Wisconsin Global Warming Task Force Workgroup Template For Presenting Policy Options

- 1. Workgroup: Utility Generation Workgroup
- 2. **Policy Name:** Windpower Permitting Reform
- 3. **Policy Type:** Legislation and PSC rulemaking
- Affected Sectors, Sub-Sectors and/or Entities: Public Service Commission, utilities, counties, municipalities and towns, wind energy industry.
- 5. **Estimated Greenhouse Gas Emissions Reduction Impact:** 925,000 tons/yr reduction by 2015, 1.387,500 tons/yr reduction by 2020, and 1.85 million tons/yr by 2025.
- 6. **Estimated Costs:** No cost to utilities. With more project applications to review, an increase in the PSC's workload is likely, which may result in additional administrative expenses. However, siting reform is likely to reduce costs borne by developers in dealing with local opposition, including increases in installation costs caused by permitting delays as well as direct litigation costs.
- 7. Specific Description of Policy Proposal: Legislation would contain the following elements: (1) definitions of large and small wind energy systems; (2) a requirement on the PSC to draft uniform standards for siting large and small wind energy systems; (3) creation of an optional process for PSC review of projects under 100 MW that have large wind energy systems; (4) a mechanism for allowing parties to appeal a decision rendered by a local jurisdiction to the PSC; (5) extending Chapter 227 judicial review provisions to wind projects permitted by local jurisdictions, including the ability to appeal a decision under 100 MW;

- and (6) a prohibition on local ordinances restricting meteorological test towers.

 These provisions would essentially require the PSC to promulgate standards for local review, such as setback distances and sound output, and apply them to both agency-reviewed projects as well as those reviewed by local land use authorities.

 The new rules adopted by the Commission for wind projects under 100 MW would be less rigorous than what is required under the CPCN process. The developer should not be required to demonstrate need, nor should the developer be required to present an alternative site as part of the permit application.
- 8. **Timetables, Duration and Stringency Option:** Once the legislation is enacted, the PSC would have a specified period of time to adopt emergency rules establishing uniform standards for permitting wind projects. These standards would apply to PSC-reviewed wind projects as well as those reviewed by local jurisdictions. These rules would remain in effect indefinitely.
- 9. Explanation of Rough Estimate of GHG Reductions: The 2015 estimate is based on the assumption that 4040 MW of windpower would be placed in service in Wisconsin that otherwise would not have been built due to restrictive ordinances adopted by local jurisdictions to placate opponents to a specific wind project.—Between the wind ordinances in Manitowoc, Door and Shawano counties and the Town of Stockbridge (Calumet County) and the moratoria in Calumet and Trempealeau counties and the Town of Glenmore (Brown County), at least 300 MW of wind projects currently under development are subject to local restrictions that prevent them from going forward. Four hundred forty MW of windpower operating at a capacity factor of 296% should produce one million

MWH per annum, which in turn should reduce emissions by 925,000 tons a year. I conservatively estimate that another 4040 MW of windpower will be built on Wisconsin land between 2015 and 2025, with half of that to occur by 2020. I am optimistic that additional wind capacity will be built in the waters off Wisconsin. However, it is unclear whether the PSC would have permitting authority over generation projects built in the Great Lakes, so I cannot provide attribute GHG reduction savings from offshore wind development to this policy.

Emissions <u>Avoided</u> by Reforming Wind Energy Permitting Process (U.S. tons of CO2-eq) using WI average recent fleetwide emissions of 1850 Lbs CO2-e/MWh and assuming zero emissions from all wind generation.

Year	Annual Output (in MWH)	Emissions Savings
2015	1,000,000	925,000
2020	1,500,000	1,387,500
2025	2,000,000	1,850,000

- 10. Rough Estimate of Costs for Selected Years: The savings from reduced preconstruction costs should outweigh any additional costs to the PSC from any increase in the number of wind project applications to review.
- 11. **Barriers to Implementation:** The only barrier to adoption would be political will, or lack thereof, at the state level.
- 12. **Other Factors:** The wind energy siting reform proposal tracks closely with the large livestock siting law adopted two years ago.