

SERVICE DATE
May 05, 2022

PSC REF#: 437798

Public Service Commission of Wisconsin
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PUBLIC SERVICE COMMISSION OF WISCONSIN

2021 Energy Innovation Grant Program Funded by a Grant Awarded by 9709-FG-2021
the Department of Energy, SEP-Formula, on July 27, 2009

ORDER

This is the Order approving the award of \$10 million in grants for the 2021 Energy Innovation Grant Program (EIGP).

Introduction

Background

The Energy Innovation Grant Program (EIGP) is a grant program implemented by Public Service Commission of Wisconsin (Commission) Office of Energy Innovation (OEI). The EIGP supports the mission of the OEI through a broad program scope covering a variety of energy related projects. In its Final Decision issued on October 15, 2021, the Commission defined the 2021 grant round eligibility criteria, eligible activities, and program budget. ([PSC REF#: 423203.](#))

On the same day, the program year was launched with the issuance of the “Energy Innovation Grant Program 2021 Application Instructions.” ([PSC REF#: 423212](#), [PSC REF#: 423213](#), [PSC REF#: 423214.](#)) The Application Instructions solicited applications for three eligible activities: 1) Renewable Energy and Energy Storage; 2) Energy Efficiency and Demand Response; and 3) Comprehensive Energy Planning. Eligible applicants included

manufacturers¹ and the MUSH Market (Municipalities, Universities, Schools, Hospitals, and 501(c)(3) non-profits).

Funding Available

The Commission established an allotment of \$10 million for the 2021 grant round with maximum grant requests and total funds available for each eligible activity as shown in Table 1.

Table 1. Annual Budget and Available Funds per Activity

Activity	Maximum Grant Request	Approved Available Funds per Activity
1. Renewable Energy and Energy Storage	See below	\$4,642,857
Renewable Energy Systems (other than Solar PV Systems)	\$500,000	
Solar PV Systems	\$250,000	
Energy Storage System	\$250,000	
Renewable Energy Systems with Energy Storage	\$500,000 (Solar PV) \$750,000 (all other Renewable Energy)	
2. Energy Efficiency and Demand Response	\$1 million	\$4,642,857

¹ In staff’s 2018 program design memorandum ([PSC REF#: 338974](#)), it proposed using a definition from Wis. Stat. § 77.51(7h), which pertains to the Wisconsin Department of Revenue, provides:

(a) “Manufacturing” means the production by machinery of a new article of tangible personal property or item or property under s. 77.52 (1) (b) or (c) with a different form, use, and name from existing materials, by a process popularly regarded as manufacturing, and that begins with conveying raw materials and supplies from plant inventory to the place where work is performed in the same plant and ends with conveying finished units of tangible personal property or item or property under s. 77.52 (1) (b) or (c) to the point of first storage in the same plant.

“Manufacturing” includes:

1. Crushing, washing, grading and blending sand, rock, gravel and other minerals.
2. Ore dressing, including the mechanical preparation, by crushing and other processes, and the concentration, by flotation and other processes, of ore, and beneficiation, including the preparation of ore for smelting.
3. Conveying work in progress directly from one manufacturing process to another in the same plant; testing or inspecting, throughout the manufacturing process, the new article of tangible personal property or item or property under s. 77.52 (1) (b) or (c) that is being manufactured; storing work in progress in the same plant where the manufacturing occurs; assembling finished units of tangible personal property or items or property under s. 77.52 (1) (b) or (c); and packaging a new article of tangible personal property or items or property under s. 77.52 (1) (b) or (c), if the manufacturer, or another person on the manufacturer’s behalf, performs the packaging and if the packaging becomes part of the new article as it is customarily offered for sale by the manufacturer.

(b) “Manufacturing” does not include storing raw materials or finished units of tangible personal property or items or property under s. 77.52 (1) (b) or (c), research or development, delivery to or from the plant, or repairing or maintaining plant facilities.

Activity (Continued)	Maximum Grant Request (Continued)	Approved Available Funds per Activity (Continued)
3. Comprehensive Energy Planning	See below	\$714,286
Single Eligible Applicant	\$50,000	
Multiple Eligible Applicants Consortium	\$100,00	
Total		\$10 million

Applications Received

Applications were due to the Commission on January 14, 2022. The broad program scope was met with substantial interest; 105 applications were received with the sum of the grant requests totaling \$31.58 million. Individual grant requests ranged from \$26,136 to \$1 million.

Evaluation Methodology

The merit review scoring criteria was designed to give equal opportunity to all applicant types. Projects were scored among the like projects in the same category. Merit review scoring criteria included the following: eligibility and ability to achieve the objectives, budget justification and cost share, savings and payback, energy savings and environmental impact, equity and energy justice, financial leverage and economic impact, existing energy planning efforts, energy resiliency, education and awareness, and innovation.

A nine-member panel² reviewed and scored the applications in a preliminary screening. The review panel included Commission staff of OEI, representing both the Focus on Energy and State Energy Programs Teams, the Office of Environmental Analysis, and the Division of Energy Regulation and Analysis, as well as external participants from APTIM, the Focus on Energy Program Administrator. Review panel members were selected based on their respective

² The review panel consisted of: Scott Bloedorn, Keith Cronin, Andrew Field, Eric Gredell, Aaron Greene, John King, Megan Levy, Joe Pater, and Tyler Tomaszewski.

areas of expertise and perspectives acquired through work with various eligible applicants in both regulatory and non-regulatory settings.

To facilitate the Commission's review of the applications, the review panel considered the merit of the applications, and scored and ranked them. The preliminary results were provided in a memorandum with additional materials including: a master list of grant applications that provided a brief project description, link to the application documents, and funding recommendation for each project; maps that illustrated the geographic location of all grant applications and identify those recommended for funding; an overview of previous grant recipients that submitted an application in this grant round; and an overview of grant applicants that submitted multiple applications in this grant round. ([PSC REF#: 435244](#).) The Commission was not bound by the recommendations of the review panel, but the panel's recommendations were provided as one of several aspects that the Commission considered. The Commission considered the matter at its open meeting of April 14, 2022.

Findings of Fact and Conclusions of Law

1. The Commission has jurisdiction under 2015 Wisconsin Act 55 and Wis. Stat. §§ 196.02 and 196.025 to oversee the EIGP and to determine eligibility and selection of grant applicants for awards.
2. The Commission may impose any term, condition, or requirement necessary to protect the public interest pursuant to Wis. Stat. §§ 196.02 and 196.395.
3. The issuance of this Order is a Type III action under Wis. Admin. Code § PSC 4.10(3) and requires neither an environmental impact statement (EIS) nor an environmental assessment (EA).

Opinion

Application Eligibility Determinations

Eligibility parameters for applicants and activities were discussed in the Application Instructions, Section 1.2.2. Ineligible activities were itemized in Application Instructions, Section 1.2.3. Additionally, the Application Instructions Section 2, “Application Format and Procedures,” specified a number of circumstances that could render an application or filing ineligible, such as late filing or incorrect formatting. Applications were due January 14, 2022, at 4:30 pm CT to the Electronic Records Filing (ERF) system.

The following applications or parts thereof were identified for a Commission determination of eligibility: ATI Ladish LLC; Menominee Indian Tribe of Wisconsin; Schmidt Farms West, LLC; Atlantis Valley; Brightmark C-Dairy RNG LLC; Children’s Community School; Gordon Aluminum Industries, Inc., and Letter of Support (LOS) for Rice Lake Area School District. Whether filed late, formatted incorrectly, or delayed by a confidentiality request, each of the filings were readily available for the evaluation process and included for the review panel to give it a full merit review irrespective of filing status. In all cases, staff provided individualized follow-up to applicants requesting corrections be made prior to the deadline if possible.

The Commission deems that the application from Atlantis Valley and the Letter of Support for Rice Lake Area School District are ineligible. The application and Letter of Support were filed after the deadline. The Commission deems that the applications from ATI Ladish LLC, Menominee Indian Tribe of Wisconsin, Schmidt Farms West, LLC, Brightmark C-Dairy RNG

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LLC, Children's Community School, and Gordon Aluminum Industries, Inc. are eligible. While these applications had some technical issues, they were are timely received.

Award Determinations

The Commission is appreciative of the efforts of all the applicants to bring forth meritorious projects for the purpose of reducing energy consumption and cost, increasing use of renewable energy and transportation technologies, and promoting comprehensive energy planning, preparedness, and energy resiliency. The Commission allocated \$10 million of funding for this grant round and identified three eligible activities. The response evidenced the significant need and demand for this program with 105 applicants requesting a total of \$31.58 million. As the demand for the program far exceeded the funds available in this year, the Commission was faced with the difficult decision of determining which of the many meritorious applications should be funded in this grant cycle.

The evaluation of technical and complex applications to the program objectives is an area in which the Commission has special expertise. In addition to the EIGP, the Commission also has statutory oversight of the Focus on Energy program, administers the Broadband Expansion Grant Program, and administers SEP through the OEI. Evaluating the relative merits of each application received for funding through the EIGP requires a high degree of discretion and judgment, and reasonable people may reach different conclusions.

Discretionary decisions contemplate a process of reasoning based on facts in the record or reasonably inferred from the record, and a conclusion based on a logical rationale founded upon proper legal standards. *Reidinger v. Optometry Examining Bd.*, 81 Wis. 2d 292, 297, 260 N.W.2d 270, 273 (1977).

To ensure a thorough decision making process, the Commission considers the initial funding recommendations from the evaluation team, constituted of subject matter experts. Upon review of the applications and the evaluation team's recommendation, which are summarized in the memorandum from Commission staff, the Commission considers additional factors and awards grants to 46 of the 105 applications in the amounts set forth in Attachment 1.

Future Grant Rounds

The Commission finds it reasonable to direct Commission staff to bring a proposal back to the Commission regarding the scope of the next funding round that implements lessons learned from the previous rounds of EIGP funding.

Order

1. The grant applications listed in Attachment 1 are approved in the award amounts stated therein. In each instance in which a grant recipient has offered to contribute matching funds toward the total cost of the project, the offer of matching funds is to be incorporated into the grant agreement, as modified in the case of the partial award.

2. Each grant recipient may accept the grant award for its respective project by entering into a grant agreement prepared by Commission staff. The grant awards referred to herein are not final until the grant recipient completes and signs the grant agreement, and the Commission's duly designated representative signs and delivers the executed grant agreement to the grant recipient.

3. Prior to the delivery of the executed grant agreement, the Commission may rescind any grant award for any reason. The project may not commence and project costs must not be incurred prior to the project start date finalized in the executed grant agreement.

4. The eligible grant applications not listed in Attachment 1 are denied without prejudice, and may be resubmitted in another grant round if eligible.

5. Any unused funds as the result of a declined award may be awarded to the next appropriate project of the same activity in merit order, as approved by the Delegated Commissioner. Any unused balance in an accepted grant award shall be returned to the EIGP fund reserve, unless the Commission later determines otherwise.

6. Each grant award approved by this Order is for the specific project described in the grant application, as modified in the grant agreement in the case of the partial award, at the stated project cost, and in the project area described documented in the grant application.

7. This Order is effective one day after the date of service.

8. Jurisdiction is retained.

Dated at Madison, the 5th day of May, 2022.

By the Commission:

A handwritten signature in black ink, appearing to read 'Cru Stubley', written over a horizontal line.

Cru Stubley
Secretary to the Commission

KN:TK:JP:OS:kle:jac DL:01864620

See attached Notice of Rights

**ATTACHMENT 1
2021 Energy Innovation Grant Awards**

Activity 1: Renewable Energy and Energy Storage

Grant Applicant	Award Amount (*Partially Funded)
Dane County Humane Society, Inc.	\$184,566
Wisconsin Housing Preservation Corporation	\$500,000
City of Middleton	\$442,800
Schmidt Farms West, LLC	\$468,864
Benedictine Life Foundation, Inc.	\$575,000
Northeast Technical College	\$250,000
Bayfield County	\$225,000
Dunn County Historical Society	\$34,098
City of Altoona	\$81,220
Urban League of Greater Madison, Inc.	\$52,250
City of Sun Prairie	\$59,000
Aldo Leopold Foundation, Inc.	\$237,000
Antigo Area Public Library	\$229,540
Agropur, Inc.	\$375,000
County of Eau Claire	\$143,076
The City of Waupaca	\$240,000
Northland College	\$336,964*
Curative connections, Inc.	\$125,000
Cinnaire Solutions Corporation	\$32,000
Bay Area Rural Transit Commission	\$56,000

Activity 2: Energy Efficiency and Demand Response

Grant Applicant	Award Amount (*Partially Funded)
Revitalize Milwaukee	\$500,000*
Forest County Potawatomi Community	\$28,719
Wisconsin Housing Preservation Corporation	\$540,200
Charter Steel Mfg., Inc.	\$1,000,000
ATI Ladish LLC	\$325,000
School District of Lodi	\$342,310
School District of Denmark	\$277,485

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City of Sun Prairie	\$131,488
Prolec-GE Waukesha, Inc.	\$235,000
City of Milwaukee	\$443,642
Northland College	\$55,000
City of Madison	\$322,897*
Activity 2: Grant Applicant (Continued)	Award Amount (*Partially Funded)
North Central Conservancy Trust, Inc.	\$26,136
School District of Mauston	\$199,644
Waukesha Foundry, Inc.	\$60,000
The Newark Group, Inc. (Wisconsin Paperboard)	\$100,000
MacDonald & Owen Veneer and Lumber Company, Inc.	\$55,336

Activity 3: Comprehensive Energy Planning

Grant Applicant	Award Amount (*Partially Funded)
Forest County Potawatomi Community	\$50,000
City of Green Bay	\$87,000
Slipstream Group, Inc.	\$99,965
Monona Grove School District	\$98,000
WPPI Energy	\$100,000
City of Edgerton	\$96,000
Cinnaire Solutions Corp.	\$78,800
City of Waupun	\$50,000
Southwest Wisconsin Technical College	\$50,000

PUBLIC SERVICE COMMISSION OF WISCONSIN
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**NOTICE OF RIGHTS FOR REHEARING OR JUDICIAL REVIEW, THE
TIMES ALLOWED FOR EACH, AND THE IDENTIFICATION OF THE
PARTY TO BE NAMED AS RESPONDENT**

The following notice is served on you as part of the Commission's written decision. This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

PETITION FOR REHEARING

If this decision is an order following a contested case proceeding as defined in Wis. Stat. § 227.01(3), a person aggrieved by the decision has a right to petition the Commission for rehearing within 20 days of the date of service of this decision, as provided in Wis. Stat. § 227.49. The date of service is shown on the first page. If there is no date on the first page, the date of service is shown immediately above the signature line. The petition for rehearing must be filed with the Public Service Commission of Wisconsin and served on the parties. An appeal of this decision may also be taken directly to circuit court through the filing of a petition for judicial review. It is not necessary to first petition for rehearing.

PETITION FOR JUDICIAL REVIEW

A person aggrieved by this decision has a right to petition for judicial review as provided in Wis. Stat. § 227.53. In a contested case, the petition must be filed in circuit court and served upon the Public Service Commission of Wisconsin within 30 days of the date of service of this decision if there has been no petition for rehearing. If a timely petition for rehearing has been filed, the petition for judicial review must be filed within 30 days of the date of service of the order finally disposing of the petition for rehearing, or within 30 days after the final disposition of the petition for rehearing by operation of law pursuant to Wis. Stat. § 227.49(5), whichever is sooner. If an *untimely* petition for rehearing is filed, the 30-day period to petition for judicial review commences the date the Commission serves its original decision.³ The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

If this decision is an order denying rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not permitted.

Revised: March 27, 2013

³ See *Currier v. Wisconsin Dep't of Revenue*, 2006 WI App 12, 288 Wis. 2d 693, 709 N.W.2d 520.