCW staff are commended for their hard work to issue the initial draft SEA. While the content of the SEA is driven by its definition and charge via statute and administrative code, there is an opportunity to create a more forward-thinking document. The SEA has an opportunity to identify long-term goals and interests, the means of achieving them and to evaluate the ability to meet goals, and report on progress over time. After careful review, the current draft SEA seems to be a snapshot in time versus a strategic assessment and plan for the future. While reporting on what the utility providers are doing, the PSCW should capitalize on the opportunity to integrate several multi-sector, local, state, and regional efforts to reduce energy consumption, transition to clean energy. The SEA compliments the work of the OSCE and could be a useful tool to measure and verify progress towards meeting our carbon reduction goals. The SEA could also be used to directly address and report on Wisconsin's progress on reducing the impacts of climate change. As currently written, the assessment does not analyze the overall risks (business as usual) versus the benefits of the transition to a clean energy economy or addressing climate change.

The State of Wisconsin has agreed to fulfill the carbon reduction goals of the 2015 Paris Climate Accord, set a goal to ensure all electricity consumed in Wisconsin is 100 percent carbon-free by 2050, and is committed to working with government, non-government organizations businesses, and industry to reduce emissions through pollution prevention and improved energy efficiency. The SEA report should reference the 2015 Paris Climate Accord and provide analysis on how the electric sector is contributing to efforts to ensure the State of Wisconsin is fulfilling its portion of those goals, aiming to reduce greenhouse gas emissions by at least 26-28 percent below 2005 levels by 2025.

The OSCE recommends that the SEA include the plan for the transition to clean energy and comprehensively address carbon-reduction to carbon-free efforts over time. The SEA should include a discussion of climate change and the impact of the transition to clean energy has on emissions reductions, economic development, public health and safety, protection of the environment, and diversification of sources of energy supplies. Climate change is a grave threat

to the health, safety, and economic well-being of people and communities throughout Wisconsin. The just transition to a clean energy economy should be clearly outlined in the SEA, giving the public assurance that the State of Wisconsin is committed to making a substantial change.

The OSCE is supportive of reducing emissions through shifts in generation, shutting down coal facilities, and looking at renewables or other clean energy opportunities/technologies. Wisconsin should thoroughly evaluate all its available resources throughout the state and in the Midwest region. The draft SEA addresses an increase in natural gas deployments in terms of reliability and emissions reductions (50 percent improvement). Utilities should report how they plan to transition from natural gas to meet carbon-free electricity goals. The SEA should also include forecasting. While it is likely that no natural gas facilities will phase out before 2026, future versions of this document that reach into 2030 and 2050 should include plans for when and how natural gas will be phased out.

While the SEA addresses the effort to reach communities of individuals with low incomes, it should state how the transition to a clean energy economy and addressing climate change will impact communities of color and communities of individuals with low incomes. These communities often experience the first and worst consequences of climate change and have long been on the frontlines of this battle. Incorporating this lens of environmental justice ensures the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income, with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies. This should also be included as part of plan submissions and discussed as part of the SEA.

The OSCE also recommends outlining how policymakers and utilities can transition to carbon-free electricity. In some cases, the move to carbon-free means the closure of current fossil fuel generation facilities. Workers of existing fossil fuel plants must also be considered, including how to provide supports and training for those directly affected by plant closures. Utilities should report in their transition plans and the SEA should track the progress. This is also a great opportunity to coordinate with other agencies and stakeholders, including the Department of Workforce Development, the University of Wisconsin System, Wisconsin Technical College System, trades associations, and renewable energy developers.

I would like to take this opportunity to encourage the PSCW staff to work collaboratively with the OSCE and with state agencies. The PSCW should also tap into the expertise and capacities of Wisconsin's university and technical college systems to model scenarios that provide forecast the impacts of local, state, regional, and federal policies to analyze as well as to evaluate other successful state models, expand the electric utility providers reporting to include plans to address environmental justice and just transition of the fossil fuel economy, and an inclusive public engagement process to ensure the betterment of Wisconsin's residents. OSCE strongly recommends that the PSCW create a working document that can be used to evaluate, plan, measure, and track progress over time to ensure we are collectively meeting our goals. This

document should be strategic and should be updated over time as policies change and progress is realized.

To summarize additional thoughts on specific sections of the documents, I have provided Attachment A. I am available at maria.redmond@wisconsin.gov or (608) 267-2713 to answer any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Maria Redmond". The signature is fluid and cursive, with a large initial "M" and "R".

Maria Redmond
Director, Office of Sustainability and Clean Energy
Department of Administration

ATTACHMENT A - SUGGESTED ADDITIONS AND EDITS TO THE 2021-2026 DRAFT SEA

- Expand the discussion especially as it relates to:
 - An all resource approach – forecast energy efficiency, demand response, biogas, hydro, and nuclear.
 - Non-utility energy generation – via residential, business, and industrial sectors.
 - Distributed Energy Resources – including microgrids and battery storage.
 - Building electrification and local net-zero energy initiatives.
- **ELECTRIC TRANSMISSION IN WISCONSIN**
 - Wisconsin is a net energy importer; the SEA should factor in the projects in the queue of MISO as a tool to forecast transition to renewables in Wisconsin.
 - According to the Energy Foundation, clean energy projects in the MISO north and central regions in the MISO “queue” waiting to interconnect:
 - SOLAR: 33,800 megawatts (enough to power about 6.4 million homes)
 - WIND: 14,545 megawatts (enough to power 4.4 million homes)
 - MISO’s grid only carries 9% renewable energy now, we should encourage MISO to evaluate projects that affordably contribute to our carbon reduction goals.
 - Are utilities exploring innovative ways to deploy transmission via existing infrastructure, i.e. improving the efficiency of lines or proposed transmission to meet the needs of Distributed Energy Resources? If so, this should be made more transparent.
- **RELIABILITY AND RESILIENCE**
 - Integrate the impacts of carbon reduction on resilience, including forecasting the impact of an increase in microgrids and battery storage.
- **ENERGY RATES**
 - The SEA should analyze the impact of the cost to ratepayers of our continued reliance on fossil fuels, include incorporating the social and health costs, and the potential impact on ratepayers over time to transition to clean energy in Wisconsin.
- **CLEAN ENERGY PROGRAMS AND POLICIES**
 - This section should reference Executive order 38 and Executive Order 52 and reference the work to reach 100% carbon-free electric by 2050, emissions reductions in Paris climate accord, and climate change efforts.
 - The SEA should take into account multi-sector, local governments, school districts, and other public entities that are beginning to take assertive steps towards reducing their carbon footprints through energy efficiency and onsite renewable energy, which will create a demand for a transition. The feasibility and timeline of the transition should be taken into consideration and reported.
 - Energy Efficiency is the key to immediate climate change efforts. The continued availability of funding for Focus on Energy will have a direct effect on lower greenhouse gas emissions through energy efficiency by local governments, school districts, and public entities that are pursuing carbon-free and emission reductions on a local level. The SEA should acknowledge and track this issue.

- PROJECTING ENERGY SUPPLY, 2020-2026
 - Work with OSCE to model energy projections as part of a comprehensive clean energy plan.
 - As a net energy importer, Wisconsin will need additional sources of clean generation to meet our statewide carbon reduction goals for 2050 (and potentially sooner), with much of it originating in the surrounding region. We need to ensure the SEA addresses this directly.
- TRANSMISSION PLANNING
 - The MISO MTEP process reference in this section has guiding principles that include:
 - Support state and federal energy policy requirements by planning for access to a changing resource mix.
 - Analyze system scenarios and make the results available to state and federal energy policymakers and other stakeholders to provide context to inform regarding choices.
 - Coordinate planning processes with neighbors and work to eliminate barriers to reliable and efficient operations.
 - Ensure that MISO is informed during the MTEP21 planning process the Wisconsin policies and to work to eliminate barriers to deployment of renewables if the projects meet the necessary reliability and efficiency measures.
- ELECTRIC VEHICLES
 - Potential increase in electric vehicle deployments and electrification of transportation create an increased demand for electricity, energy providers should address this in their plans, describing programs and initiatives to support the deployment of vehicles and infrastructure, as well as the updates as the transition occurs.
 - Analyze the use of renewables to power these vehicles.
 - Also explore resilience and energy assurance plans to power electric vehicles in an energy emergency when electricity is not available, and the ability to move people to safety.
- ELECTRIC SYSTEM EMISSIONS
 - This section should reference Executive order 38 and Executive Order 52
 - The SEA can serve as a roadmap and timeline to meet this and reference the work to reach 100% carbon-free electric by 2050, Emissions reductions in Paris climate accord, and recommendations on mitigating and adapting to climate change
 - Increased deployment of natural gas and zero-carbon energy resources will be two primary approaches to pursuing those goals. Carbon-free electricity needs to move away from natural gas to help meet this goal. Utility providers can reduce emissions but need to submit plans on how they plan to phase out natural gas over time.
 - Table 6-1 Carbon Dioxide Reduction Goals of Wisconsin Electric Providers – update the information to reflect Alliant Energy and WE Energies recent announcements of their goals through 2050. Add a column to report on status towards reaching those goals. For

example, Xcel has made announcements on already meeting 44% of their percentage goals.

- Work collaboratively with the Department of Natural Resources to align the Greenhouse Gas Inventory and use it as a data source to report on emissions reductions over time. This can be a tool to accurately report emissions and progress towards goals.
- The SEA needs to recognize that local governments, school districts, tribes, affinity groups, non-government organizations, and businesses are prioritizing climate change because of the urgency to address its impacts. This is driving the demand for clean energy procurement and could potentially be the most effective action they can take to reduce greenhouse gas emissions.
- While the electricity sector is primarily represented in the report, it would be helpful to include a brief discussion of how other sectors are affecting the transition to a carbon-free economy -- building, industrial, agricultural, transportation, especially with increased electrification in these sectors.