

## CO-SPONSORSHIP MEMORANDUM

TO: All Legislators  
FROM: Senator Duey Stroebel and Representative Timothy Ramthun  
DATE: Tuesday, July 13, 2021  
RE: Co-sponsorship of LRB-1902/2 - relating to: authorizing community solar programs

**DEADLINE: Friday, July 23, 2021 at 5:00 PM**

This legislation allows customers the choice to participate in a community solar project. This change will open a new market sector in the energy industry, attract economic investments in Wisconsin, create local jobs, drive innovation and competition, and ultimately save consumers and small businesses money on their energy bills.

Community solar helps families, businesses, farms, nonprofits, schools, and other community members directly participate in and receive the benefits from an offsite solar project connected to the power grid. Participants can subscribe to a portion of a solar project and receive credit on their electricity bill for the power produced, just as if the panels were on their roof.

Community solar uses private dollars to create jobs and lower energy costs for businesses at no cost to state or local governments. This legislation specifically forbids community solar developers from receiving state subsidies for generating electricity from a renewable energy resource, and they cannot receive any benefit from a tax incremental district.

Community solar projects can be located almost anywhere and are often placed on small parcels of under-utilized farmland. These sites help provide economic development in both urban and rural communities throughout the state and stable sources of income to family farmers through land leases, while using best practices to preserve the land for future generations.

Specifically, our legislation would:

- Allow retail electric customers to subscribe to a community solar facility with a generating capacity of five or less megawatts, which meets certain other criteria, to receive bill credits towards their electric bills for electricity produced by the facility.
- Require the PSC to promulgate rules allowing for the establishment of community solar facilities and appropriate fees to ensure maintenance of the grid.
- Require the PSC to establish an applicable bill credit rate to calculate the amount of each bill credit for subscribers at a level that results in robust community solar facility development and allows all customers to have access to become subscribers.

Community solar projects are allowed in 21 other states from red South Carolina to purple Minnesota to blue Vermont. Our legislation provides Wisconsin customers with the opportunity to save money and harness locally produced renewable energy. Community solar will increase energy options for residents and small businesses, spur economic growth across Wisconsin, bring more renewable energy to our state and create consumer choice that will to bill savings for Wisconsin taxpayers.

If you are interested in co-sponsoring this legislation, **please reply to this e-mail or contact Senator Stroebel's office at 266-7513 or Representative Ramthun's office at 266-9175 by Friday, July 23, 2021 at 5:00 PM.** Co-sponsors will be added to both the Assembly and Senate versions of the proposal unless specified otherwise.

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### **Analysis by the Legislative Reference Bureau**

This bill authorizes the establishment of community solar programs through which retail electric customers may subscribe to a community solar facility and receive credits to their electric bills for electricity produced by the facility. Under the bill, entities called subscriber organizations may own or operate community solar facilities, which use solar energy to produce electricity and are connected to the electric distribution grid. Retail electric customers may enter into a contract (subscription) with a subscriber organization through which the customers receive credits towards their electric bill based on their subscriptions. A subscriber and the community solar facility to which the subscriber subscribes must be located within the service territory of the same electric utility. In addition, a subscriber may not receive an annual value of bill credits that exceeds the subscriber's average annual electric bill. Also, under the bill, subscribers may not receive any state subsidy for which generating electricity from a renewable energy resource is a criteria for eligibility nor may subscribers receive any payment or other benefit from a tax incremental district.

The bill requires an electric utility whose service territory includes subscribers to a community solar facility to credit the electric bills of the subscribers based on their subscriptions. Also, under the bill, at the time that an electric utility files tariffs with the Public Service Commission, the electric utility must include options in the tariffs that allow subscribers to receive bill credits for subscriptions to community solar facilities. The PSC must promulgate rules allowing for establishment of community solar facilities and for subscribers to receive electric bill credits for their subscriptions. The PSC must also establish a rate used to calculate the amount of bill credits that subscribers receive, and the rate must be set at a level that results in robust community solar facility development and all customer classes having access to subscriptions to community solar facilities. Under the bill, the PSC's community solar program rules must also satisfy various other requirements, including that the rules must modify existing interconnection standards, fees, and processes to facilitate interconnection of community solar facilities with the electric distribution grid and allow electric utilities to recover costs of applying credits to subscribers' bills. The bill also provides that new community solar facilities may not be established after June 30, 2031.

The bill also specifies that community solar facilities are subject to the zoning ordinances applicable to the parcels on which they are located. Also under the bill, a municipality may not grant an exception to its zoning ordinance if the exception would authorize the installation of a community solar facility unless the exception is approved by a two-thirds vote of the governing body of the municipality.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill