

# **PUBLIC SERVICE COMMISSION OF WISCONSIN**

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## **Memorandum**

April 5, 2023

### **FOR COMMISSION AGENDA**

TO: The Commission

FROM: Joe Fontaine, Administrator  
Tara Kiley, Deputy Administrator  
Bradley Rose, Bureau Director  
Kayleigh Chiono, Consumer Affairs Analyst  
Division of Digital Access, Consumer and Environmental Affairs

RE: Proposed Revisions for Wisconsin Administrative Code Chapter PSC 113, for Individual Electric Metering 1-AC-257

Suggested Minute: The Commission (approved/did not approve) opening a rulemaking docket.

The Commission (accepted/modified and accepted) a Statement of Scope for submission to the Governor's office and directed Commission staff to prepare and transmit the necessary documents to the Governor's office. If the Governor approves the Statement of Scope, Commission staff is directed to prepare and submit the necessary documents to the Legislative Reference Bureau for publication in the *Wisconsin Administrative Register* and concurrently to the Department of Administration.

OR

The Commission did not accept a Statement of Scope in this docket and returned it to Commission staff.

This is the proposal to open a rulemaking docket. If the Commission chooses to open a rulemaking docket, it may accept the Statement of Scope. ([DL: 1937029](#).)

Wisconsin Admin. Code PSC ch. 113 establishes service rules for electrical utilities. The current rules have been in effect since August 1, 2000. Wisconsin Admin. Code § PSC 113.0803 addresses individual electric metering requirements. The individual metering requirements are generally intended to promote energy conservation, ensure that each customer is billed for their

own energy consumption only, and ensure that the utility is able to disconnect the electric service to an individual unit without affecting the service of other units at a property.

In recent years, the Commission has received a number of requests for waivers of this rule from both utilities and individual property owners who would be affected by the metering requirements, for a variety of reasons. The proposed rulemaking would update the existing provisions of Wis. Admin. Code § PSC 113.0803 to address the emerging considerations raised through recent waiver requests and support simplicity and clarity in future applications of the rule. The rulemaking will consider clarifications to the applicability of the existing waiver requirements; updated references to energy efficiency to reflect current standards and practices for assessing equipment efficiency; revisions or additions associated with the increased deployment of renewable energy systems and energy efficient technologies; and the standards which the Commission must apply when considering grounds for a waiver of this rule under Wis. Admin. Code § PSC 113.0803(5).

If the Governor approves the Statement of Scope, Commission staff will forward the Statement to the Legislative Reference Bureau for publication in the *Wisconsin Administrative Register* and concurrently to the Department of Administration. At least 10 days after publication, the Commission will have the opportunity to give the Statement of Scope its final approval.

#### **Commission Alternatives – Opening Rulemaking Docket**

**Alternative One:** Approve the proposal to open this rulemaking

**Alternative Two:** Do not approve opening this rulemaking.

## **Commission Alternatives – Statement of Scope**

**Alternative One:** Accept the Statement of Scope for submission to the Governor's office and direct Commission staff to prepare and transmit the necessary documents to the Governor's office. Direct Commission staff that if the Governor's office approves the Statement of Scope, Commission staff is to prepare and submit the necessary documents to the Legislative Reference Bureau for publication in the *Wisconsin Administrative Register* and concurrently to the Department of Administration.

**Alternative Two:** Modify and accept the Statement of Scope for submission to the Governor's office and direct Commission staff to prepare and transmit the necessary documents to the Governor's office. Direct Commission staff that if the Governor's office approves the Statement of Scope, Commission staff is to prepare and submit the necessary documents to the Legislative Reference Bureau for publication in the *Wisconsin Administrative Register* and concurrently to the Department of Administration.

**Alternative Three:** Do not accept the Statement of Scope and return it to Commission staff.

JF:TK:BR:KC:kle DL: 01937013

Key Background Documents  
[1-AC-257 Statement of Scope.docx - 1937029](#)

# STATEMENT OF SCOPE

## Public Service Commission of Wisconsin (PSC Docket 1-AC-257)

**Rule No.:** Chapter PSC 113

**Relating to:** Service Rules for Electrical Utilities

**Rule Type:** Permanent

### **1. Finding/nature of emergency (Emergency Rule only):**

N/A

### **2. Detailed description of the objective of the proposed rule:**

The proposed rule would update the existing provisions of Wis. Admin. Code ch. PSC 113 (PSC 113) regarding individual electric metering requirements for non-transient multi-dwelling unit residential buildings, mobile home parks, and commercial establishments. The individual metering requirements are generally intended to promote energy conservation, ensure that each customer is billed for his or her own consumption only, and ensure that the utility is able to disconnect the electric service to an individual unit without affecting the service of other units at a property. The proposed rule would modify the situations in which the rule would apply in order to better reflect current and emerging technologies and would update and clarify the standards that the Commission must apply when considering grounds for a waiver of this rule under Wis. Admin. Code § PSC 113.0803(5).

### **3. Description of the existing policies relevant to the rule, new policies proposed to be included in the rule, and an analysis of policy alternatives:**

The existing rule, last revised in 2002, requires that each dwelling in a non-transient multi-dwelling unit residential building and mobile home park, constructed or renovated after March 1, 1980, must have its electric service individually metered. The existing rule authorizes the Commission to grant waivers of the requirement in specified circumstances, such as cases where tenants have minimal usage under their control or when electric equipment under tenant control is substantially more efficient than applicable codes.

In recent years, the Commission has received several requests for waivers of this rule from both utilities and individual property owners who would be affected by the metering requirements. Some applications sought waivers for new construction of buildings that would have been exempt from the individual metering requirements if they had been remodeled, pursuant to subsection (4) of the existing rule. Other applications have sought waivers to allow individual metering that would facilitate the use of renewable energy systems, which have become more widely available since the initial drafting of this rule, and others have requested temporary or permanent waivers of the individual metering requirements due to concerns such as the limited availability of individual meters due to supply chain issues.

The guiding objective of the rulemaking will be to establish revisions to PSC 113 that will aid the Commission and its staff in interpreting and applying the individual electric metering requirements. Specifically, this rulemaking will identify proposed changes to Wis. Admin. Code ch. PSC 113 in order to address the issues raised through recent waiver requests and similar emerging considerations and to support simplicity and clarity in future applications of the rule. The rulemaking will consider proposed language revisions to clarify the applicability of the waiver requirements to newly constructed buildings; update references to energy efficiency to reflect current standards and practices for assessing equipment efficiency, and assess whether revisions or additions are appropriate in connection with the increased deployment of renewable energy systems and energy efficient technologies.

**4. Detailed explanation of statutory authority for the rule (including the statutory citation and language):**

This rule is authorized under ss. 196.02(1) and (3), 196.03(1), 196.16(2), 196.20(1), 196.37(2), and 227.11.

Section 227.11 authorizes agencies to promulgate administrative rules. Section 196.02(1) authorizes the Commission to do all things necessary and convenient to its jurisdiction. Section 196.02(3) grants the Commission specific authority to promulgate rules. Section 196.03(1) requires public utilities to provide reasonably adequate service and facilities. Section 196.16(2) requires the Commission to establish reasonable rules, regulations, and specifications and standards to secure the accuracy of all meters and appliances for measurement of public utility service. Section 196.37(2) authorizes the Commission to exercise control over the service rules that a public utility has with its consumers and requires the Commission to make a just and reasonable order if the Commission finds that the service is unjust, insufficient, or unlawful.

**5. Estimate of amount of time that state employees will spend developing the rule and of other resources necessary to develop the rule:**

The Commission estimates that 150-200 hours of employee time will be required to develop the rules.

**6. List with description of all entities that may be affected by the proposed rule:**

All public utilities in Wisconsin will be impacted by this rule, as will any owner of a non-transient multi-dwelling residential unit that is newly constructed or renovated.

**7. Summary and preliminary comparison with any existing or proposed federal regulation that is intended to address the activities to be regulated by the proposed rule:**

Staff are not aware of any existing or proposed federal regulation relevant to this rule.

**8. Anticipated economic impact of implementing the rule (note if the rule is likely to have a significant economic impact on small businesses):**

Changes to this rule are anticipated to result in a minimal impact. It may reduce construction and energy-related costs for building owners and tenants associated with the increased deployment of renewable energy and energy-efficient technologies. It may also reduce staff hours spent on reviewing and analyzing applications for a waiver of this rule, which may result in a cost savings for the electric utilities involved.

**Contact Person:** Kayleigh Chiono at 608-266-5739 or [Kayleigh2.Chiono@wisconsin.gov](mailto:Kayleigh2.Chiono@wisconsin.gov).



Department Head or Authorized Signature

04/20/2023  
Date Submitted

DL: 01720759