

Minutes and Informal Instructions of the Open Meeting of  
Friday, February 13, 2009  
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**137-CE-147 – Application of American Transmission Company, as an Electric Public Utility, to Construct a New 345 kV Transmission Line from the Rockdale Substation to the West Middleton Substation, Dane County, Wisconsin**

**1-IC-408 – Application for Intervenor Compensation Filed by Protect Our Rural Landscape for \$126,360 to Participate in Docket 137-CE-147**

The Commission modified and approved the request filed on behalf of Protect Our Rural Landscape for intervenor compensation, awarding the amount of \$33,000.

The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

**5-EI-148 – Investigation on the Commission’s Own Motion Regarding Advanced Renewable Tariff Development**

**1-IC-409 – Application for Intervenor Compensation Filed by RENEW Wisconsin for \$10,770 to Participate in Docket 5-EI-148**

The Commission modified and approved the request filed on behalf of RENEW Wisconsin for intervenor compensation, awarding the amount of \$8,940.

The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

**4220-FR-102 – Fuel Rules Proceeding to Adjust Northern States Power Company-Wisconsin, d/b/a Xcel Energy, Electric Rates Originally Set in Docket 4220-UR-115**

The Commission authorized Northern States Power Company–Wisconsin (NSPW) to implement its proposed \$0.0087 per kilowatt-hour fuel credit refund prior to the completion of the compliance audit of 2008 actual fuel costs.

The Commission required NSPW to refund any under-refunded amounts, but would not allow it to collect any over-refunded amounts from ratepayers.

The Commission directed the Gas and Energy Division to draft an order consistent with its decision.

**PUBLIC SERVICE COMMISSION OF WISCONSIN** DL

**Memorandum**

February 6, 2009

**FOR COMMISSION AGENDA**

TO: The Commission

FROM: Robert Norcross, Administrator *RDN*  
Robert Bauer, Rate Analyst *RCB*  
Gas and Energy Division

Sarah Klein, Administrator *SK*  
Gordon Grant, Assistant Administrator *GA*  
Division of Administrative Services

RE: Investigation on the Commission's Own Motion Regarding  
Advanced Renewable Tariff Development

5-EI-148

Application for Intervenor Compensation Filed by RENEW  
Wisconsin for \$10,770 to Participate in Docket 5-EI-148

1-IC-409

Suggested Minute: The Commission (approved/modified/denied) the request of RENEW Wisconsin for \$10,700 in Intervenor Compensation.

On January 29, 2009, RENEW Wisconsin (RENEW) submitted a request that the

Commission approve funding of \$10,770 for intervention in the above docket. RENEW

proposes to participate in the following manner:

- Provide comments to the questions contained in Public Service Commission's Notice of Investigation issued January 16, 2009, regarding the development of Advanced Renewable Tariffs (ARTs).
- Work with Citizens' Utility Board (CUB) and Clean Wisconsin as Joint Public Intervenors (JPI) to provide the Commission with information and expert comments on the economic, environmental, and public interest issues associated with this investigation.

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- On behalf of JPI, RENEW proposes to hire an expert witness to review the Notice and prepare comments in response to the questions detailed therein.
- On behalf of JPI, RENEW also proposes to hire an attorney to research legal questions associated with ARTs and coordinate the expert’s proposed comments with individual JPI organizations.

RENEW has established a budget for its intervention including the services provided for the other stakeholders as follows:

Description	Hours	Cost
Larry Krom - Expert Witness	62	\$ 5,270
Curt Pawlisch - Legal Services	22	3,850
Michael Vickerman - Intervention Mgmt. and Coordination	22	1,650
<b>Total Request</b>		<b>\$10,770</b>

**Eligibility for Compensation**

Wisconsin Admin. Code § PSC 3.02 (1) establishes five conditions for determining eligibility to receive intervenor compensation. Under that rule, a person seeking compensation must meet all of the following conditions:

**PSC 3.02 (1) (a)** A customer of the utility which is the subject of the proceeding; or someone who may be materially affected by the outcome of the proceeding.

(b) Someone for whom full intervention in the proceeding would cause significant financial hardship without compensation from the Commission.

(c) Someone who represents an interest material to the proceeding, which but for award of compensation would not be adequately represented.

(d) Someone whose interest must be represented for a fair determination in the proceeding.

(e) Someone who has been granted full party status and who will participate in the proceeding as a full party.

RENEW is an independent, nonprofit 501(c)(3) organization that acts as a catalyst to advance a sustainable energy future through public policy and private sector initiatives. RENEW seeks to change the way Wisconsin citizens think about and consume energy through a

combination of advocacy, education, and creative partnerships with state government, businesses, utilities, and citizen groups.

### **Commission Staff Analysis**

The Commission has initiated an investigation to examine whether and how to expand the availability and use of ARTs in Wisconsin and promote greater uniformity in the ARTs offered by Wisconsin electric utilities. The Governor's Task Force on Global Warming (Task Force) issued a final report in July 2008 recommending that the state of Wisconsin develop and implement an advanced renewable tariff policy. More specifically, the Task Force recommended that the Commission convene a docket to determine the production costs of various distributed renewable resources such as solar, wind, small hydro, landfill gas, biogas, and other biomass sources. The Commission has previously approved experimental renewable tariffs for some Wisconsin utilities on an individual case-by-case basis. In a recent rate case, the Commission decided to open this investigation into whether it should establish more uniform ARTs across all Wisconsin electric utilities.

### **Technical Experts**

RENEW proposes to use the services of L&S Technical Associates, specifically Mr. Larry Krom at the rate of \$85 per hour for 62 hours. Mr. Krom will (1) perform analysis and any simple modeling required to develop preliminary responses addressing Commission questions two through seven that were set forth in the Notice; (2) meet with RENEW, and as needed, other joint intervenors to discuss preliminary data and responses; (3) prepare, revise and finalize comments to the Commission based on discussions with RENEW and other joint intervenors; and (4) review other comments submitted to the Commission and meet with RENEW and other joint intervenors to discuss their impact.

Mr. Vickerman of RENEW proposes to manage and coordinate JPI efforts at the rate of \$75 per hour for 22 hours. In addition to working closely with Mr. Krom, Mr. Vickerman will meet to discuss the issues and positions with the other JPI organizations and to coordinate and plan intervention.

### **Attorney Costs**

RENEW proposes to use the legal services of Curt Pawlisch of Cullen, Weston, Pines and Bach LLP, to prepare its case at the rate of \$175 per hour for a total of 22 hours. Mr. Pawlisch will be assisted by Attorneys Kira Loehr and Jeffrey Vercauteren, who will also be billed at \$175 per hour. If the Commission grants less intervenor compensation than requested by RENEW for technical experts' participation, it may also want to reduce the funding for legal services.

### **Commission Alternatives**

Commission staff offers three alternatives for the Commission to consider regarding this application:

**Alternative One:** The Commission could approve RENEW's full request of \$10,770 if it believes that RENEW's involvement will provide another valuable perspective on the issues it proposes to address in this proceeding.

**Alternative Two:** The Commission could approve RENEW's request for intervenor compensation but modify the amount to eliminate duplication of Commission staff's analysis by Messrs. Krom and Vickerman and reduce the funding for legal services.

**Alternative Three:** The Commission could deny RENEW's request for intervenor compensation. The Commission could choose this alternative if it believes the issues will be adequately covered by Commission staff and other parties in the proceeding.

### **Intervenor Compensation Fund Status**

The Commission has \$607,111 remaining in the intervenor compensation fund for use between now and June 30, 2009. Besides this request from RENEW WI for \$10,770 there is a pending request at the time this memo was written for \$126,360 from Protect our Rural Landscape (PORL) in docket 137-CE-147. If both this request and the PORL request were approved in total and balance of \$470,051 would remain available for allocation for the rest of the fiscal year. Attachment 1 provides a list of the fund activities so far this fiscal year.

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Attachment

**FISCAL YEAR 2009  
INTERVENOR FINANCING REPORT**

Intervenor Docket #	PSC Docket #	INTERVENOR	Date Rqstd	Amount Rqstd	Amount Appvd		
1-IC-404	6680-UR-116	Sierra Club	6/13/2008	114,600	24,600		
1-IC-405	6690-UR-119	Sierra Club	6/23/2008	79,200	17,400		
1-IC-394 Supl.	6680-CE-170	Citizens Utility Board	9/17/2008	50,000	50,000		
1-IC-406 Amended	6680-CE-173	Citizens Utility Board	11/14/2008	29,889	29,889		
1-IC-407	05-ES-104	Clean WI	11/20/2008	20,460	10,000		
1-IC-404 Supl.	6690-UR-116	Sierra Club	12/30/2008	11,000	5,500		
1-IC-405 Supl.	6680-UR-119	Sierra Club	12/30/2008	11,000	5,500		
1-IC-408	137-CE-147	Protect our Rural Landscape	1/16/2009	126,360	PENDING		
1-IC-409	05-EI-148	RENEW WI	1/29/2009	10,770	PENDING		

453,279      142,889      -      -

<b>BUDGET</b>	\$	<b>750,000</b>	
<b>UNALLOCATED REMAINING</b>			\$ 607,111
<b>TOTAL PENDING CASES FROM ABOVE</b>			\$ 137,060
<b>REMAINING FUNDING IF PENDING APPROVED</b>			\$ 470,051