

2021-22 Executive Budget Bill
Clean Energy Provisions
Summarized by RENEW Wisconsin
February 16, 2021

Department of Administration:

1. **Energy Conservation and Renewable Energy for State Buildings** - \$100 million of State bonding for 2021-23 energy conservation projects. These energy conservation projects will help state agencies and the University of Wisconsin System meet their energy reduction goals and reduce utility costs. Renewable projects would include solar, wind, standby generators, or geothermal enhancements to state facilities. The achieved savings from the reduction in utility costs is used to pay the debt service payments on the bonds.
2. **Business Development Credit for Energy Efficiency and Renewable Energy Projects** - Specify WEDC may provide businesses an incentive of up to 25 percent of expenditures on real or personal property for such energy efficiency and renewable energy projects.
3. **Green Procurement Practices** - Requires DOA to develop a plan to expand the use of green and environmentally friendly state procurement practices, and to provide the written plan by June 30, 2022.
4. **Create the Office of Environmental Justice** within the Department of Administration, which will facilitate collaboration across state agencies and engage with environmental justice advocates, communities of color, Native Nations, and low-income populations to design climate policies that reduce emissions and pollutants and address the cumulative and deadly impact of their concentration within those communities.
5. **Develop Climate Risk Assessment and Resilience Plan** - Provide funding to the Office of Environmental Justice for the execution of state and local government climate risk assessment and resilience plans.
6. **Municipal Climate Change Planning** - Require a comprehensive plan be developed by municipalities to address climate change, require that local hazard mitigation plans include climate change, and require communities throughout the state to include climate change in their community health improvement assessment and plans.
 - a. Establish a technical assistance grant program to assist municipalities and tribal nations to develop a plan to be carbon-free by 2050. Provide \$200,000 over the biennium at the new Office of Environmental Justice for this purpose.
7. **Establish the Office of Sustainability and Clean Energy** – Creates a permanent Office of Sustainability and Clean Energy within DOA to administer certain energy programs. The bill requires the Office of Sustainability and Clean Energy to work on initiatives with specified goals regarding clean and renewable energy, innovative sustainability, and diversification of energy resources
8. **Renewable and Clean Energy Research Grant** - Create a \$4 million renewable and clean energy research grant in fiscal year 2021-22 administered by the Office of Sustainability and Clean Energy and funded by the environmental fund.
9. **VW Funds for Electric Vehicle Charging Station Grants** - Allocate \$10 million of the remaining Volkswagen emissions settlement funds to be dedicated to the reestablishment an electric vehicle charging station grant program administered by the Department of Administration.
10. **VW Funds for Clean Energy State Fleet** - Allocate the remaining \$700,000 of VW funds for the replacement of state vehicles with a focus on clean energy vehicles.
11. **State Funding for Electric Vehicle Infrastructure (DOT)** - Authorize \$5 million in bonding for electric vehicle charging infrastructure to allow greater use of electric vehicles throughout the state.

Public Service Commission:

12. **Focus on Energy Program Expansion** - Double the required utility contribution for the Focus on Energy program from 1.2% to 2.4% of annual operating revenues, creating an additional \$100 million in funding.
13. **Focus on Energy Initiatives for Low-Income Households** – Create a dedicated program within Focus on Energy targeted to help low- income energy customers with weatherization and energy reduction.
14. **PACE Model Ordinance** - Require the PSC to create a model ordinance for political subdivisions to use to establish a property assessed clean energy (PACE) financing program to be used for installing energy or water efficiency improvements or renewable resource improvements.
15. **PACE Marketing** - Authorize the Focus on Energy program to allocate funds to market PACE programs across the state.
16. **Residential Energy Improvement Program** - Authorizes the PSC to establish a program under which a public utility may finance energy improvements for a residential customer. The utility may recover the costs of such an energy improvement through a surcharge periodically placed on the customer's account.
17. **Securitization of Retiring Power Plants** - Allow utilities to securitize the remaining unpaid balance of a retiring power plant, in addition to the currently allowed unpaid balance of pollution control equipment.
18. **Energy Utility Innovative Technology Programs** – Set a voluntary goal for investor-owned electric utilities to collectively spend \$100 million over five years to establish innovative technology programs, including storage and microgrids.
19. **Nonutility-Owned Electric Vehicle Charging Stations** - Modify current law to exempt a nonutility that supplies electricity through an electric vehicle charging station from the definition of a public utility.
20. **Social Cost of Carbon** - PSC must submit a report every odd-numbered year to the legislature describing PSC's evaluation of the social cost of carbon.
21. **Social Cost of Carbon for Construction Certifications** -The Governor also recommends requiring the commission to consider the social cost of carbon when evaluating construction certifications.
22. **Carbon Market Feasibility Study (DATCP)** - Provide \$370,000 in each year for a pilot program that studies the feasibility of a carbon market covering the state. The budget also provides grants to producers and producer-led groups who participate in the carbon market pilot program.
23. **Regional Biodigester Planning Grant - (DATCP)** Provide planning grants for establishing regional biodigesters in the state. Biodigesters are used to break down organic material into gas, liquids, and solids. \$250,000 each year of biennium for the grants.

Training:

24. **Green Job Training (DWD)** - Provide \$500,000 annually under the Wisconsin Fast Forward framework for employers to train workers for green jobs throughout the state, which will encourage individuals to follow conservation and environmental career paths.
25. **UW-Stevens Point Sustainable Technology Program (UW)** - Provide \$365,000 in each year of the biennium for the Wisconsin Institute for Sustainable Technology at UW-Stevens Point.

Other:

26. **School Energy Efficiency Grants (DPI)** - Create a \$10 million per year grant program for school energy efficiency projects, the first two years a preference would be given to HVAC systems.
27. **Climate Change Education (DPI)** – Directs DPI to include climate change education into model academic standards across multiple subject areas.
28. **Sales Tax Exemption for Energy Storage Systems (DOR)** – Clarifies that equipment used primarily to store energy produced by a solar, wind, or biogas renewable energy system is included the renewable energy equipment sales and use tax exemption.