CERTIFICATE

STATE OF WISCONSIN)
) ss.:
PUBLIC SERVICE COMMISSION)

I, Lynda L. Dorr, Secretary to the Commission and custodian of the official records, certify that the annexed rules, relating to the replacement of advance plans with strategic energy assessments and revision of requirements for Certificates of Public Convenience and Necessity (docket 1-AC-175), were duly approved and adopted by this Commission on April 25, 2000.

I further certify that this copy has been compared by me with the original on file in this Commission and that it is a true copy of the original, and of the whole of the original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the Wisconsin Public Service Commission at Madison, Wisconsin, this 26th of April, 2000.

Lynda L. Dorr
Secretary to the Commission
Wisconsin Public Service Commission

LLD:LJH:bap:L:\Rulemaking\1-AC-175 Certificate of Filing.doc

7-1-00

April 2000
Clearinghouse Rule 99-131
Docket 1-AC-175

ORDER OF THE STATE OF WISCONSIN
PUBLIC SERVICE COMMISSION ADOPTING RULES

The Public Service Commission of Wisconsin proposes an order to repeal and recreate PSC 111, relating to the replacement of advance plans with strategic energy assessments and revision of requirements for Certificates of Public Convenience and Necessity.

Analysis Prepared by the Public Service Commission of Wisconsin

Statutory authority: ss. 196.02(3), 196.491(2)(ag) and (3)(a)1., and 227.11, Stats.
Statutes interpreted: ss. 1.12, 196.025, and 196.491(2) and (3), Stats.

1997 Wisconsin Act 204 (Act 204) repealed the advance plan process for electric utilities. In its place, state law now requires that the Public Service Commission (Commission) biennially prepare a strategic energy assessment (SEA). The SEA will evaluate the reliability of Wisconsin's current and future electric supply. Public utilities, rural electric cooperatives, municipal utilities, merchant plant operators, self-providers and independent power producers are all involved in producing and providing electric power in Wisconsin, so each will be required to submit information for the SEA. New rules with respect to Certificates of Public Convenience and Necessity (CPCN) are proposed to conform the commission's rules to the revisions made in the CPCN process by Act 204.

Preparation of an SEA will commence with a forecast of peak electric demand over the biennial period of an SEA, plus one additional year. The forecast will then be compared against electric power supply, to determine if capacity will be available to meet future Wisconsin demand and to provide the additional reserve margin needed for contingencies.

Electricity providers will be required to submit the information necessary to prepare the forecast of peak electric demand. This information will consist of monthly actual non-coincident peak load for a period preceding the SEA, and of predicted peak load for the 3-year period encompassing the SEA. The peak load information will then be offset by programs in place to control peak load, such as direct load control and interruptible load, and by net purchases of firm capacity, i.e., capacity backed up by reserves. Any contracts by an electricity provider to sell firm capacity with reserves will increase peak load, while any contracts to purchase capacity with reserves will offset the peak forecast. Subchapter II covers this assessment of electric demand.

Next, each provider's electric power supply will be evaluated. Each electricity provider will be required to submit information showing how much generating capacity it has installed in Wisconsin or is using to provide electricity to ultimate end-users in Wisconsin. This level of installed generating capacity must then be offset by plans to retire units and sell capacity without reserves during the 3-year period encompassing the SEA. Any plans to upgrade existing units, add new units, and purchase more capacity without reserves will increase the electric power supply. The total amount of electric power supply will then be compared against the forecasted peak electric demand. Subchapter III covers the assessment of electric power supply.

Purchases and sales of power depend on the electric transmission system to complete the transaction. To the extent that Wisconsin relies on such capacity arrangements to provide firm power, an evaluation of the transmission system's adequacy must also be completed. Electricity providers will be required to submit data on any firm reservations for use of the transmission system, while transmission providers will be required to describe plans for constructing new transmission lines during the 3-year period encompassing the SEA, and to file copies of long-term transmission studies that examine plans for transmission lines within and into Wisconsin. Subchapter V covers transmission system operation data.

As part of its SEA, the Commission must assess the extent that competition is contributing to a reliable, low-cost electric system. In addition, the Commission must assess the regional bulk power market's effect on the adequacy and reliability of electric supply in Wisconsin, and the reasonableness of electric prices. To accomplish these ends, the proposed rules require information on system dispatch costs and average energy production costs. The Commission must also evaluate whether competition is contributing to an environmentally sound electric system, consider the public interest in environmental protection, identify and describe activities to discourage inefficient and excessive power use, and perform an environmental assessment of each SEA. Conservation information is also required to comply with the state energy goals and priorities under ss. 1.12 and 196.025, Stats., when the Commission makes determinations within the SEA. As a result, the proposed rules require information on pollutant emissions and conservation. The required cost, emissions, and conservation information is covered in Subchapter IV.

Subchapter VI relates to the filing of applications for CPCNs. Included in the subchapter are the minimum data requirements for any application to build a large electric generating facility or high-voltage transmission line.

SECTION 1. Chapter PSC 111 is repealed and recreated to read:

CHAPTER PSC 111

REQUIREMENTS FOR STRATEGIC ENERGY ASSESSMENTS AND CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

SUBCHAPTER I, GENERAL

PSC 111.01 Definitions. The definitions specified in ss. 196.01 and 196.491(1), Stats., apply to this chapter. In addition, in this chapter:

(1) "Btu" means British thermal unit.

(2) "CO_2" means carbon dioxide.

(3) "CPCN" means a certificate of public convenience and necessity issued under s. 196.491(3), Stats.

(4) "Electricity provider" means any of the following:

(a) Any person who owns, operates, manages or controls, or expects to own, operate, manage or control generation larger than 5 MW in Wisconsin.

(b) Any person who provides retail electric service in Wisconsin.

(c) Self-providers.

(5) "FERC" means the federal energy regulatory commission.

(6) "Hg" means mercury.

(7) "kW" means kilowatt.

(8) "kWh" means kilowatt-hour.

(9) "MW" means megawatt.

(10) "Net rated capacity" means a generation facility's maximum electrical output, in MW, net of electricity use internal to the generation facility, under the ambient conditions expected during peak demand.

(11) "N_2O" means nitrous oxide.

(12) "NO_x" means all oxides of nitrogen except nitrous oxide.

(13) "SEA" means strategic energy assessment.

(14) "Self-provider" means any person, other than an operator of a wholesale merchant plant, who meets all of the following:

(a) The person owns, operates, manages or controls, or expects to own, operate, manage or control generation larger than 5 MW.

(b) The person uses or will use all or a portion of the generation to satisfy the person's own demand.

(c) The person sells or will sell any excess generation only to an electric public utility.

(15) "SO_2" means sulfur dioxide.

(16) "Transmission provider" means any person who owns, operates or controls, or expects to own, operate or control electric transmission facilities in Wisconsin.

(17) "Wholesale electricity supplier" means any entity that is a wholesale generation and transmission cooperative or a municipal electric company under s. 66.073, Stats.

PSC 111.03 Period covered by SEA; data; filing date. (1) THREE-YEAR PERIOD ENCOMPASSING THE SEA. (a) The SEA is biennial, covering 2 calendar years. All data required in subch. II, III, IV, or V to be filed for the 3-year period encompassing the SEA shall cover this 2-year period, plus one succeeding calendar year.

(b) The first SEA shall cover the period commencing January 1, 2000, and ending on December 31, 2001. The 3-year period encompassing the initial SEA shall cover January 1, 2000, through December 31, 2002.

(c) Subsequent SEAs shall commence on January 1 of each even-numbered year.

(d) The commission shall issue its draft of the SEA on or before July 1 of each even-numbered year, as required by s. 196.491(2)(b), Stats.

(2) HISTORICAL DATA REQUIREMENTS. (a) For the initial SEA, the data specified in ss. PSC 111.11, 111.23, and 111.41 shall also include 5 years of historical data. For subsequent SEAs, the data specified in ss. PSC 111.11, 111.23, and 111.41 shall also include 2 years of historical data.

(b) For all SEAs, the data specified in ss. PSC 111.31, 111.33, 111.35 (1) and (2), and 111.43(4) shall also include 2 years of historical data.

(c) The 5 years of historical data for the initial SEA shall cover January 1, 1995, through December 31, 1999 and contain actual, historical data through December 31, 1998. To the extent actual data are unavailable for 1999, the initial SEA shall contain forecasted data and the forecasting worksheets.

(3) DATE OF FILING. (a) The initial submission of data required under this chapter shall occur no later than February 15, 2000.

(b) Subsequent submissions of data shall occur biennially, no later than February 15 of each even-numbered year.

PSC 111.05 SEA filing procedures. (1) PRINTED AND ELECTRONIC FORMAT. Except for the data required under s. PSC 111.35(3), data required under subch. II, III, or IV shall be in printed, tabular form and in electronic spreadsheet format. Data required under s. PSC 111.35(3) shall be in printed, tabular form. Data required under subch. V shall be in printed, tabular form, unless specifically exempted, and in electronic spreadsheet format. If the commission provides tabular reporting or electronic format specifications, data filings shall comply with these

specifications. All data filings shall be up to date and fully documented. All data filings shall indicate and provide the source of the data.

(2) JOINT FILINGS. (a) Any electricity provider may file the data required under subch. II, III, IV, or V jointly, combining its information with that of other electricity providers. Any transmission provider may file the data required under subch. V jointly, combining its information with that of other transmission providers. Except as provided in par. (b), information in joint filings may not be aggregated in a manner that obscures provider-specific data.

(b) A wholesale electricity supplier may file data that is required under subch. II, III, IV, or V on behalf of one or more municipal electric utilities or cooperatives.

(3) MULTI-STATE ELECTRICITY AND TRANSMISSION PROVIDERS. (a) Except as provided in par. (b), electricity and transmission providers with multi-state operations may, if Wisconsin-specific information is not available, file prorated data based on an allocation of Wisconsin demand to total company system demand.

(b) Electricity and transmission providers with multi-state operations shall provide Wisconsin-specific information for all of the following:

1. Conservation activities, as required under s. PSC 111.35.

2. Forecasts of Wisconsin peak demand, as required under s. PSC 111.13.

3. Transmission and generation facilities located in Wisconsin or used specifically for Wisconsin purposes, as required under s. PSC 111.21 or 111.43.

PSC 111.07 Supplemental data requests for SEA; waivers. Electricity providers or transmission providers shall provide additional information, as the commission may request to

prepare its SEA. The commission may also waive data filing requirements under this chapter to avoid undue hardship if preparation of the SEA can still be accomplished in a timely manner.

PSC 111.09 Confidentiality. The commission shall consider information submitted under this chapter to be confidential, if the provider shows that the information is competitive under s. 196.14, Stats., a trade secret under s. 19.36(5) or 134.90, Stats., or is otherwise exempt from public records laws under subch. II of ch. 19.

SUBCHAPTER II, ASSESSMENT OF ELECTRIC DEMAND

PSC 111.11 Electric demand data. (1) DEFINITIONS. In this section:

(a) "Capacity purchase including reserves" means a purchase of firm electric generating capacity that has actually occurred or that is subject to an existing contract, including options to purchase or contracts subject to contingencies, and that includes all of the following terms:

1. A firm transmission path from source to destination.

2. The seller has responsibility for reserves.

3. The seller is obliged to supply across peak conditions with no unilateral curtailment option.

4. The seller will count the sale as an additional demand obligation.

(b) "Capacity sale including reserves" means a sale of firm electric generating capacity that has actually occurred or that is subject to an existing contract, including options to sell or contracts subject to contingencies, and that includes the terms specified in par. (a)2. to 4.

(2) FACTORS AFFECTING ELECTRIC DEMAND. (a) Each electricity provider, except operators of wholesale merchant plants, shall submit all of the following data:

1. Monthly peak demand data for the 3-year period encompassing the SEA, including responsibility for power losses. Any loss responsibility associated with the delivery of purchased capacity shall be separately identified.

2. The reduction in the summer and winter peak demand, for any of the 3 years encompassing the SEA, due to direct load control programs that allow system operators to manage customer loads.

3. The reduction in the summer and winter peak demand, for any of the 3 years encompassing the SEA, due to the interruption of customer load by tariff or contract.

4. The effect on summer and winter peak demand, for any of the 3 years encompassing the SEA, due to each capacity sale including reserves that affects peak demand.

5. The effect on summer and winter peak demand, for any of the 3 years encompassing the SEA, due to each capacity purchase including reserves that affects peak demand. Any part of a purchase intended to compensate for transmission losses associated with delivery of the purchase shall be separately identified. For each out-of-state capacity purchase including reserves cited under this paragraph, the buyer shall demonstrate that the seller is treating its sale with the same priority as the electrical demand that the seller is legally obligated to serve.

6. The effect on summer and winter peak demand, for any of the 3 years encompassing the SEA, due to any arrangements other than those specified in subds. 1. to 5., that also affect peak demand in Wisconsin.

(b) An electricity provider may aggregate information for individual arrangements less than 10 MW in its data filing under par. (a)1., 2., 3., 4., 5., or 6.

PSC 111.13 Calculation of adjusted electric demand. (1) DEFINITION. In this section, "adjusted electric demand" means peak demand including responsibility for power

losses, less the effect of direct load control, interruptible load, or capacity purchases including reserves as defined in s. PSC 111.11(1)(a), plus the effect of capacity sales including reserves as defined in s. PSC 111.11(1)(b).

(2) DATA SUBMISSION. Each electricity provider, except operators of wholesale merchant plants, shall calculate adjusted electric demand for the 3-year period encompassing the SEA and submit the results to the commission. Any transmission loss responsibility associated with delivery of a particular capacity purchase including reserves, as defined in s. PSC 111.11(1)(a), shall be separately identified. All miscellaneous demand factors that decrease peak demand shall be deductions when calculating adjusted electric demand. All miscellaneous demand factors that increase peak demand shall be additions when calculating adjusted electric demand.

SUBCHAPTER III, ASSESSMENT OF ELECTRIC POWER SUPPLY

PSC 111.21 Capacity data. (1) DATA ABOUT GENERATING FACILITIES. Each electricity provider shall submit all of the following data for any generation in the state or generation used to supply an ultimate end user in the state:

(a) A complete current inventory of its installed electric generating capacity, including all of the following:

1. The name and location of each facility.
2. The type of load of the facility, including peaking, intermediate, or base load.
3. The type of fuel used.
4. The summer and winter net rated capacity.
5. The operational status of the facility, as of the filing date.
6. Emissions of particulates, ash, SO_2, NO_x, CO_2, N_2O and Hg, per kWh of output.

(b) Summer and winter peak data on aggregate net rated capacity as of the filing date.

(c) A complete identification and description of each unit's net rated capacity that the electricity provider intends to retire during the 3-year period encompassing the SEA, including the month and year of expected retirement.

(d) A complete identification and description of each generating addition the electricity provider proposes to commence constructing during the 3-year period encompassing the SEA, including all of the following:

1. The in-service date.

2. The location of the facility.

3. The type of load of the facility, including peaking, intermediate, or base load.

4. The type of fuel used.

5. The summer and winter net rated capacity.

6. Expected levels of emissions identified in par. (a)6., per kWh of output.

(e) A complete identification and description of each expected capacity change at existing generating units during the 3-year period encompassing the SEA, including all of the following:

1. The in-service date.

2. The location of the facilities.

3. The function of the upgrade, improvement, or downgrade.

4. The change in summer and winter net rated capacity.

5. Expected changes in emissions identified in par. (a)6., per kWh of output.

(f) A complete identification and description of each supply factor that is not covered by pars. (a) to (e), but also affects electric power supply during peak demand in Wisconsin for the 3-year period encompassing the SEA.

(2) AGGREGATING DATA ON SMALL GENERATION FACILITIES. An electricity provider may aggregate information for individual generating facility less than 10 MW in its data filing under sub. (1)(a), (b), (c), (d), (e), or (f).

PSC 111.23 Capacity purchase and sale data affecting electric power supply. (1) DEFINITIONS. In this section:

(a) "Capacity purchase without reserves" means a purchase of electric generating capacity that has actually occurred or that is subject to an existing contract, including options to purchase or contracts subject to contingencies, and that includes all of the following terms:

1. A firm transmission path from source to destination.

2. The buyer has responsibility for reserves.

3. The seller is obliged to supply across peak conditions with no unilateral curtailment option, except for particular contingencies that are specified in the contract.

4. The seller will count the sale as an available capacity reduction.

(b) "Capacity sale without reserves" means a sale of electric generating capacity that has actually occurred or that is subject to an existing contract, including options to sell or contracts subject to contingencies, and that includes the terms specified in par. (a)2. to 4.

(2) CAPACITY PURCHASES OR SALES WITHOUT RESERVES. Each electricity provider, except operators of wholesale merchant plants, shall submit for the 3-year period encompassing the SEA, summer and winter peak data listing all of the following data:

(a) The amount and type of each capacity purchase without reserves in Wisconsin, in net MW, including an identification of each of the following:

1. Whether the purchase is on a system or unit basis.

2. How much of the purchase, if any, is intended to compensate for transmission losses associated with delivery of the purchase.

(b) The amount and type of each capacity sale without reserves, in net MW, including an identification of whether the sale is on a system or unit basis.

PSC 111.25 Calculation of electric power supply. (1) DEFINITION. In this section, "electric power supply" means aggregate generating capacity plus capacity additions, capacity upgrades or improvements at existing units, and capacity purchases without reserves as defined in s. PSC 111.23(1)(a), less unit retirements, capacity downgrades at existing units, and capacity sales without reserves as defined in s. PSC 111.23(1)(b).

(2) DATA SUBMISSION. Each electricity provider, except operators of wholesale merchant plants, shall calculate electric power supply for the 3-year period encompassing the SEA and submit the results to the commission. Any part of a capacity purchase without reserves, as defined in s. PSC 111.23(1)(a), that is intended to compensate for transmission losses associated with delivery of that purchase, shall be excluded from the calculation of electricity power supply. All miscellaneous supply factors that decrease supply resources shall be deducted from electric power supply. All miscellaneous supply factors that increase supply resources shall be added to electric power supply.

SUBCHAPTER IV, ECONOMIC, ENVIRONMENTAL, AND CONSERVATION DATA

PSC 111.31 Economic data. Each electricity provider, except self-providers and operators of wholesale merchant plants, shall submit all of the following economic data:

(1) AVERAGE ENERGY PRODUCTION COST. The electricity provider's average energy production cost for each type of generating unit, including nuclear, coal-fired, gas simple-cycle, gas combined-cycle, diesel and renewable units. The electricity provider shall specify the expected range of energy production cost by unit type for each year in the 3-year period encompassing the SEA.

(2) SYSTEM DISPATCH COST. Upon commission request, for those days when the market energy price exceeded $250 per megawatt-hour measured exclusive of capital costs or when the market price exceeded $2,000 per megawatt-hour measured inclusive of capital costs, the electricity provider's hourly historical system dispatch costs, computed using available electric generating capacity and those capacity purchases or sales relevant at the time.

Note: This information is needed to determine, as required by s. 196.491(2)(a)12. and 13., Stats., if competition is contributing to the provision of sufficient capacity and energy at a reasonable price.

PSC 111.33 Pollutant data. Each electricity provider shall submit, for the 3-year period encompassing the SEA, the annual average level of emissions identified in s. PSC 111.21(1)(a)6., per kWh of output.

PSC 111.35 Energy conservation data. Any electricity provider, except self-providers and operators of wholesale merchant plants, that provides rate-based energy efficiency programs to Wisconsin customers directly or by contracting, shall provide all of the following energy conservation activity data and information for the 3-year period encompassing the SEA:

(1) SPENDING. Dollars spent on energy conservation activity affecting any Wisconsin customer.

(2) ENERGY AND DEMAND SAVINGS. Energy savings in kWh and demand savings in kW, excluding direct load control and interruptible load impacts specified in ss. PSC 111.11(2)(a)2. and 3., reported for any Wisconsin customer.

(3) ENERGY CONSERVATION PROGRAM DESCRIPTIONS. A comprehensive description of all planned activities to discourage inefficient and excessive power use.

SUBCHAPTER V, TRANSMISSION SYSTEM OPERATION DATA

PSC 111.41 Transmission system reservations data from electricity providers. For each capacity resource reported under s. PSC 111.21, delivery of which requires transmission system reservations, and for each capacity purchase reported under s. PSC 111.11 or 111.23, the electricity provider shall submit information on the transmission arrangements to be used to deliver the capacity, including all of the following:

(1) SERVICE PROVIDER. The provider of transmission service.

(2) PERIOD AND TYPE OF SERVICE. The period and type of each transmission reservation, and any other service attributes defined by the provider of transmission service.

(3) DATES. The starting and ending dates of service.

(4) PATH. The transmission path, if point-to-point service is being used.

(5) STATUS OF REQUEST. The status of the request for transmission service.

(6) SIZE OF RESERVATION. The size of the transmission service reservation, in MW.

(7) LOSSES. Amount of incremental losses associated with transmission service, as determined by the transmission provider.

PSC 111.43 Data from transmission providers. Each transmission provider shall submit all of the following data, except that if the data have been previously filed with the

commission, the transmission provider may identify the applicable filing instead of providing duplicate data:

(1) NEW HIGH-VOLTAGE TRANSMISSION LINES. A complete description of each high-voltage transmission line that the transmission provider intends to own in whole or in part, on which construction is planned to commence within 3 years, including all of the following:

(a) Endpoints of the line.

(b) Proposed corridors.

(c) Nominal operating voltage.

(d) Nominal voltage of construction class.

(e) Needed substation modifications.

(f) Estimated cost.

(2) PLANS FOR PRESERVING TRANSMISSION ADEQUACY. (a) In this subsection, "long-term" study excludes all of the following:

1. Routine, commercial transfer capability and operations studies.

2. Customer-specific transmission studies.

(b) The results and assumptions of each long-term study undertaken by transmission providers, jointly or individually, within the past 2 years or subsequent to the data filing for the last SEA, that examines future transmission transfer capabilities across boundaries of reliability council regions, subregions, or control areas or across the borders of Wisconsin. The results and assumptions of each long-term study about the effect of transmission system reinforcement on transfer capability shall be included in the data submitted under this paragraph.

(c) A complete FERC Form 715 for each of the most recent 2 years available, and any documents or data cited on Form 715 that are not published by the Wisconsin commission.

(d) The results and assumptions of each long-term, local load serving study the transmission provider used to establish the need for the high-voltage transmission lines described in sub. (1), including all discussions of project need and alternatives that may be part of the study.

(3) POWER FLOW CASES. (a) For each of the 3 years encompassing the SEA, the most recent power flow base case undertaken by the reliability council in which the transmission provider is located, for each of the following conditions:

1. Summer peak.

2. Winter peak.

3. Off-peak.

(b) The base cases in par. (a) need only be submitted if the commission requests that they be filed.

(4) USE OF THE TRANSMISSION SYSTEM. If the transmission provider charges a tariffed amount for use of its transmission system, monthly data, for the 3-year period encompassing the SEA, on total transfer capability, available transfer capability and confirmed reservations for the use of the transmission system. Total transfer capability and available transfer capability shall be calculated in accordance with the provider's obligations, under 18 CFR Part 37, to calculate these values. Reservation data under this subsection shall concern only those reservations that are firm and of monthly duration or longer. Data shall include any transmission margins applied in the calculation of available transfer capability and any other use of the transmission system relevant to the calculation of monthly available transfer capability, including use by the transmission provider to meet existing commitments.

SUBCHAPTER VI, CPCN APPLICATIONS

PSC 111.51 CPCN applications for facilities – general. (1) COMMENCEMENT OF CONSTRUCTION. Construction on a facility may not commence until the commission issues a CPCN for the facility.

(2) ACTIONS BEFORE FILING A CPCN APPLICATION. At least 60 days before filing a CPCN application for a large electric generating facility, the applicant shall do all of the following:

(a) Notify the department and the commission of its intent to apply for a CPCN.

(b) Consult with commission staff to determine what additional information will be required as part of the CPCN application.

(3) COPIES OF THE APPLICATION. The applicant shall file 10 copies of its CPCN application. The applicant shall promptly provide additional copies as may be requested by the commission.

PSC 111.53 CPCN applications for large electric generating facilities. (1) CONTENTS OF A CPCN APPLICATION. Except as provided in sub. (2), a CPCN application for a large electric generating facility is not complete until the applicant has filed all of the following information with the commission:

(a) The operating characteristics of the proposed facility, including all of the following:

1. The number of generating units to be included in the facility.

2. A description of each generating unit, including type, size, and fuel.

3. The expected hours of operation and lifetime of the facility.

4. The names and addresses of owners and investors and the percent of ownership.

5. The fuel source and availability. If the facility uses fossil fuel, the fuel's heating value and chemical analysis, the type of transportation to be used, and the approximate capacity of on-site storage shall be provided.

6. The facility's estimated capacity factors, for each generating unit, and the basis for the estimates.

7. The estimated rate of discharge of pollutants for appropriate time intervals, as related to applicable regulatory standards.

8. The heat rates over the range of operating capacity for each generating unit.

(b) The need for the proposed facility in terms of demand and energy.

(c) The economic aspects of the proposed facility, including all of the following:

1. The estimated capital cost of the generating facility and all related facilities, broken down by major plant accounts. All cost escalation factors used in the estimate shall be identified.

2. The projected unit fuel cost, in cents per million Btu, both for the first year of operation and levelized in nominal terms over the life of the unit or facility. All cost escalation factors used in the estimate shall be identified.

3. The estimated annual production cost, calculated as operating, maintenance and fuel costs for the first year of operation and levelized in nominal terms over the life of the facility. All cost escalation factors used and other significant supporting data shall be included.

4. The estimated annual total cost, calculated as capital and production costs for the first year of operation, in mills per net kWh generated, and levelized in nominal terms over the life of the facility. All cost escalation factors used and other significant supporting data shall be included.

5. The estimated useful life of facility, based on depreciation rates established by the commission.

(d) The alternative sources of supply considered, including information about all of the following alternatives:

1. Energy conservation and efficiency.

2. Any alternative whose energy source has a higher priority ranking under s. 1.12(4)(b) to (d), Stats., than the fuel proposed to used for the facility.

3. For any facility that will use a combustible energy resource but not provide cogeneration, an explanation regarding why cogeneration is not feasible.

4. Purchased power.

(e) At least two proposed sites for the proposed facility, including a description of the siting process and a list of the factors considered in choosing the alternatives.

(f) Site-related information for each proposed power plant site, including all of the following:

1. The regulatory approvals required for construction and operation of the facility.

2. The construction schedule and timeline, showing construction activities and permitting expectations from the beginning of construction to the in-service date.

3. The availability of transportation for fuel delivery and requirements for gas pipeline construction. If a certificate of authority under s. 196.49, Stats., is required to construct the gas pipeline, the location, termini, length in miles, size of pipe, and pressure.

4. Any required transmission line construction, agreements for use of the transmission system to deliver plant power, transmission losses, and effects on system reliability. If a

certificate of authority under s. 196.49, Stats., is required to construct the transmission line, the location of termini, length in miles, and voltage for each transmission line.

5. Other auxiliary facilities, including fuel storage and water storage.

6. Natural resources at each site, including all of the following:

a. Air quality.

b. General soil associations.

c. Geology, noting active mines and quarries.

d. Water, including wetlands, rivers, streams and groundwater.

e. Vegetative cover, including wildlife habitat.

f. Endangered, threatened, and special-concern species and communities.

7. Community-related information, including all of the following:

a. Site history.

b. Existing and proposed land uses at the sites.

c. Local infrastructure, including sewer, water, police, and fire protection.

d. Historical and archeological sites.

e. Potential health impacts.

f. Secondary impacts, including effects on revenue, jobs, and development.

g. Visual and noise impact.

8. Aesthetics.

9. If a CPCN is needed for construction of transmission lines as part of this application, the required information under s. PSC 111.55.

(g) Any additional information the commission may request, including information necessary for it to make the determinations listed in s. 196.491(3)(d), Stats., or to prepare an environmental assessment or an environmental impact statement under s. 1.11, Stats.

(2) EXCEPTIONS TO FILING REQUIREMENTS. (a) An application for a wholesale merchant plant need not include the information identified in sub. (1)(b) to (d). In addition, an application for a wholesale merchant plant that will be owned, controlled, or operated by an affiliated interest of a public utility, shall include any additional information required by the commission in order to make a determination under s. 196.491(3m)(a), Stats.

(b) 1. An application for a cogeneration facility may meet the requirement under sub. (1)(e) by filing information on 2 sites that are both located at the steam host's existing industrial plant, if the cogeneration facility will be a qualifying facility under 18 CFR 292.205 and none of the needed infrastructure improvements would constitute a major action significantly affecting the quality of the human environment under s. 1.11(2)(c), Stats.

2. An application for repowering an existing generating facility may meet the requirement under sub. (1)(e) by filing information on 2 sites that are both located at the existing generating facility site, if none of the needed infrastructure improvements would constitute a major action significantly affecting the quality of the human environment under s. 1.11(2)(c), Stats.

PSC 111.55 CPCN applications for high-voltage transmission lines. A CPCN application for a high-voltage transmission line is not complete until the applicant has filed all of the following information with the commission:

(1) NEED. The need for the proposed project, including all planning criteria, assumptions, historical outage data, stability, and power-flow studies that address need.

(2) DESIGN. The physical design characteristics, including structure type, design span length, conductor size and type, foundation type, operating voltage, and feasibility of future increases in operating voltage.

(3) BASIS FOR DESIGN SELECTION. The basis for selection of physical design characteristics.

(4) EMF LEVELS. The estimated magnetic field levels.

(5) SUBSTATION DESIGN. The substation design or modifications to existing substations.

(6) OWNERS AND INVESTORS. The names and addresses of owners and investors, and percent of ownership.

(7) CONSTRUCTION SCHEDULE AND APPROVALS. The construction schedule and required regulatory approvals.

(8) ADDITIONAL INFORMATION. Any additional information the commission may request, including information necessary for it to make the determinations listed in s. 196.491(3)(d), Stats., or to prepare an environmental assessment or environmental impact statement under s. 1.11, Stats.

(9) TARIFF FILINGS. Whether an open-access tariff has been filed with the FERC.

(10) ALTERNATIVE ROUTES. Except as otherwise submitted under this section, alternative routes and the pertinent factors considered in choosing the alternatives, including engineering, economic, safety, reliability and environmental considerations. All of the following information shall be filed for each of the alternative routes:

(a) Estimated construction cost and assumptions.

(b) Geology.

(c) Topography.

(d) General soil associations.

(e) Water resources, including wetlands, lakes, rivers, and streams.

(f) Vegetative cover, including wildlife habitat.

(g) Endangered, threatened, and special concern species and communities.

(h) Existing and proposed land uses along the routes.

(i) Land in public ownership.

(j) Areas of residential concentration.

(k) Active mines and quarries.

(l) Communication towers, VHF omnidirectional range plus tactical air navigation (VORTAC) stations, and airports.

(m) Wild rivers, scenic rivers, and scenic roads.

(n) Historical and archeological sites.

(o) Designated natural areas.

(p) Opportunities for corridor sharing.

EFECTIVE DATE: This rule shall take effect on the first day of the month following publication in the Wisconsin administrative register, as provided in s. 227.22(2)(intro.), Stats.

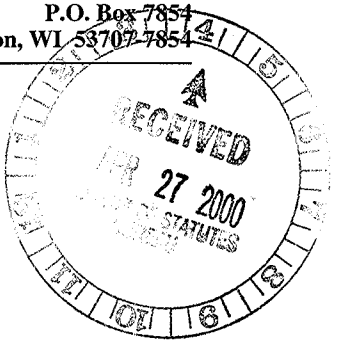
(End)

LLD:LJH:bap:G:\Order\Pending\1-AC-175 Order Adopting Rules

Public Service Commission of Wisconsin

Ave M. Bie, Chairperson
Joseph P. Mettner, Commissioner
John H. Farrow, Commissioner

610 North Whitney Way
P.O. Box 7854
Madison, WI 53707-7854



The Honorable Douglas LaFollette
Secretary of State
30 West Mifflin Street, 10th Floor
Madison, WI 53703

Mr. Gary L. Poulson, Deputy Revisor
Revisor of Statutes Bureau
131 West Wilson Street, Room 800
Madison, WI 53703

Re: In the Matter of Proposed Revision of Chapter PSC 111, Wis. Adm. Code – Rules for Strategic Energy Assessment 1-AC-175

Dear Secretary LaFollette and Mr. Poulson:

At its open meeting on April 25, 2000, the Commission approved an order adopting rules to repeal and recreate ch. PSC 111, Wis. Adm. Code. Pursuant to s. 227.20, Stats., an agency is required to file a certified copy of each rule it promulgates with the offices of the Secretary of State and the Revisor of Statutes.

Enclosed for filing are certified copies of the Order of the State of Wisconsin Public Service Commission Adopting Rules, to repeal and recreate ch. PSC 111, Wis. Adm. Code.

Mr. Poulson's filing also includes a 3.5" diskette containing an electronic copy of the proposed rules.

If you have any questions or concerns, please contact Mr. David A. Ludwig, Assistant General Counsel, at (608) 266-5621.

Dated at Madison, Wisconsin, April 26, 2000

By the Commission:

Lynda L. Dorr
Secretary to the Commission

LLD:LJH:bap:G:\Letter Order\1-AC-175 4-10-00
Enclosures
cc: Records Management, PSCW
Service List

certificate of authority under s. 196.49, Stats., is required to construct the transmission line, the location of termini, length in miles, and voltage for each transmission line.

5. Other auxiliary facilities, including fuel storage and water storage.

6. Natural resources at each site, including all of the following:

a. Air quality.

b. General soil associations.

c. Geology, noting active mines and quarries.

d. Water, including wetlands, rivers, streams and groundwater.

e. Vegetative cover, including wildlife habitat.

f. Endangered, threatened, and special-concern species and communities.

7. Community-related information, including all of the following:

a. Site history.

b. Existing and proposed land uses at the sites.

c. Local infrastructure, including sewer, water, police, and fire protection.

d. Historical and archeological sites.

e. Potential health impacts.

f. Secondary impacts, including effects on revenue, jobs, and development.

g. Visual and noise impact.

8. Aesthetics.

9. If a CPCN is needed for construction of transmission lines as part of this application, the required information under s. PSC 111.55.