

2023 – 2025 Biennial Report

October 2025



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AGENCY OVERVIEW

The Public Service Commission of Wisconsin (PSC or Commission) ensures safe, reliable, affordable, and environmentally responsible utility services and equitable access to telecommunications and broadband services.

To carry out our mission, the Commission:

- Values diversity in the workplace, allowing employees to fully develop and contribute their individual skills in meeting the needs of our diverse customer base;
- Ensures fair pricing for utility services to customers and to utility investors;
- Sets quality standards for utility services and ensures that the standards are met or exceeded;
- Ensures reliability so there will be sufficient resources, facilities and alternatives available to meet the needs of present and future utility customers at a reasonable price;
- Ensures utility services are provided in an efficient and environmentally responsible manner;
- Protects the interests of both investors and customers and ensures that securities issued by utilities meet the needs of utilities;
- Provides fairness in transactions between utilities and their customers, other utilities, and other entities specifically provided protection by law;
- Adjusts our oversight of utilities according to the level of competition in their markets and according to the degree of customer satisfaction with their services;
- Educates Wisconsin citizens on utility issues and promotes their involvement in our decision-making process.

In all of the above, the Commission considers and balances diverse perspectives and endeavors to protect the environment, public interest, and public health and welfare.

The Commission works to ensure that, in the absence of competition, safe, reliable, affordable, and environmentally responsible utility services is provided to utility customers. More than 1,100 utilities are under the Commission's jurisdiction. Commission approval is required before utilities can change rates, build utility infrastructure, including large power plants and related facilities, or construct transmission lines. The Commission has specific statutory criteria that must be satisfied and administrative rules that it must follow prior to making decisions.

The Commission also works to ensure Wisconsinites have equitable access to telecommunications and broadband services. The Commission administers state and federally funded broadband grant programs

to expand broadband services to unserved and underserved areas of the state. The Commission also administers several Universal Service Fund (USF) programs and the Wisconsin Telecommunications Relay Service (TRS) program to ensure low-income households and speech and hearing-impaired individuals have access to essential telecommunications services.

The Commission is composed of three full-time Commissioners appointed by the Governor to serve staggered six-year terms. The Governor appoints one of the Commissioners Chairperson for a two-year term and they are responsible for administrative duties of the agency. The Commissioners' Office houses the Commissioners, their Executive Assistants, the Chief of Staff, the Chief Legal Counsel, the Director of Policy and Legislative Affairs, the Director of Communications and External Affairs, and executive support staff.

PSC staff consists of auditors, accountants, engineers, rate analysts, attorneys, planners, research analysts, economists, consumer analysts, consumer specialists, and paraprofessional and administrative support personnel. These experts work in an advisory role to the Commissioners. During the 2023-2025 biennium, Commission staff were housed in the following divisions:

Division of Energy Regulation and Analysis

The Division of Energy Regulation and Analysis (DERA) is responsible for carrying out the Commission's regulatory authority and mission for public electric, natural gas, and steam utilities. DERA conducts financial and engineering analyses; audits and investigates electric, natural gas, and steam utilities and utility holding companies; regulates electric, natural gas, and steam rates; reviews applications for construction of transmission, distribution, generation and other utility infrastructure; and oversees natural gas pipeline safety. The division provides economic and statistical analysis on the operations of investorowned utilities, the regional power grid, and regional energy markets. On behalf of Wisconsin customers and utilities, DERA coordinates Wisconsin's involvement in regional energy issues through active engagement within the Midcontinent Independent System Operator Inc. (MISO) stakeholder process and the Organization of MISO States (OMS), including monitoring and investigating the intersection of reliability and affordability on a regional and sometimes national scale.

Division of Water Utility Regulation and Analysis

The Division of Water Utility Regulation and Analysis (DWURA) is responsible for carrying out the Commission's regulatory authority and mission related to water utilities. DWURA works to ensure the state's drinking water utilities have the financial capacity to deliver safe, reliable drinking water in a

sustainable, affordable, and environmentally responsible manner. The division designs water rates; reviews utility applications for the construction of water infrastructure; audits and investigates water utilities; promotes utility effectiveness and viability; and manages databases, information, and records related to water utilities.

Division of Digital Access, Consumer and Environmental Affairs

The Division of Digital Access, Consumer and Environmental Affairs (DACEA) is comprised of four distinct bureaus and offices: Bureau of Broadband, Digital and Telecommunications Access; Office of Consumer Affairs; Office of Environmental Analysis; and Office of Energy Innovation. DACEA provides oversight and leadership to the following non-regulatory grant, customer benefit, and incentive programs at the Commission: the state-funded Broadband Expansion Grant Program; new one-time federal programs to fund broadband access and infrastructure to achieve Internet for All in Wisconsin; the State Energy Program, which includes the Energy Innovation Grant Program, as well as grant programs focused on energy resiliency and federally funded clean energy programs that are designated by the federal Department of Energy to be administered by State Energy Offices; the Focus on Energy Program; the USF, which includes four distinct grant programs; and the TRS program. The Consumer Affairs team investigates consumer complaints related to utility service, coordinates outreach and education for utility staff and customers, operates the agency's contact center as well as the Internet and Phone Helpline, which assists the public with finding affordable and reliable internet or other telecommunications access. The Telecommunications program certifies new providers, resolves Lifeline issues, verifies provider eligibility for USF programs, monitors telephone numbering resources, and reviews provider-to-provider issues such as number portability. The Environmental Team conducts environmental reviews of proposed construction projects and ensures the Commission meets federal requirements for NEPA reviews of grantfunded projects.

Division of Business Operations & Office Management

The Division of Business Operations & Office Management (DBOM) provides the day-to-day business operations of the Commission. Within this division are three offices: Office of Employment Engagement and Business Services, Financial Services Bureau, and Office of Business and IT Services. Business management activities provided by the division include budget and financial management, information technology, staff development and training, employee engagement, records management, and facilities management.

Office of General Counsel

The Office of General Counsel (OGC) provides legal representation to the Commission on all matters under the agency's jurisdiction. It advises the Commission on the substantive and procedural requirements of the statutes and administrative rules applicable to Commission proceedings and investigations; represents the agency before state and federal courts; assists in drafting Commission memoranda and decisions; and leads and coordinates the Commission's rulemakings.

2023-2025 Performance and Operation

COMMISSION PERFORMANCE AND OPERATION

The 2023-2025 biennium included significant regulatory decisions and implementation that will help continue the Commission's mission to ensure that safe, reliable, affordable, and environmentally responsible service is provided to all of Wisconsin's utility customers. The biennium also included significant grant program activity in the areas of broadband expansion and energy efficiency and resilience.

Transparency and Inclusivity. The responsibilities of the Commission impact every Wisconsin resident every single day. The provision of safe, clean drinking water and reliable sources of heat and electricity; the expansion of high-speed Internet and equitable access to telecommunications services do not happen easily. The PSC values community input in every step of the process to strengthen the robust record that is used for decision making. During the biennium, the Commission continued its commitment to empowering citizens to participate in Commission proceedings. This included providing translation services at public hearings, ensuring those who wish to contribute to the record could do so. The Commission also made certain public documents available in multiple languages. The Commission's YouTube channel continues to be available for citizens to view weekly open meetings and other proceedings.

In February of 2025, the PSC released a new website for the Commission Calendar. The new calendar makes it easier for the general public to stay informed and become involved in cases before the Commission. It streamlines information about cases before the Commission and provides the public with detailed information on open meetings and public hearings. This was accomplished by merging two separate calendars, the Open Meeting Calendar and the Contested Case Calendar, into one application and designing a more user friendly, comprehensive listing of event details. The new design provides clear information on options for the public to observe the open meeting or public hearing (in-person, live stream, or post-event recording) and whether the case is currently open for public comment. The Commission Calendar also provides information about other open meetings hosted by the Commission such as the Governor's Task Force on Broadband Access, as well as details for filing deadlines in contested cases.

Expanding Broadband Access in Rural Areas. Access to the internet has never been more critical and the COVID-19 pandemic exacerbated the inequities that stem from the inability to access quality internet

services. Access to affordable, reliable high-performance broadband is a critical component of education, telemedicine, agriculture, tourism, telework, and economic development. The Commission's Wisconsin Broadband Office (WBO) expanded access to broadband across the state significantly during this period. To promote broadband access in Wisconsin, the Broadband Expansion Grant Program provides grants to broadband service providers who partner with local governments for equipment and construction expenses incurred to extend or improve broadband service in unserved and underserved areas of the state. Since 2019, Gov. Evers has allocated more than \$345 million in state and federal funds to expand high-speed internet, and helped more than 410,000 homes and businesses access new or improved broadband. Most recently, in March 2024, the Commission awarded \$43.2 million in grants funded by the American Rescue Plan Act (ARPA) to expand access to broadband across the state.

During this time period, the WBO accelerated its efforts to ensure access to affordable and reliable internet for all Wisconsinites by developing a comprehensive plan to leverage federal funds provided by the Broadband Equity, Access and Deployment (BEAD) program for deployment of broadband infrastructure to all Wisconsinites, with implementation beginning in the 2025-2027 biennium. Under guidelines set by the U.S. Congress under the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA), and alongside its partners at the University of Wisconsin-Madison Division of Extension and the Wisconsin Economic Development Corporation, the Commission elevated statewide capacity to plan, deploy, and adopt broadband. The Commission allocated statewide planning grants to counties and regional partners, providing outreach services and technical assistance. Through two planning subgrant programs for Local Planning Grants and Workforce Planning Grants, the Commission awarded funding to entities across the state to develop detailed, community-informed plans to support effective broadband implementation. WBO staff also conducted robust outreach efforts across the state to learn the barriers to broadband deployment and digital equity to ensure meaningful participation in digital society. Staff hosted 26 webinars to update and inform stakeholders on BEAD processes and procedures; attended over 300 municipal government meetings to work with local leaders; and met with Tribal Nations to ensure Wisconsin's Tribes were given the opportunity to meaningfully participate in the BEAD program through a process that honored their consent and sovereignty. WBO also continued to staff the Governor's Task Force on Broadband Access, which convenes monthly and released annual reports in 2024 and 2025 on the work and findings of the Task Force.

Protecting Utility Customers. The Commission continued to investigate the affordability of access to utility service for Wisconsin residents. Most of Wisconsin's investor-owned utilities now have Arrearage Management Programs (AMPs) to address increased arrears and affordability concerns for residential

customers. Several utilities have established arrangements with more favorable terms for customers when establishing deferred payment agreements (DPAs) to avoid service interruption and late fees, while giving customers an opportunity to reduce or eliminate arrears by completing DPAs or enrolling in and completing AMPs. The Commission reviewed these new or expanded programs to ensure programs were providing a cost-effective way of encouraging regular customer payment behavior and the ability to reduce customer arrears over time. The Commission continued to facilitate investigation dockets to explore available options to address customer affordability challenges. Commission staff performed a broad range of affordability, utility collections, and arrears-related analysis as part of the rate cases before the Commission.

The Commission improved annual utility reporting on customer affordability issues to provide transparency and support data-driven analysis. The Commission worked with VEIC, a consultant with expertise on data sources for utility affordability, to finalize two documents associated with the Commission's Energy Burden Action Study. These provided a range of data collection improvements that Commission staff have begun to implement. Annual utility reports include reporting on customer arrears and disconnections, as well as customer participation in programs to aid affordability. In addition, since 2021 the Commission required the seven largest investor-owned utilities (IOUs) to complete a customer energy burden analysis at the census tract level to evaluate what portion of household income their customers spend on utility services. This energy burden analysis assists in evaluating the impacts of utility bills on average utility customers as well as households at a range of federal poverty level incomes. Furthermore, the Commission partnered with the Department of Administration (DOA) to work on sharing data to ensure utility bill assistance reached customers who needed it most.

The Commission continued to protect utility customers by closely scrutinizing rates for the major utilities throughout the state. Rising fuel costs, which are market-driven, resulted in an overall cost increase to customers during the biennium. Careful Commission review of utility costs minimized these increases to the extent possible. This was done while continuing to evaluate and authorize innovative utility tariffs designed to stimulate economic development, attract new load, and retain and grow existing load while maintaining cost allocation fairness and customer protections.

The Commission also established new reporting requirements for utilities who apply for and receive federal funding as part of the IIJA and the IRA to ensure customers ultimately benefit from the investments. Additionally, the Commission ensured that landowners were able to meaningfully participate and have their voices heard during transmission, distribution, and generation construction project proceedings.

Modernizing Wisconsin's Utility Infrastructure. For electric and natural gas utilities, the Commission authorized the construction of numerous generation projects that will help meet Wisconsin's growing energy demand with clean and cost-efficient generation. The Commission also authorized a number of electric distribution and transmission system projects that improve system reliability and support the integration of future generation resources to meet Wisconsin's growing demand. To help the water industry address aging infrastructure concerns and emerging contaminants, the Commission authorized water supply, treatment, storage, distribution and transmission, and meter replacement projects. These projects increased capacity and improved water quality, public safety, system reliability, and business efficiency.

Renewable Energy Projects. During the 2023-2025 biennium, the Commission approved utility-scale solar power generating plants and energy storage system projects at nine locations across Wisconsin, adding 2,569 megawatts (MW) of zero-carbon solar generation and 850 MW of batteries to the state's electric system. The projects range from a 20 MW site located near Madison to the 1,315 MW Vista Sands Solar Project in Portage County, the largest solar project in Wisconsin and one of the largest in the United States. Along with battery energy storage systems connected to solar projects, there were two 'stand-alone' energy storage systems located at existing coal energy plants, showing opportunities to utilize brownfield sites for ongoing energy use. One of the energy storage projects, the Columbia Energy Dome, is an innovative project that does not require lithium-ion batteries but uses carbon dioxide for long-duration energy storage. These projects provide clean renewable power that will help meet Wisconsin's growing energy demand and improve the reliability of the energy grid. They are touchstones on a path away from power derived from carbon-heavy fuels towards the utility's goals of increasing electricity generated from cleaner, more renewable resources. Specific to utility-scale renewable projects, the Commission used application filing requirements (AFR) to outline application requirements for developers which ensures a complete and efficient review by the Commission.

Ensuring the Safety of the Natural Gas Distribution System. The Commission continued its longstanding role of ensuring natural gas safety for workers and citizens. An established inspection system has supported safe system construction and operation and protected against accidents. In calendar year 2024, the Commission's Gas Pipeline Safety Program scored 100 out of a possible 100 points on its federal pipeline safety program evaluation. Wisconsin's operations and procedures are lauded by the US Department of Transportation Pipeline and Hazardous Materials Safety Administration as a model for other states to follow. The Commission continued to enhance its enforcement of Wisconsin's

excavation damage prevention law, the One-Call Law, by streamlining internal processes to review cases efficiently. Since 2021, the Commission has issued 24 civil penalties related to its enforcement of the One-Call Law, totaling \$564,750. In the 2023-2025 biennium, the Commission provided additional public awareness to pipeline safety in April of each year, which the Governor declared "Safe Digging Month."

Providing Energy Efficiency Program Benefits to All Customers. Focus on Energy is Wisconsin's statewide energy efficiency and renewable resource program. The program works with all customers of participating utilities, including homeowners, renters, businesses, farms, and schools, to complete cost-effective energy efficiency and renewable energy projects that meet a range of energy needs.

In 2022, as part of its Quadrennial Planning Process IV to set new program goals and targets for the 2023-2026 time period, the Commission established priorities for Focus on Energy to make efforts to better serve historically underserved customers. During the 2023-2025 biennium, the Commission finalized and implemented a Communities of Focus framework to identify underserved localities throughout the state and set goals to increase the program incentives provided to customers in those communities. The Commission also supported additional programs and initiatives to better serve specific types of underserved customers, including directing the Program Administrator to work with the DOA's Weatherization Program to fill gaps in low-income program offerings; convening a stakeholder group that includes community-based organizations that work with marginalized communities to gather input on how to reduce participation barriers and effectively reach customers in those communities, and continuing to serve rural propane users through the Rural and Agricultural Incentives Program.

Under the IRA, Wisconsin was allocated \$149 million to fund Home Energy Rebate programs providing additional incentives for customers to improve the efficiency of their homes and pursue opportunities for beneficial electrification. While operating the program separately from Focus on Energy, the Commission took advantage of the program's existing framework and contractor relationships to become one of the first states in the country to launch the Home Energy Rebate programs in 2024. By mid-2025, more than \$2 million in rebates and incentives had been paid.

Eliminating Lead in Drinking Water. The Commission approved fourteen utility applications to provide financial assistance to property owners for the replacement of lead service lines (LSLs) since the creation of Wis. Stat. § 196.372. These programs will help contribute to the eventual removal of over 36,500 customer-side service lines containing lead in those communities. Based on its experience in

processing the initial applications filed following enactment of 2017 Wisconsin Act 137, the Commission revised its application filing requirements several times to enhance efficiency in evaluating utility applications and to respond to changes in available funding from other sources. In particular the Commission worked closely with stakeholders and utilities to balance the use of continued funding available from the Department of Natural Resources (DNR) with utility customer funding to both accelerate LSL replacement and deliver cost savings to customers. The Commission continued to work with the DNR to improve the inventory of the state's LSLs and prioritize funding, and provided webinars and other educational resources to assists utilities.

Wisconsin PFAS Action Council. The Commission participated in the Wisconsin PFAS Action Council as part of Governor Evers' Executive Order #40. The Commission continued to implement specific responsibilities published in the Wisconsin PFAS Action Plan that serves as a roadmap for how state agencies will address PFAS contamination. The Commission was the lead agency to collect data on drinking water treatment and costs and to improve efficiency in the development of long-term water supply solutions. The Commission, in partnership with the DNR, continues to work toward completing the identified actions through the collection and analysis of annual report data and review of internal authorization processes for additional efficiencies.

2023-2025 Performance and Operation

PERFORMANCE AND OPERATION BY DIVISION

DIVISION OF ENERGY REGULATION AND ANALYSIS

Review Compensation for Customer-Owned Renewables. In March 2024, the Commission continued the investigation into customer-owned renewable generation compensation in response to stakeholder requests to investigate a value-of-solar approach for Wisconsin. In September 2024, the Lawrence Berkeley National Laboratory was engaged to produce a comprehensive literature review of the most current value-of-solar analysis and methodologies from across the country. In January 2025, the value-of-solar literature review was completed and made public, with the Commission taking public comment on its findings. In July 2025, the Commission determined not to pursue a value-of-solar study for Wisconsin at this time, however, directed Commission staff to conduct a detailed analysis on compensation for customer-owned renewable generation, set a specific scope for the continued investigation, and required staff to report back on a framework for valuing customer-owned renewable generation.

Modernizing Rules to Connect Renewables to the Energy Grid. The Commission initiated rulemaking in 2020 to update the interconnection rules that were promulgated in 2004 as Wis. Admin. Code ch. PSC 119 (PSC 119). Distributed generation in Wisconsin and other states has undergone significant changes in the nearly 20 years since PSC 119 was promulgated, including significant growth in the number of distributed generation installations throughout the state, the emergence of new technologies that raise interconnection considerations, and the establishment of updated technical standards. During the biennium, the Commission worked extensively with a diverse stakeholder group to propose updates to the existing rule while maintaining the established requirements for the interconnection rules established in Wis. Stat. § 196.496. The final rule was approved by the Commission, Governor Evers, the Senate Committee on Utilities and Technology, the Assembly Committee on Energy and Utilities, and the Joint Committee for the Review of Administrative Rules. The rule took effect on May 1, 2024.

Support More Transparent Utility Resource Planning Through the Strategic Energy Assessment (SEA).

Transparent planning is essential to help Wisconsin achieve an adequate, reliable, and affordable electric supply for all customers now and into the future. The biennial SEA process provides an opportunity for the Commission to inform policymakers, stakeholders, and the public on the ongoing changes in Wisconsin's dynamic utility environment. The 2024 SEA provided an overview and analysis of key topics, including clean energy additions and emissions performance, generation retirements, conversions, and

planned additions to the Wisconsin grid, as well as critical transmission project planning at the state and regional level. Extensive data was collected from utilities and detailed modeling was conducted to evaluate Wisconsin's energy system as a whole. The report also covered emerging topics of interest, including cybersecurity and system resilience, as well as the ongoing priority of affordability. The Commission will release its next SEA report in 2026.

Maintaining influence within MISO and other Regional Transmission Organizations. The Commission continued to hold leadership roles in work groups that directly advise MISO on transmission planning, cost allocation, renewable energy, and wholesale market issues, to ensure Wisconsin's interests are represented in regional decision making. Through these leadership roles, the Commission ensured that Wisconsin's interests are represented in MISO's engagement with new federal policy initiatives, including a new review of federal transmission regulations and a federal requirement for MISO to expand access to its energy markets for customer-scale distributed energy resources.

Nuclear Siting Study. In July 2025, the Governor signed 2025 Wisconsin Act 12 into law, requiring that the Commission lead a nuclear siting study. The study will identify potential sites for new nuclear power plant development and sites for demonstration projects showcasing advanced nuclear technologies. An analysis of the permitting and approvals process for nuclear power plant development will also be conducted, with opportunities for streamlining review timelines identified. The Commission will report back to the legislature with a completed nuclear siting study in 2027.

DIVISION OF WATER UTILITY REGULATION AND ANALYSIS

Water Resources Planning. Water utilities in Wisconsin have entered an era of increased need for investment in both reconstruction of aging facilities and solutions to the challenges posed by emerging water quality concerns. The Commission worked to ensure that Wisconsin utilities maintained effective, efficient service delivered in an environmentally responsible manner at reasonable rates. The Commission continued to support integrated, effective planning for water resources and demand, as well as development of innovative, reliable funding mechanisms to replace aging infrastructure, including the continued abatement of LSLs. In addition, the Commission worked with utilities to file more frequent rate adjustments to keep up with the revenue demands for future capital investments, especially for utilities with artificially low or outdated rates.

Water Utility Education. To help ensure utilities are providing service to their customers in a cost-effective manner that meets community needs, the Commission continued to be proactive in educating water utilities

and their customers regarding legal requirements, the ratemaking process, and best practices. To ensure continued delivery of safe, adequate water utility service across the state, the Commission assisted water utilities in identifying and implementing solutions to financial challenges and customer affordability concerns. The Commission monitored utilities' financial health, resources, workforce, customer affordability, and other challenges and connected utility staff with resources and industry accepted practices for addressing those challenges. During the biennium, the Commission provided 50 training and outreach activities aimed at water utilities. It also began several initiatives aimed at ensuring customer rates were reasonable for future capital investment needs, especially utilities that had not had a rate adjustment in over 25 years. In addition, the Commission identified and notified utilities that met the criteria for a simplified rate case adjustment to encourage the use of this simple inflationary adjustment. Commission staff also leveraged existing partnerships to expand its training and resources and prepared for future on-demand online training resources. In addition, the Commission offered more opportunities for utilities to participate remotely in meetings and training events.

Water Rate Cases. During the biennium, the Commission issued Final Decisions in 127 conventional water rate cases, and 253 simplified water rate cases. Both numbers represent historic highs for the number of rate cases. In processing these cases, the Commission worked with utilities to address specific community needs and developed just, reasonable, and non-discriminatory rates based on local considerations and needs. The Commission also completed internal rate case process manuals; updated its rate case application and supporting materials; and continued an annual project review process to create staff efficiencies during down periods. The Commission also initiated a conversion of its spreadsheet-based application to an online application that will provide efficiencies and increase ease of use.

Water Utility Construction Cases. The Commission issued 88 Certificates of Authority (CA) for projects such as wells, transmission mains, elevated tanks, booster stations, water treatment facilities, and advanced metering systems in the two-year period. This included the Commission's first review of PFAS-related projects. In addition, the Commission investigated 33 utilities for compliance issues related to construction without necessary approvals, failure to file annual reports, sewer complaints, and construction cost overruns. State statutes related to the Commission's construction authorization process were revised in November 2021 to include specific timelines, and the Commission continues to identify and implement process improvements. In order to provide local communities a more streamlined approval process, the Commission continued to coordinate its project review activities with DNR's Safe Drinking Water Loan Program, DOA's Community Development Block Grant program, and the US Department of Agriculture's Rural Development program. This coordination will ensure utilities meet regulatory requirements and

funding deadlines. The Commission also completed updates to its construction application and developed a construction review manual to assist in consistent project reviews and implemented an annual project review process to create staff efficiencies during down periods.

Promoting Water Utility Effectiveness. The Commission continued its collaborative work with the DNR and other state agencies, as well as water industry association partners, to provide utilities with resources to promote the adoption of efficient business practices such as water loss control plans, asset management, and economically optimized infrastructure replacement. The Commission's financial outreach program provided targeted services to financially troubled utilities. During the biennium, the Commission worked with 26 utilities as part of this program. All but three utilities contacted in the two-year period took steps to improve their financial situation within a year. The Commission initiated a conventional rate case outreach program that required 22 utilities that had not had a rate adjustment in over 25 years to file. The first 17 utilities all filed, and the most recent five are in process. Lastly, the Commission initiated the simplified rate case (SRC) outreach program that identified utilities that qualified for the SRC rate adjustment, notified them of the fact, and encouraged them to file. The SRC process is an easy and quick opportunity that provides an inflationary rate adjustment.

DIVISION OF DIGITAL ACCESS, CONSUMER AND ENVIRONMENTAL AFFAIRS

New, Additional Funding for Broadband Deployment Adoption. The federal American Rescue Plan Act (ARPA) and Bipartisan Infrastructure Law (BIL) enabled historic allocations of resources to broadband deployment. Under ARPA, the Governor allocated more than \$140 million in State and Local Fiscal Recovery Funds (SLFRF) and Capital Projects Funds (CPF) to support broadband deployment projects. The Commission issued ARPA SLFRF awards in fiscal year 2022, and in March 2024 awarded \$43.2 million in expansion grants in response to its solicitation for ARPA CPF proposals. The Commission also awarded \$27.8 million in ARPA CPF funding for Digital Connectivity and Navigators projects that support adoption of broadband services through device deployment, digital navigation services, and support for wi-fi access in apartment buildings. The BIL allocated \$1,055,823,574 in funding under the Broadband Equity, Access and Deployment (BEAD) Program for infrastructure deployment in Wisconsin. The Commission and the WBO conducted extensive planning efforts during the 2023-2025 biennium, to prepare for the award and initial deployment of BEAD funds during the 2025-2027 biennium.

Community Engagement and Capacity Building. Throughout the biennium, WBO amplified local engagement and capacity building efforts to further its goals for broadband deployment and adoption, grounded in its development of a comprehensive plan to leverage federal funds provided by the BEAD

program for deployment of broadband infrastructure to all Wisconsinites. Engagement efforts included 26 webinars to update and inform stakeholders on BEAD processes on procedures, over 300 municipal government meetings with local leaders, and meetings with Tribal Nations to ensure Tribes were given the opportunity to meaningfully participate in the BEAD program through a process that honored their consent and sovereignty. Further, WBO partnered with the University of Wisconsin-Madison Division of Extension and Wisconsin Economic Development Corporation Office of Rural Prosperity to develop and deploy technical assistance to communities and stakeholders. The Commission also continues to refine and improve the data showing the availability of broadband service at locations across Wisconsin, launching a new and improved Wisconsin Broadband Map, a publicly available tool that shows broadband availability and in-progress construction by location.

Leverage Focus on Energy's contributions across the state. Focus on Energy provides great value for Wisconsin by growing the state's economy, creating new jobs, and contributing to the state's carbon reduction goals. The program's 2023 and 2024 evaluation reports showed it continued to be cost effective and garner high customer satisfaction. The energy savings achieved by Focus on Energy in 2023 and 2024 totaled over 15 billion lifecycle kilowatt-hours of electricity and nearly 700 million lifecycle therms of natural gas - enough energy to power more than 1.3 million Wisconsin households for a year. During those two years, Focus on Energy programs achieved 13,384,091 tons of avoided CO₂. Program cost-effectiveness remained high, even as the program ramped up higher-cost efforts to reach customers in underserved areas. Under the Commission's benefit cost test, Focus on Energy achieved \$2.45 in benefits for every \$1 in costs in 2022; when economic benefits are added, the ratio increases to \$4.17:1. Across all Focus on Energy programs, customer satisfaction was measured at 9.4 on a 10-point scale in 2024.

Consumer Affairs and Customer Service. The Commission's Office of Consumer Affairs work unit focused its efforts on educating gas, electric, and water utilities, and their customers, to ensure compliance with billing, collections, and service requirements. The team supports about 1,000 customer complaints in a given year and roughly 1,000 customer inquiries. In addition, Consumer Affairs analysts field approximately 700-800 utility inquiries each year. The Commission provided utility education and outreach at the Municipal Clerks and Treasurers Institute, Water Utility Stakeholder meetings, and the Municipal Electric Utilities of Wisconsin (MEUW) on accounting and customer service practices. Commission staff also conducted biannual utility roundtable meetings with the IOUs and some of the municipal utilities to provide Commission updates and discuss customer service best practices.

The Commission has also made it a priority to educate customers on how they can be involved in Commission docket processes, which increases transparency and helps ensure customers' voices are heard. As a result of this sustained, proactive focus on outreach and education, utilities and customers continue to view the Commission as a valuable resource and contact the Commission requesting assistance on customer policies and customer protections. The total number of contacts from customers and utilities continued to increase and the issues analyzed continue to be more complex. Additionally, with the creation of the PSC Internet and Phone Helpline, Consumer Affairs staff were trained to assist customers with accessing essential telecommunications including the internet. Consumer Affairs staff assist customers who qualify for Lifeline and other discounts on telecommunications services by checking eligibility, helping complete applications, and tracking the status of submitted applications. Additional services provided to customers include locating internet service providers in their area, assisting with the completion of internet applications, and providing information on Wisconsin broadband grants and other grants available to Wisconsin internet providers.

Launch of IRA Home Energy Rebate Programs. Wisconsin was allocated \$149 million under the Inflation Reduction Act to provide incentives for customers to improve the efficiency of their homes and pursue opportunities for beneficial electrification. While operating the program separately from Focus on Energy, the Commission took advantage of the program's existing framework and contractor relationships to become one of the first states in the country to launch the Home Energy Rebate programs in 2024. By mid-2025, more than \$2 million in rebates and incentives had been paid.

Distribution of Energy Grants. The Infrastructure Investment and Jobs Act (IIJA) allocated funding to Wisconsin's State Energy Office to support clean energy development and the strengthening of Wisconsin's electric grid. During the 2023-2025 biennium, the Commission took advantage of IIJA funding to award \$8.5 million in Grid Resilience grants to enhance service reliability and support the modernization and hardening of Wisconsin's electric grid; \$7.88 million in Energy Innovation Grant Program funding to support renewable energy, energy efficiency, and clean energy planning projects; and more than \$1 million under the Rural Energy Startup Program to support local governments in taking steps to improve energy efficiency and develop clean energy plans.

DIVISION OF BUSINESS OPERATIONS & OFFICE MANAGEMENT

Grant Program Administrative Support. Over the past two years, the Commission continued to receive a significant amount of both state and federal funding to administer grant programs. Developing procedures and systems to support both external entities and Commission staff responsible for grant

administration continues to be crucial. Sound procedures and systems aid the Commission in providing exceptional technical assistance to grant applicants and recipients. It also ensures that the Commission's robust internal controls continue to be effective as funding levels change. The Commission continued to focus on implementing fiscal best practices and information technology (IT) systems to strengthen processes and internal controls related to grant program administrative support. Changes were made to the structure and staffing of the Fiscal Bureau to ensure that an increased focus could be placed on supporting grant program administration and work continued to enhance an end-to-end grant management system used by external parties to apply for grant funding. Grant recipients also use the system to submit reimbursement requests, and it is subsequently used by Commission staff to track awarded grants and process grant reimbursement requests. The Commission will continue to work to refine and enhance internal controls and the grant management system to strengthen monitoring.

IT System Penetration Testing. The Commission engaged with the US Department of Homeland Security to conduct third party penetration testing of its systems and network. The Commission worked with the Cybersecurity and Infrastructure Security Agency, a division of the Department of Homeland Security, who conducted an exercise that attempts to find and exploit system vulnerabilities. The exercise is a requirement that state agencies must complete to ensure compliance with DOA's Division of Enterprise Technology (DET) security standards and helped identify weak spots in the agency's IT defenses.

2025-2027 Goals and Objectives

COMMISSION GOALS AND OBJECTIVES INCLUDED IN THE 2025-2027 EXECUTIVE BUDGET

Ensure safe, reliable, affordable, and environmentally responsible energy and water services. The Commission, through its review of applications to adjust energy and water utility rates and authorize new construction, will continue to ensure that the reasonable needs of the public for energy and water services are met in a safe, reliable, affordable, and environmentally responsible manner. Wisconsin utilities continue to increase the development of renewable and natural gas generation and transmission system upgrades to meet increasing energy demand. With significant energy demand increases anticipated in the near future, the Commission will continue to prioritize the analysis and review of the cost of constructing new generation and transmission and any impacts on affordability and reliability. As the Commission continues to review applications related to new generation, it will seek to strike the proper balance between maintaining reliability, diversifying the state's energy sources, and maintaining affordability for customers.

Meet consumers' changing needs in Wisconsin's dynamic utility industry environment. The Commission places importance on the participation of diverse groups in its regulatory actions and will provide consistent and prompt assistance to members of the public, organizations, and official parties that apply for intervenor compensation. It will also increase consumers' access to alternate telecommunication providers by effectively and efficiently certifying new applicants to telecommunications markets and facilitating consumer access to competitive telecommunications providers. Commission staff will continue to stay informed on new energy technologies and will conduct thorough and timely reviews of utility infrastructure projects as they come before the Commission. Lastly, the Commission will thoroughly investigate, resolve, and respond to consumer complaints from utility customers and provide timely information to consumers seeking assistance in accessing broadband internet.

Foster innovative, cost-effective, and fiscally responsible water utility administration. As infrastructure ages and budgets tighten, the Commission has set a goal to increase the number of external training sessions given by Commission staff to water utilities, including speaking engagements at water industry association meetings and online on-demand webinars. Commission staff will develop online modules that provide training for water utility staff and supplemental informational materials for utilities, with a focus on utility ratemaking basics, PSC processes, and emerging issues.

Foster the expansion, adoption, and use of broadband technologies. The mission of the WBO is to make high performance broadband more accessible, resilient, and affordable in Wisconsin. Over the coming biennium, the WBO will continue to work with stakeholders to build partnerships and capacity for broadband deployment and adoption within state and local governments, private and nonprofit partners, and the general public. A key focus will be finalizing and implementing broadband expansion projects under the BEAD program, for which the federal government allocated more than \$1 billion to Wisconsin. WBO will also pursue opportunities for additional support through the State Broadband Expansion Grant Program and to support adoption of broadband services through the implementation of the Digital Connectivity and Navigators Program.

Identify and address telecommunication needs of low-income households, those residing in high-rate areas of the state, and customers with disabilities. The Commission will continue to administer several programs that address telecommunications needs of Wisconsin residents. The USF promotes access to essential and advanced telecommunications services through discounted rates for service and targeted grant programs. Essential telecommunications services are provided by both landline and wireless carriers. A wireless or wireline carrier that has been designated as an Eligible Telecommunications Carrier (ETC) by the Commission may receive federal and state USF funds to offset a portion of the cost of providing service, as well as discounted services (Lifeline) for eligible low-income households in Wisconsin. Additional USF programs are designed to assist low-income customers to obtain affordable essential telecommunications service throughout the state. For people with disabilities, the USF provides assistance with obtaining affordable access to a basic set of essential telecommunications services.

Additionally, the <u>Wisconsin Telecommunications Relay Service (WTRS)</u> is a free communication service that provides full telephone accessibility to Wisconsin citizens who are deaf, hard-of-hearing, deafblind, and speech-disabled. This program enables an individual with a hearing or speech disability to communicate by telephone or other devices through the telephone system.

Ensure quality broadband, essential telecommunication services, and energy innovation are provided by facilitating related grant and rebate programs. The Commission will continue to administer grant and rebate programs that foster innovation and expand access to vital and beneficial programs and services for Wisconsin residents, businesses, schools, nonprofits, and political subdivisions. The Commission will continue to oversee the distribution of rebates for customers to improve energy efficiency through the IRA Home Energy Rebate Programs and Focus on Energy. Grant programs include:

- Energy Innovation Grants Energy efficiency and renewable energy projects for manufacturers, universities, K-12 schools, hospitals, municipalities, and nonprofits.
- <u>Grid Resilience Grants</u> Projects that reduce the likelihood, consequences of, and impacts to the electric grid from extreme weather, wildfire, and natural disaster.
- <u>Energy Efficiency and Conservation Block Grants</u> Supporting local governments in developing comprehensive energy plans.
- <u>Broadband Expansion, Infrastructure and Access Grants</u> and <u>Broadband Equity Access and</u>
 <u>Deployment Grants</u> Broadband infrastructure expansion for unserved and undeserved locations.
- <u>Telemedicine Grants</u> Innovative and vital telemedicine equipment projects.
- Nonprofit Access Grants Access to essential telecommunications services through nonprofits for low-income Wisconsinites.
- <u>TEPP Outreach Grants</u> Outreach through Independent Living Centers to support access for hard of hearing, deaf, and low vision Wisconsinites to the Telecommunications Equipment Purchase Program.
- <u>Lifeline Outreach Grant</u> To assist low-income customers to obtain affordable access to essential telecommunications through the Lifeline program.

2025-2027 Goals and Objectives

GOALS AND OBJECTIVES BY DIVISION

DIVISION OF ENERGY REGULATION AND ANALYSIS

Investigation Into Construction Cost Overruns. The Commission recently opened the construction cost overruns investigation for electric and water infrastructure. In recent years the Commission has experienced higher volumes of construction projects with higher total projects costs. With demand for energy expected to increase considerably in the near term, strategies for mitigating cost overrun risks are more important now than ever. The Commission investigation will include a comprehensive analysis of cost overruns, with the goal of developing a viable framework for utilities, merchant developers, parties, and Commission staff to employ when cost overruns occur, and proactive measures that can be adopted to mitigate cost overrun risks before they happen.

Review and Approval of New Energy Infrastructure. A primary responsibility of the Commission is to review and approve the construction and purchase of new energy infrastructure proposed by Wisconsin utilities. With the emergence of new and additional large load customers in the state, the Commission has experienced a significant uptick in the volume of applications for construction and acquisition of new generation, transmission, and natural gas infrastructure to serve this demand. From 2023 to 2025 the Commission reviewed and issued 67 Certificates of Approval (CA) and 12 Certificates of Public Necessity and Convenience (CPCN), which were informed by thorough review of environmental impacts through Environmental Assessments and Environmental Impact Statements. In addition to increased volume, the size and cost of projects are increasing considerably as well. Application volumes are expected to increase significantly, and staff will continue to conduct thorough and timely review and approval of CA and CPCN applications to support a fair and robust energy system.

Investigating and Participating in Regional Market Activities. The Commission coordinates Wisconsin's involvement in regional energy market activities through active engagement within the Midcontinent Independent System Operator, Inc. (MISO) stakeholder processes and the Organization of MISO States (OMS). The Commission's active participation in these forums informs the development of near-term and long-term regional energy activities to better align them with Wisconsin's priorities and unique context. The Commission provides input into activities at a regional, and sometimes national, scale on behalf of Wisconsin customers and utilities. Near-term action areas include MISO's continued refinement of its energy markets and resource adequacy requirements to more efficiently communicate with utilities and

energy users in support of enhanced system reliability in a cost-effective manner. In the long-term, the Commission will continue its involvement in MISO transmission planning stakeholder processes that provide key information to Wisconsin utilities and stakeholders on long-term regional transmission planning.

Review Resource Adequacy Standards and Requirements. One role of the Commission is to ensure an adequate supply of electricity. The Commission last updated the electric utilities' planning reserve margin in 2008. The resource adequacy investigation will review current and ongoing resource adequacy initiatives, including a review of newer metrics and requirements by MISO and other states, regional transmission organizations/independent system operators, and other related entities; the impacts of the existing state level planning guideline and whether it remains appropriate; and options to create flexibility for updating resource adequacy requirements in Wisconsin in response to changing industry standards and MISO proposals.

Open rulemaking on gas metering. In 2024, the Commission opened a limited scope rulemaking of Wis. Admin. Code ch. PSC 134 related to gas meter testing. The proposed rulemaking results from the Commission's desire to update code language to reflect current technology for gas meter testing and be able to evaluate gas utilities' proposals while not creating additional waivers of Wis. Admin. Code ch. PSC 134. Work on the proposed rulemaking will be ongoing during the 2025-2027 biennium and may further allow for consistent requirements for gas metering statewide, address the testing requirements and clarify requirements for ultrasonic meters for all natural gas utilities, and give industry stakeholders the opportunity to participate in the development of proposed natural gas meter testing changes.

DIVISION OF WATER UTILITY REGULATION AND ANALYSIS

Engagement and Education. The emergence of PFAS throughout the State of Wisconsin, the pressing need to replace private-side LSLs, and the continued infrastructure crisis within the water industry highlights the need for utility resilience and sustainability. The Commission will build on its ongoing affordability work and will work with stakeholders to identify options for utilities to consider when working with customers to ensure continuity of safe, reliable service. The Commission will collaborate with utilities and other stakeholders to evaluate, raise awareness of, and incentivize the use of utility partnerships to address compliance, financial, and resource challenges, with a particular focus on options that benefit small utilities and their customers. The Commission will also work on the development of enhanced educational materials for utility staff and consultants, with a focus on online, on-demand resources.

Collaborating on Safe Drinking Water. The Commission will continue to work with other agencies and water utilities to optimize the use of existing funding sources and identify additional funding sources to accelerate the replacement of LSLs to advance health outcomes in a financially sustainable manner. Building on the success of an LSL Overview webinar in June 2025, the Commission will provide additional resources to facilitate the use of utility financial assistance programs. The Commission will also collaborate with other agencies on PFAS and other emerging contaminants. The Commission will continue to participate in and support the work of the Wisconsin PFAS Action Council.

Water Rate Cases. The water rates team will continue to implement process improvements established in the last biennium and identify additional ways to reduce average rate case processing times, which saw consistent year-over-year reductions throughout the biennium. This effort will include enhancing utility staff's understanding of the rate case process as well as Commission and utility staff's roles and responsibilities; updating the rate case tool; and completing the transition to an online rate case application. Commission staff will continue to work with utilities struggling to meet their financial needs and will implement various outreach initiatives to ensure utilities are strategically positioned for future capital investment needs.

Water Construction Cases. The water construction team will finalize the construction manual and transition the construction application to an online version to improve efficiency and effectiveness. The team will also continue to meet regulatory timing requirements and evaluate the impact of increasing PFAS-related applications.

Data Analysis. The Commission will continue to work to develop an updated system of databases and applications, including a transition to the interactive data visualization software, PowerBI. The Commission will continue to utilize the data collected through annual reports and surveys to inform, adapt, and improve Commission processes and provide additional transparency to stakeholders interested in water utility performance and cases before the Commission. The Commission will work to identify quality control measures for utility-reported data to reduce case processing times and better inform local decisions about utility finances and infrastructure. This effort will support the Commission's work to promote water conservation and efficiency as tools for ensuring resource and financial sustainability and water rate affordability. Utility capital and financial plans and programs that are based on reliable data and incorporate system distribution, operational efficiency and customer demand management can help utilities meet multiple challenges. The Commission will also maintain annual updates to the Rates

Dashboard, which provides statewide comparisons with other utilities and timely benchmarks for utilities to

use to determine financial needs. The Commission will identify and scope other processes and systems that would improve utilization of data both internally and externally.

DIVISION OF DIGITAL ACCESS, CONSUMER AND ENVIRONMENTAL AFFAIRS

Deploy Broadband Expansion Funds. The WBO will leverage historic federal funding allocations from the BEAD program to deliver improved internet access to hundreds of thousands of Wisconsin residents and businesses. Additionally, the Commission will monitor and report on project activity to ensure alignment with federal guidance, accountable use of funding, and successful subaward processes.

Plan and Execute Focus on Energy Quadrennium V. Since January 2023, the Focus on Energy Program Administrator has been working closely with Commission staff on Commission directives stemming from the Quadrennial IV Planning Process. The directives are intended to help Focus on Energy continue its successful performance while adapting to new technologies and continuing to support a broad distribution of benefits. Specific efforts include reviewing Focus on Energy's approaches supporting utility demand response programs; researching options to better align Focus programming with efforts to reduce peak demand and reduce energy usage during high-cost periods of the day; and establishing new initiatives to reduce barriers to program participation for historically underserved customers, including those in rural and low-income communities, including through enhanced partnership with DOA's Division of Energy, Housing, and Community Resources. The Commission will complete its next Quadrennial V planning process in 2026, to set updated goals and priorities for the program informed by the findings from its work in the Quadrennial IV planning process.

Continue the Successful Delivery of the Inflation Reduction Act Home Energy Programs. The Commission will continue to deliver Inflation Reduction Act rebates during the 2025-2027 biennium, providing significant opportunities for Wisconsin residents to improve the efficiency of their homes, while taking advantage of the efficiencies involved in implementing the programs using the Focus on Energy program infrastructure.

Address Affordability Challenges for Wisconsin Utility Customers. The Commission will take a variety of approaches to supporting the affordability of utility services throughout the state, including continuing to review and oversee the implementation of programs addressing arrears and affordability challenges for residential customers; continuing to conduct broader investigation dockets to explore additional options to address affordability challenges; carefully scrutinizing utility costs, including in rate cases and the Commission's investigation of construction cost overruns; and supporting enhanced data collection to

provide transparency and support data-driven analysis, including through exploring enhanced data sharing and transparency with DOA.

DIVISION OF BUSINESS OPERATIONS & OFFICE MANAGEMENT

Information Technology Initiatives. The Commission continues to recognize the need to provide both external and internal customers with the IT resources necessary to perform tasks in an efficient and effective manner. Over the next two years the Commission will continue to focus on executing and refining its three-year IT strategic plan. This will involve active engagement and participation by leadership across the Commission to ensure that there is a shared understanding of priorities and timelines. One of the key projects that is included in the strategic plan is the assessment system modernization.

Another key IT initiative centers on building on the successful PowerBI pilot for advanced data analytics for the grant administration and fiscal teams. The Commission will continue to build out its data warehouse and PowerBI environment to serve agency-wide reporting needs. This includes importing and modeling data to enable reporting and data visualization related to regulatory filings, agency case work and projects, and utility tariff data. The IT team will work with all Commission divisions to identify additional data champions and mentor them to use data and PowerBI to better manage their work and to improve our agency's ability to analyze our data quickly and efficiently.

Employee Training and Engagement. The Commission will continue to work across functional areas to further refine its robust training program. Part of these efforts will focus on improving the new employee checklists to ensure a successful onboarding experience. In addition, the Commission will continue to build on the success of lunch-and-learns that provide in-depth information on the inner workings of the agency and its regulatory functions. These events help new and existing employees understand how they fit into the greater organization. The Commission will also work to find new ways to fully utilize the state's training platform, Cornerstone.

The Commission plans to administer an Employee Engagement survey in 2025. Given the commitment to conduct the survey on an annual basis, the Commission will be able to better analyze response data to understand where resources need to be directed.

Flexible Schedules, Alternative Work Patterns and Remote Work

The Commission has long been an advocate of flexible-time schedules and alternative work patterns for high-performing staff. During the 2023-2025 biennium, the Commission continued to provide remote work opportunities. The Commission continues to maintain and monitor telework agreements and other remote work policies. The Commission views flexible-time schedules and alternative work patterns as an essential retention and recruitment tool and plans to continue offering flexibility going forward.