



2025 ASSEMBLY BILL 25

February 13, 2025 - Introduced by Representative PETERSEN, cosponsored by Senator LEMAHIEU. Referred to Committee on Energy and Utilities.

AUTHORS SUBJECT TO CHANGE

1 **AN ACT to repeal** 196.485 (1) (cr), 196.485 (1) (ef) and 196.485 (3g); **to create**
2 196.485 (1) (cr), 196.485 (1) (ef) and 196.485 (3g) of the statutes; **relating to:**
3 an incumbent transmission facility owner’s right to construct, own, and
4 maintain certain transmission facilities and Public Service Commission
5 procedures if the transmission facility is a regionally cost-shared transmission
6 line.

Analysis by the Legislative Reference Bureau

This bill grants to an incumbent transmission facility owner the right to construct, own, and maintain a transmission facility that has been approved for construction in the Midcontinent Independent System Operator’s (MISO) transmission plan and that connects to transmission facilities owned by that incumbent transmission facility owner. Under the bill, an “incumbent transmission facility owner” includes a transmission company or transmission utility (a cooperative or public utility that owns a transmission facility and provides transmission service in this state), regardless of whether this state is its principal place of business or where it is organized or headquartered. Under current law, MISO is an organization that is subject to the jurisdiction of the Federal Energy

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Regulatory Commission and that coordinates and controls electric transmission in a region of the country that includes this state. The bill provides that the right to construct, own, and maintain a transmission facility that connects to transmission facilities owned by two or more incumbent transmission facility owners belongs individually and proportionally to each incumbent transmission facility owner, unless otherwise agreed upon in writing.

Under the bill, if under MISO's transmission plan a regionally cost-shared transmission line has been approved for construction and connection to facilities owned by an incumbent transmission facility owner, the incumbent transmission facility owner must give the Public Service Commission written notice regarding the owner's intent to construct, own, and maintain the line no later than 90 days after approval of the transmission plan or 90 days after the date on which this bill becomes law, whichever is later. If the owner indicates that it does not intent to construct the line, the bill requires it to fully explain that decision in the notice to PSC. In that case, the bill allows PSC to determine whether the incumbent transmission facility owner or another entity must construct the line, taking into consideration issues such as cost, efficiency, and reliability. The bill defines "regionally cost-shared transmission line" to mean a high-voltage transmission line that is eligible for regional cost sharing and is not subject to a right of first refusal in accordance with the MISO tariff.

The bill requires an incumbent transmission facility owner with the right to construct a MISO-approved regionally cost-shared transmission line to include in any application for a certificate of public convenience and necessity an estimate of the cost of construction, along with documentation that the estimate is the result of competitively bid engineering, procurement, and construction contracts. The bill also requires such an incumbent transmission facility owner to provide to PSC until construction is complete quarterly reports that include updated estimates of the construction cost and an explanation of any changes from prior cost estimates.

The bill requires an incumbent transmission facility owner with the right to construct a MISO-approved regionally cost-shared transmission line to, as soon as practicable after the information is available, submit a report to PSC, the assembly speaker, the assembly minority leader, the senate majority leader, the senate minority leader, and the governor detailing the amount of the costs of the transmission line project that are being charged to energy consumers outside this state.

The bill sunsets the rights and responsibilities created under the bill after 10 years.

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

1 **SECTION 1.** 196.485 (1) (cr) of the statutes is created to read:

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1 196.485 (1) (cr) “Incumbent transmission facility owner” includes a
2 transmission company or transmission utility, regardless of whether this state is its
3 principal place of business or where it is organized or headquartered.

4 **SECTION 2.** 196.485 (1) (cr) of the statutes, as created by 2025 Wisconsin Act
5 (this act), is repealed.

6 **SECTION 3.** 196.485 (1) (ef) of the statutes is created to read:

7 196.485 (1) (ef) “Regionally cost-shared transmission line” means a high-
8 voltage transmission line that is eligible, in whole or in part, for regional cost
9 sharing and is not subject to a right of first refusal in accordance with the tariff of
10 the Midwest independent system operator.

11 **SECTION 4.** 196.485 (1) (ef) of the statutes, as created by 2025 Wisconsin Act
12 (this act), is repealed.

13 **SECTION 5.** 196.485 (3g) of the statutes is created to read:

14 196.485 (3g) INCUMBENT TRANSMISSION FACILITY OWNER RIGHTS. (a) *Rights.*
15 Subject to the approval of the commission under s. 196.491 (3), an incumbent
16 transmission facility owner has the right to construct, own, and maintain a
17 transmission facility that has been approved for construction in the Midwest
18 independent system operator’s transmission plan and that connects to
19 transmission facilities owned by that incumbent transmission facility owner. The
20 right to construct, own, and maintain a transmission facility that connects to
21 transmission facilities owned by 2 or more incumbent transmission facility owners
22 belongs individually and proportionally to each incumbent transmission facility
23 owner, unless otherwise agreed upon in writing.

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1 (b) *Commission procedure.* 1. If, in the Midwest independent system
2 operator's transmission plan, a regionally cost-shared transmission line has been
3 approved for construction and connection to facilities owned by an incumbent
4 transmission facility owner, the incumbent transmission facility owner shall give
5 written notice to the commission regarding the owner's intent to construct, own,
6 and maintain the regionally cost-shared transmission line no later than 90 days
7 after approval of the transmission plan or 90 days after the effective date of this
8 subdivision ... [LRB inserts date], whichever is later.

9 2. If an incumbent transmission facility owner indicates in its notice to the
10 commission under subd. 1. that it does not intend to construct the regionally cost-
11 shared transmission line, it shall in the notice fully explain the basis for that
12 decision. In that case, the commission may determine whether the incumbent
13 transmission facility owner or another entity is required to construct the regionally
14 cost-shared transmission line, taking into consideration issues such as cost,
15 efficiency, reliability, and other factors identified in this chapter.

16 (c) *Cost control, requirement of competition, and cost allocation.* With respect
17 to a regionally cost-shared transmission line approved by the Midwest independent
18 system operator, an incumbent transmission facility owner with the right to
19 construct the transmission line shall do all of the following:

20 1. In any application filed pursuant to s. 196.491 (3), provide to the
21 commission an estimate of the cost to construct the regionally cost-shared
22 transmission line and documentation showing that this cost is the result of
23 competitively bid engineering, procurement, and construction contracts.

