

Karina Lubell, Chief Competition Policy & Advocacy Section Antitrust Division, US Department of Justice 950 Pennsylvania Avenue, NW, Room 3230 Washington, DC 20530

Email to: Karina.Lubell@usdoj.gov

April 9, 2025

Ms. Lubell,

As members of the Wisconsin State Assembly, we are respectfully requesting your subject matter expertise. The Wisconsin Legislature is currently considering potential legislation that, among other issues, would restrict the construction and ownership of new electric transmission to the incumbent transmission companies in Wisconsin. A copy of this bill – LRB-2777/1 – is attached for your reference.<sup>1</sup>

It is our understanding that the United States Department of Justice Antitrust Division has reviewed similar "right of first refusal" or "ROFR" laws in other states and has raised concerns regarding their effect on competition and, most importantly, the costs to ratepayers. For example, in 2019, the Division commented on proposed legislation in Texas by noting that "ROFRs granted by state law can restrict entry to develop high-voltage transmission lines, particularly where there would otherwise be competitive process," and therefore such laws can "reduce competition," "harm consumers," and "also may interfere with interstate commerce."<sup>2</sup>

Considering the Division's prior concerns with ROFR laws, we are asking for the opportunity to review the Division's position on the proposed Wisconsin Energy Reform Act (WERA) – LRB-2777/1 which was introduced for co-sponsorship yesterday. As the legislative session is ongoing, and the respective bill continues to move through the legislative process, time is of the essence in our review of the impact of adoption of such legislation. We believe the Division's perspective is critically important and are requesting feedback as quickly as possible, by April 18, 2025, if practicable.

President Trump's Executive Order "Protecting American Energy from State Overreach," which was issued on the same day WERA was introduced, points to opposition to any state statutes that 'target or discriminate against out-of-state energy producers by imposing significant barriers to interstate...trade.' This language raises concerns with the current proposal here in Wisconsin. We wish to remain in

<sup>&</sup>lt;sup>1</sup>LRB-2777/1 The Wisconsin Energy Reform Act (WERA), pdf

<sup>&</sup>lt;sup>2</sup> Letter from Daniel Haar, Antitrust Division to Rep. Travis Clardy, Texas House of Representatives (April 19, 2019), Comments on Texas House Bill 3995



## WISCONSIN LEGISLATURE

P.O. BOX 8952 • MADISON, WI 53708

alignment with President Trump's "Unleashing American Energy" policies, ensuring Wisconsinites have access to efficient, reliable and affordable energy, and with the DOJ, avoiding legal challenges to our state statutes.

Very Respectfully,

Dan Knodl Representative

**Assembly District 24** 

Judes P. Brill

Lindee Brill

Representative

**Assembly District 27** 

Rick Gundrum

Representative

**Assembly District 58** 

Jim Piwowarczyk

Representative

**Assembly District 98** 

Scott Allen

Representative

**Assembly District 82** 

Barb Dittrich

Representative

**Assembly District 99** 

Nate Gustafson

Representative

**Assembly District 55** 

Chuck Whosh

**Chuck Wichgers** 

Representative

Assembly District 84

Elijah Bahuh

Elijah Behnke

Representative

Assembly District 6

Joy Goeben

Representative

**Assembly District 5** 

**Rob Kreibich** 

Representative

**Assembly District 28** 

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<sup>&</sup>lt;sup>2</sup> Letter from Daniel Haar, Antitrust Division to Rep. Travis Clardy, Texas House of Representatives (April 19, 2019), Comments on Texas House Bill 3995