

PUBLIC SERVICE COMMISSION

Wisconsin State Agency 101

A SERIES
PREPARED BY



INSTITUTE FOR
REFORMING GOVERNMENT

SEPTEMBER 2022

STATE AGENCY FAST FACTS

**\$64 MILLION
BUDGET**

AGENCY RESPONSIBILITIES

The Public Service Commission (PSC) is an independent regulatory agency with 3 commissioners appointed to 6-year staggered terms.

Generally, the PSC is charged with regulating rates, financing, and construction projects for Wisconsin's electric, gas, steam, and water utilities.

The agency also oversees the popular broadband grant program.

The PSC's 2021-2023 budget is set at almost **\$64 million** and has **154 employees**.

DID YOU KNOW?

Did you know that the PSC approved over **\$225 million** in broadband grants since November of 2021? \$125 million was paid for with bonding, while the other \$100 million came from funding received through the American Rescue Plan Act without legislative approval. Although the Commission chooses which grant requests get funded, in the last several rounds a majority of commissioners have rubber stamped the staff's recommendations.

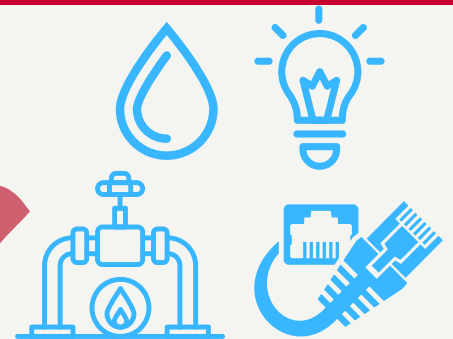
95%

**#DYK THE PSC COMMISSION
AWARDED 95% OF THE
BROADBAND GRANTS
RECOMMENDED BY AGENCY
STAFF??**

TAXPAYER ALERT!

The Legislative Audit Bureau's recent audit of the Broadband Grant Program found that the PSC:

- Did not verify that providers actually constructed the broadband infrastructure they were reimbursed for.
- Did not document the amounts providers actually paid to construct broadband infrastructure.
- Did not establish written program policies for ARPA and CARES Act funded grants.
- Did not retain a record of scores given by staff and did not follow scoring criteria set within the application instructions.
- In one round of awards, out of the 83 grants approved, the Commission approved 79 staff recommendations.



**WHAT UTILITIES DOES
THE PSC OVERSEE??**

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REFORM HISTORY

In recent years, legislation has been passed to simplify the rate setting process for gas and electric utilities. Prior to this reform, the Commission would spend months building a record that would inform the decision of the commissioners. This new process allows parties to the rate case to negotiate an agreement that would then be approved by the Commission. Although this new process is more streamlined and efficient, the Commission concedes some of its oversight in the rate setting process.

CLOSE CALL

In his last budget, Governor Evers proposed doubling the amount of money that utilities need to contribute to the "Focus on Energy" program from roughly \$100 million to almost \$200 million annually. This would have resulted in more money coming directly out of your pocket when you pay your utility bill each month.

**#DYK GOVERNOR EVERS' LAST BUDGET
WOULD HAVE DOUBLED THE SIZE OF THE
"FOCUS ON ENERGY" PROGRAM - MEANING
HIGHER UTILITY BILLS FOR WI FAMILIES!**

IRG WANTS TO KNOW...

**WHAT WOULD
YOU DO??**

If you were in charge for a day, what reforms would you make to the Department? Email Alex Ignatowski, IRG's Director of State Budget and Government Reform, at ai@reforminggovernment.org.

MEET THE PSC COMMISSIONERS



noted below from left-to right

Commissioner Tyler Huebner
Appointed by Governor Evers

Chairperson Rebecca Valcq
Appointed by Governor Evers

Commissioner Ellen Nowak
Appointed by Governor Walker

KEEP AN EYE ON...

As electric vehicles become more prevalent, the need for charging infrastructure will continue to grow. Generally, if an entity sells electricity in Wisconsin, that entity is considered a utility and is regulated as such.

In order for electric vehicle infrastructure to be built out across the state, several changes to the statutes need to be made in order for gas stations and other public venues to install and maintain charging stations.

ABOUT IRG



INSTITUTE FOR
REFORMING GOVERNMENT

The Institute for Reforming Government (IRG) is a 501 (c) 3 and Wisconsin-based think tank established to help remove the onerous barriers and red tape separating the individual from an efficient and functioning government.

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