

POLICY SCENARIOS TO BE MODELED			
#	Title	Explanation	Notes
1	All Policies In except C&T	“All Policies In” include all policies designated as “to be modeled” in the Status of Templates as posted on the web site (3/12/08) <i>C&T=Cap and Trade</i>	
2	All Policies In except C&T and California Cars	Policy 1 without California Cars	
3a	All Policies with C&T: Auction - Offsets with no cap	Policy 1 with C&T/auction	
3b	All Policies with C&T: Auction - Offsets with 10% cap	Policy 1 with C&T/auction	
3c	All Policies with C&T: Auction - Offsets and linkage to RGGI	Policy 3a with RGGI	
4a	All Policies with C&T: Allocation - Offsets with no cap	Policy 1 with C&T/allocation	
4b	All Policies with C&T: Allocation - Offsets with 10% cap	Policy 1 with C&T/allocation	
4c	All Policies with C&T: Allocation - Offsets and linkage to RGGI	Policy 4a with RGGI linkage	
POLICY SCENARIOS THAT MAY BE MODELED			
5a	High Fuel Reference Scenario	All fuels at 25% higher price than reference case – Reference case only; no policies modeled	See Policy 5 Note
5b	High Fuel Policy Scenario	Policy TBD (policy 3 or 4)	
6	Enhanced RPS with Hydro	- Policy TBD (policy 3 or 4) - Hydro RECs allowed in Enhanced RPS to meet ramp up prior to 1/2020 -- Add 1000 Mw Canadian Hydro in 1/2020 - Assume 1,900 Mw transmission into Wisconsin from MN is available	See Policy 6 Note
7	Deep Carbon Reduction	- Policy TBD (policy 3 or 4) - Add 1000 Mw non carbon source in Wisconsin in 1/2020 - priced as nuclear - Retire coal units less than 150 Mw (about 1400 Mw) in 1/2020	See Policy Note 7
8	“May not happen”	- Policy TBD (policy 3 or 4) - Energy efficiency response rate on electric side cut in half; Expenditure rate: TBD; - No change in efficiency response rate on natural gas side - Higher costs associated with wind - Vehicle miles traveled response rate cut TBD	See Policy 8 Note
POLICY SCENARIOS UNLIKELY TO BE MODELED (time constraints)			
9	C&T without California Cars	Policy TBD (policy 3 or 4) without California cars	

NOTES TO POLICY SCENARIOS

Policy 5

All fuel prices (natural gas, coal, oil, biomass) to be increased by 25% over reference case prices

Policy 6

- 85% capacity factor, \$63/Mwh 2005\$ (0% real escalation)- priced as nuclear at Canadian border
- Increase WUMS transmission import from MRO by 500 Mw (total 1,900 Mw) in 2020
- REC (renewable energy credit) only to be used to meet RPS prior to 1,000 Mw hydro purchase starts 1/2020. Assume REC costs \$22/Mwh.

Policy 7

- Model as power purchase agreement, 85% capacity , \$63/ Mwh 2005\$ - priced as nuclear

Policy 8

- Assume incremental Energy Efficiency reductions (over the 0.5% savings which are included in the reference case as current policy) as:

Year	% Reduction
2009	0.50%
2010	0.67
2011	0.83
2012	1.0
2013	1.0
2014	1.0
2015	1.0

- Model Higher Costs for Wind
 1. Assume all wind for Enhanced RPS is built in Wisconsin starting in 1/2015. Prior to 1/2015, keep reference case assumption of 50% of RPS wind is out of state.
 2. All wind starting in 2015 is built in WI and is class 3 wind, with 32% capacity factor. Assume offshore wind is not available during the period of study.
 3. Assume costs starting in 1/2015 as follows (\$2005\$):
 - i. Overnight capital cost: \$2,400/Kw
 - ii. Fixed O&M cost: \$11.16/kw-yr (no change)
 - iii. Transmission cost: \$22.00/kw-yr (new cost)
 - iv. Total Fixed Cost: \$33.16/kw-yr (ii + iii)
 - v. Variable O&M; \$4.85 in 2015; \$4.50 in 2020
 - vi. System Regulation: \$5.00/Mwh
 - vii. Total variable cost: \$9.85/Mwh in 2015; \$9.50/Mwh in 2020 (v + vi)
- VMT reduction (TBD in cooperation with Transportation WG co-chairs)