



## Monopoly Construction = Higher Energy Rates

### Wisconsin Businesses and Families Will See Higher Bills

#### *Oppose AB 392/SB 838*

Monopoly construction legislation creates barriers to entry and locks in no bid control of electric transmission construction. This legislation increases costs for businesses and families, while eliminating the benefits of free market competition such as cost caps and delivering the projects on time and on budget.

#### **Wisconsin families and businesses can't afford this burden.**

- Wisconsin needs to keep all tools for reducing rates
  - Double digit rate hikes are already coming in 2022 for energy customers both large and small
- Up to \$100 billion in new transmission projects are expected in our region soon
- Without competition, this means:
  - Unnecessary additional costs will be passed to Wisconsin families and businesses
  - Manufacturers looking to expand and grow our state's economy will be hurt
  - The pocketbook of every Wisconsin family will be reduced

#### **This is effectively a tax hike on already high rates.**

- Wisconsin's ratepayers simply can't afford additional cost burdens
  - Our state's electric rates have been above the Midwest average for almost 20 years
  - Wisconsin's rates are also well above the national average
  - High rates are a competitive disadvantage for Wisconsin businesses
- One driver of higher electric costs has been transmission price increases
  - Transmission costs have increased 4.5% every year for the last decade

## **Lack of competition will cost Wisconsin businesses and consumers.**

- No competition means:
  - Fewer checks and balances on cost estimates
  - No pressure or incentive to curb transmission project costs and prevent overruns
  - Fewer cost caps on projects
- With competing developers permanently on the sidelines, incumbent transmission companies would have little incentive to “sharpen their pencils”
- To prevent further price increases Wisconsin **must** maintain the right of competition
- Competition on transmission projects can reduce costs to consumers **by 33% or more**
  - In MISO, Wisconsin’s electric region, an independent assessment found a range of 22-42% cost savings when there is competition