

Renew Wisconsin: Utility regulators open docket to clarify financing tools for customer-sited renewable energy

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Madison, WI – On Thursday, the Wisconsin Public Service Commission (PSC) agreed to open a docket to determine whether individual residents and businesses may access renewable energy produced on their premises using equipment owned by third parties.

“RENEW Wisconsin commends the PSC decision,” said RENEW Wisconsin Policy Director Michael Vickerman. “While this arrangement, often described as third party-financing, is expressly legal in 29 states, it has remained a legal gray area in Wisconsin for far too long.”

“In accepting the petitions filed by Vote Solar and the Midwest Renewable Energy Association, the PSC has now committed to resolving this ambiguity,” Vickerman continued. “PSC affirmation of third-party financing is essential to spreading the benefits of clean energy to all Wisconsin utility customers.”

Vickerman noted that this lingering uncertainty has greatly impeded renewable energy uptake among individuals and organizations that cannot afford large upfront outlays or do not qualify for federal tax credits. These particular customers include nonprofits, small businesses, houses of worship, schools and local governments, and low-to-moderate income residents.

Vickerman continued: “A favorable ruling from the PSC would allow Wisconsin’s

solar marketplace to catch up with neighboring states such as Iowa and Illinois. In those states, there is no barrier to customers hosting renewable energy systems owned by third parties and paying for this service through a lease or a power sale agreement.”

“We believe third-party financing is a critically important tool for empowering customers to scale back their fossil fuel usage,” Vickerman said. “Without expressly affirming the legality of ordinary financing mechanisms such as leases, we do not see how the state of Wisconsin will come anywhere near close to achieving a net zero carbon goal by 2050.”