



State of Wisconsin
2023 - 2024 LEGISLATURE

LRB-0142/1
EHS:emw

2023 BILL

- 1 **AN ACT** *to create* 196.03 (7) and (8) of the statutes; **relating to:** notice to public
2 utility customers of potential and final rate changes.

Analysis by the Legislative Reference Bureau

Under current law, a public utility may not change the rates that it charges to customers without first applying to the Public Service Commission for approval of the change.

This bill requires a public utility that supplies gas or electricity to its customers to provide notice to those customers with their utility bills if the utility submits a rate change application to PSC or if the utility submits an amendment to such an application that would change a proposed rate by 1 percent or more. If PSC approves such a rate change, the bill also requires the public utility to provide notice of the rate change to customers with their utility bills. The bill requires the public utility to provide notice of a proposed or final rate change as an insert to a paper bill or in the email by which a digital bill is sent. The bill requires a notice of a proposed or final rate change to include a number of items, such as the impact of the rate change on customers, represented as a percentage increase or decrease and as a dollar increase or decrease for the average customer in each class of customers; the amount that a rate increase will generate in revenue annually for the public utility; and a comparison of current and proposed or new rates with average rates across the Midwest, as calculated by PSC. The bill also requires a notice of a proposed rate change to include information to facilitate consumer access to and public comments on the rate case.

The bill requires the public utility to submit to PSC a copy of the notice and requires PSC to include it as a record in the docket. However, the bill allows PSC to

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require the public utility to provide a new notice if it determines the notice does not meet the requirements under the bill or is not easily comprehensible by a typical customer. The bill also requires the public utility to make the notice or a link to the notice available on the home page of its website or on a web page used by customers to view and pay bills online, or both, for at least 90 days beginning on the day the first notice is provided to customers.

Under the bill, PSC may not open a public comment period or issue a final decision on a proposed rate change until a copy of the required notice of an initial rate change application is submitted to PSC and may not close a public comment period or issue a final decision on a proposed rate change until a copy of the required notice of an amendment to such an application is submitted to PSC.

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

1 **SECTION 1.** 196.03 (7) and (8) of the statutes are created to read:

2 196.03 (7) All of the following apply when a public utility that supplies gas or
3 electricity to its customers submits to the commission an application to change rates
4 or an amendment to such an application that changes a proposed rate by 1 percent
5 or more:

6 (a) The public utility shall provide notice of the rate change application with
7 the first bill issued to each customer after the commission issues a notice opening a
8 docket on the application, and the public utility shall provide notice of an amendment
9 to such an application that changes a proposed rate by 1 percent or more with the first
10 bill issued to each customer after it submits this amendment to the commission. If
11 the customer receives a paper bill, the notice shall be included as an insert with the
12 bill on a separate sheet of paper. If the customer receives a digital bill by email, the
13 notice shall be included in that email. The notice shall include all of the following:

14 1. The impact of the proposed rate change on customers, represented as a
15 percentage increase or decrease and as a dollar increase or decrease for the average
16 customer in each class of customers.

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1 2. For a rate increase, the total amount that the public utility anticipates that
2 the rate increase will generate in revenue for the public utility annually.

3 3. A comparison between the public utility's current rates, the proposed rates,
4 and the average rates charged to customers across all other midwestern states using
5 figures provided by the commission under sub. (8). The comparison shall include the
6 percentage difference between these average rates for the same or similar class of
7 customers.

8 4. The proposed effective date of the rate change.

9 5. A list of all decisions issued by the commission under s. 196.371 since the
10 public utility's previous rate case and a discussion of the effect of those decisions on
11 the proposed rate change.

12 6. The docket number and information on how to view and access the records
13 from the docket.

14 7. A brief synopsis of how to engage in any public comment periods at the
15 commission, including online and by mail.

16 8. The dates of any commission hearings or prehearing conferences already
17 scheduled at the time of the notice and a description of how to learn of scheduling
18 changes or additions.

19 9. A brief synopsis of the reasons for the rate change application or amendment.

20 10. Other information deemed relevant by the public utility.

21 (am) If the commission issues a final decision approving a rate change under
22 par. (a) of 1 percent or more, the public utility must provide notice of the rate change
23 with a bill issued to each customer no later than 2 months after the commission
24 approves the rate change. If the customer receives a paper bill, the notice shall be
25 included as an insert with the bill on a separate sheet of paper. If the customer

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1 receives a digital bill by email, the notice shall be included in that email. The notice
2 shall include all of the following:

3 1. The impact of the rate change on customers, represented as a percentage
4 increase or decrease and as a dollar increase or decrease for the average customer
5 in each class of customers.

6 2. For a rate increase, the total amount that the public utility anticipates that
7 the rate increase will generate in revenue for the public utility annually.

8 3. A comparison between the public utility's current rates, the new rates, and
9 the average rates charged to customers across all other midwestern states using
10 figures provided by the commission under sub. (8). The comparison shall include the
11 percentage difference between these average rates for the same or similar class of
12 customers.

13 4. The effective date of the rate change.

14 (b) The public utility shall submit to the commission a copy of a notice under
15 par. (a) or (am) that has been provided to customers, and the commission shall
16 include this as a record in the docket. The commission may require the public utility
17 to provide a new notice under par. (a) or (am) if it determines that the notice provided
18 does not comply with this subsection or is not easily comprehensible by a typical
19 customer.

20 (c) The public utility shall make a notice under par. (a) or (am), or a link to that
21 notice, available on the home page of its website or on a web page used by customers
22 to view and pay bills online, or both, for a period of no less than 90 days beginning
23 on the day that notice is first provided to customers.

24 (d) 1. Notwithstanding any other deadlines that apply to a rate case proceeding,
25 if the public utility fails to submit to the commission a copy of a notice of an initial

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1 rate change application under par. (b), the commission may not open a public
2 comment period or issue a final decision on a proposed rate change until the notice
3 is provided to customers and a copy of the notice is submitted to the commission.

4 2. Notwithstanding any other deadlines that apply to a rate case proceeding,
5 if the public utility fails to submit to the commission a copy of a notice of an
6 amendment to a rate change application under par. (b), the commission may not close
7 a public comment period or issue a final decision on a proposed rate change until the
8 notice is provided to customers and a copy of the notice is submitted to the
9 commission.

10 **(8)** The commission shall calculate annually and provide on its website the
11 average rate charged by gas or electricity public utilities to customers across all other
12 midwestern states in each of 3 classes of customers: residential, small commercial
13 and industrial, and large commercial and industrial. In this section, “all other
14 midwestern states” includes Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota,
15 Missouri, Nebraska, North Dakota, Ohio, and South Dakota.

16 **(END)**