

FILED
06-19-2026
Ozaukee County, WI
Connie Mueller CoCC
2026CV000256
Honorable Sandy A
Williams
Branch 3

**STATE OF WISCONSIN
OZAUKEE COUNTY**

**CIRCUIT COURT
CIVIL DIVISION**

For Official Use:

ORACLE AMERICA CLOUD SERVICES LLC

500 Oracle Parkway
Redwood City, CA 94065

Petitioner,

v.

**PUBLIC SERVICE COMMISSION OF
WISCONSIN,**

4822 Madison Yards Way
P.O. Box 7854
Madison, WI 53707

Respondent.

Case No.:
Case Code: 30607
Administrative Agency Review

PETITION FOR JUDICIAL REVIEW

Pursuant to Wis. Stat. §§ 227.52, 227.53, Oracle America Cloud Services LLC (“Oracle” or “Petitioner”) petitions for review of the Public Service Commission of Wisconsin’s (“Commission” or “Respondent”) May 21, 2026 decision in Commission Docket No. 6630-TE-113 (the “Final Decision”), a proceeding in which the Commission approved, subject to certain conditions and modifications, Wisconsin Electric Power Company’s (“Wisconsin Electric”) new Very Large Customer (“VLC”) Tariff and Bespoke Resource Tariff. Specifically, Oracle petitions for review of that portion of the Final Decision approving certain financial security/credit support requirements for Wisconsin Electric’s VLC Tariff and Bespoke Resources Tariff. A true and correct copy of the Final Decision is attached hereto as **Exhibit A**.

PARTIES

1. Oracle America Cloud Services LLC is a direct, wholly owned subsidiary of Oracle Corporation, a global technology company with its principal offices located at 2300 Oracle Way,

Austin, Texas 78741. Oracle Corporation provides products and services that address enterprise information technology needs, including database systems, cloud computing infrastructure, and enterprise software, among others.

2. In partnership with Vantage Data Centers Wisco Acquisition Company LLC (“Vantage”) and OpenAI, Oracle is developing the Lighthouse Data Center Campus in Port Washington, Ozaukee County, Wisconsin, a nearly one-gigawatt data center campus that will span approximately 672 acres and feature four large data center buildings, along with supporting facilities and infrastructure (“Lighthouse Campus”). This approximately \$15 billion facility represents one of the largest private investments in Wisconsin history.

3. The Lighthouse Campus is intended to support Oracle Corporation’s artificial intelligence initiatives—in particular, developing, training, and ultimately utilizing cutting edge large language models with applications including scientific discovery, enterprise efficiency, efficient healthcare delivery, medicine design, education, and individual customer utilization.

4. The Lighthouse Campus, and specifically, the Petitioner, will receive electric service from Wisconsin Electric under the VLC Tariff and Bespoke Resources Tariff and, as such, will be subject to the financial security/credit support requirements in those tariffs.

5. The Commission is an independent agency of the State of Wisconsin, created pursuant to Wis. Stat. § 15.79, with its principal office located at 4822 Madison Yards Way, Madison, Wisconsin, 53707. The Commission is comprised of three commissioners whom the Governor nominates and (with the advice and consent of the Senate) appoints to serve staggered six-year terms, as well as a retinue of technical staff (accountants, engineers, attorneys, etc.) who advise the commissioners on matters within the agency’s jurisdiction. Wis. Stat. § 15.06(1)(c).

6. The Legislature has delegated authority to the Commission to regulate and supervise utilities that produce or transmit heat, light, water, or power to the public within the state of Wisconsin. *See* Wis. Stat. §§ 196.01(5), 196.02(1). The Commission has authority to (among other things) authorize Wisconsin Electric's electric rates and rules for services that are under the Commission's jurisdiction. *See* Wis. Stat. §§ 196.01, 196.02, 196.025, 196.03, 196.19, 196.20, 196.22, 196.37.

JURISDICTION, VENUE, AND STANDING

7. The Final Decision is an administrative decision reviewable under Wis. Stat. § 227.52 *et seq.*

8. Because Oracle is a nonresident and the Lighthouse Campus is located in Ozaukee County, venue is proper in Ozaukee County. *See* Wis. Stat. § 227.53(1)(a)3.

9. Oracle has standing and the right to seek and participate in proceedings for judicial review under Wis. Stat. § 227.53. As explained in greater detail below, the Final Decision directly, substantially, and adversely affects Oracle's interests: the financial security/credit support requirements the Commission ultimately approved will impose significant costs upon Oracle, which could exceed \$100 million *annually* and which Oracle would not have otherwise incurred under the VLC Tariff and Bespoke Resources Tariff that Wisconsin Electric initially proposed.

BACKGROUND

10. Wisconsin Electric is an investor-owned electric, natural gas, and steam public utility under Wis. Stat. § 196.01(5). Wisconsin Electric provides electric, natural gas, and steam service in eastern Wisconsin.

11. Like other utilities, Wisconsin Electric has different rate schedules—or tariffs—that set forth the rates, terms, and conditions upon which it provides service to different customer classes, such as residential, commercial, or industrial customer classes.

12. Substantial economic development and investment is being made in southeastern Wisconsin, including by large data center customers such as Oracle. Generally speaking, these data centers can consume a substantial amount of electricity to support their operations. As a result of these investments, electric demand (or electric load) in Wisconsin Electric's service territory is expected to grow dramatically.

13. To serve these new, large customers, Wisconsin Electric developed and requested Commission approval of two new tariffs in the proceedings below: the Very Large Customer ("VLC") Tariff and the Bespoke Resources Tariff, along with templates for service agreements that customers taking service under these tariffs would enter into with Wisconsin Electric.

14. Wisconsin Electric defined a "Bespoke Resource," in relevant part, as an electric generation resource (or portion thereof) dedicated to serving a participating customer and that is owned, operated, and maintained by Wisconsin Electric. Bespoke Resources can include electric generation facilities, electrical storage facilities, or other resources owned and maintained by Wisconsin Electric.

15. The VLC Tariff and Bespoke Resource tariffs work hand-in-hand—an eligible customer must meet the VLC Tariff service requirements and must subscribe to a Bespoke Resource as a condition of taking service under the VLC Tariff.

16. The VLC Tariff and the Bespoke Resource Tariff include financial security requirements. Generally speaking, these requirements establish the amount and form (i.e., cash deposit, letter of credit, parent guaranty) of financial security that customers taking service under the tariffs must provide to secure their financial obligations to Wisconsin Electric.

17. Wisconsin Electric sought Commission approval of its VLC Tariff and Bespoke Resources Tariff and the associated service agreements pursuant to Wis. Stat. §§ 196.19, 196.192(2).

18. Under Wisconsin law, the Commission “shall approve market-based rates” so long as they: (1) “result in customers receiving market-based compensation for voluntary interruptions of firm load during peak periods of electric use;” and (2) “include market-based pricing options . . . that allow a retail customer . . . to receive market benefits and take market risks for the customer’s purchase of capacity or energy.” Wis. Stat. § 196.192(2)(bm). The Commission must also find that shareholders and non-participating customers are not harmed. *Id.* § 196.192(2)(br). If these three conditions are met, the tariffs *must* be approved. *Id.*

19. As a creation of the Legislature, the Commission “has only those powers which are expressly conferred or which are necessarily implied by the statutes under which it operates.” *See Kimberly-Clark Corp. v. Pub. Serv. Comm’n of Wis.*, 110 Wis. 2d 455, 461–62, 329 N.W.2d 143 (1983).

FACTS

20. On March 31, 2025, Wisconsin Electric filed an application with the Commission in Commission Docket No. 6630-TE-113 (“the Proceeding”), requesting Commission approval of the VLC Tariff and Bespoke Resources Tariff and the accompanying service agreement templates.

21. Wisconsin Electric and multiple new VLCs, including Oracle, negotiated the form of the new tariffs and associated service agreements and supported approval of those tariffs, as initially proposed by Wisconsin Electric in its application.

22. On June 12, 2025, the Commission issued a Notice of Proceeding, docketing Wisconsin Electric’s application as a Class 1 proceeding. Several organizations subsequently

moved to intervene in the Proceeding, including Cloverleaf Infrastructure LLC (“Cloverleaf”) and Vantage.

23. On October 20, 2025, an Administrative Law Judge (“ALJ”) issued a Prehearing Conference Memorandum establishing the parties, issues, schedule, and other procedures for the proceeding.

24. In October 2025, and in accordance with the schedule the ALJ established in the Prehearing Conference Memorandum, Wisconsin Electric submitted Richard Stasik’s pre-filed direct testimony in the Proceeding. Mr. Stasik is Vice President – Regulatory Affairs for WEC Energy Group, Inc., the holding company that owns Wisconsin Electric, and was one of Wisconsin Electric’s primary witnesses in support of its application.

25. In his direct testimony, Mr. Stasik explained that, after filing its application on March 31, 2025, Wisconsin Electric proposed adding certain financial security requirements to the proposed tariffs and related service agreements.

26. Mr. Stasik explained that these changes were consistent with certain Payment and Cancellation Agreements (“PCAs”) that Wisconsin Electric was negotiating with customers eligible to take service under the VLC Tariff and Bespoke Resource Tariff. Those PCAs generally require the customer to reimburse Wisconsin Electric for all costs associated with any Bespoke Resources requested by the customer until the customer can execute a service agreement under an approved Bespoke Resources tariff. The PCAs also require the customer to reimburse Wisconsin Electric if the customer terminates the agreement, reduces its anticipated load, or if regulatory approval is not received for the construction of the Bespoke Resource.

27. The financial security requirements Wisconsin Electric proposed, adding to the VLC Tariff and Bespoke Resources Tariff were structured as follows:

- a. The customer must post security equal to (1) the net book value of all dedicated distribution facilities used to serve the customer; (2) 1.3 times 24 months of the Administrative Charge, Energy and Operating Reserves Market Charge, Transmission Service Charge, Fleet Firm Service Charge, and Market Firm Service Charge (collectively, the “Charges”) billed to the customer; and (3) the aggregate net book value of all Bespoke Resources to which the customer is subscribed (collectively, the “VLC Security”).
- b. The customer can post the VLC Security in the form of a letter of credit, cash deposit, or guaranty from a parent or affiliate that satisfies the “Financial Support Requirements.”
- c. The “Financial Support Requirements” include (1) an investment-grade credit rating of BBB from Standard & Poors (“S&P”) or Baa2 from Moody’s, and (2) *either* tangible net worth of 2.0 times the VLC Security *or* liquidity greater than 10.0 times the VLC Security.
- d. Customers that satisfy the Financial Support Requirements are exempt from the requirement to provide the VLC Security altogether.
- e. Wisconsin Electric possessed sole discretion to waive any of the Financial Support Requirements.

28. On January 7, 2026, and in accordance with the ALJ’s Prehearing Conference Memorandum, Commission staff submitted pre-filed direct testimony from several witnesses, including Tyler Meulemans, a public utility financial analyst, who stated that “it seems reasonable that a customer seeking to enroll on this tariff would have a proven financial background.”

29. Between January and February 2026, and in accordance with the ALJ's Prehearing Conference Memorandum, various other parties also submitted pre-filed testimony commenting on (among other things) the financial security/credit support requirements Wisconsin Electric proposed.

30. No party to the Proceeding introduced substantial evidence demonstrating that the financial security/credit support requirements Wisconsin Electric proposed, including the Financial Support Requirements, would harm non-participating customers or Wisconsin Electric shareholders.

31. On February 10, 2026, the ALJ held a virtual public hearing to receive comments from the public. Members of the public were also permitted to submit written public comments up until February 17, 2026.

32. On February 12, 2026, and in accordance with the ALJ's Prehearing Conference Memorandum, the ALJ convened a virtual party hearing session to admit pre-filed evidence into the record and allow parties to conduct cross-examination.

33. The parties filed initial briefs on February 20, 2026, and reply briefs on February 27, 2026.

34. The Commission initially discussed the proposed tariffs and record of the Proceeding at an open meeting held on April 24, 2026. The Chairperson stated that she found Wisconsin Electric's proposed financial security/credit support requirements to be reasonable and indicated her support for the measures proposed by Wisconsin Electric but was open to hearing the positions of the other commissioners.

35. The other commissioners indicated that they did not support Wisconsin Electric, retaining sole discretion waive the Financial Support Requirements. The commissioners discussed

various options for exemptions and how other states have handled credit support/financial security requirements for very large customers. The commissioners paused their discussion on tariffs' credit support/financial security requirements to obtain additional information and returned to the topic later in the open meeting.

36. When the commissioners returned to this topic later in the open meeting, they decided to (1) remove from the tariffs Wisconsin Electric's ability to waive the Financial Support Requirements at its sole discretion, and (2) increase the minimum credit rating in the Financial Support Requirements to A- (S&P) and A3 (Moody's).

37. On May 21, 2026, the Commission issued the Final Decision, which approved Wisconsin Electric's proposed VLC Tariff and Bespoke Resources Tariff and associated service agreements, subject to certain conditions and modifications. With respect to the credit support/financial security requirements, and consistent with the discussion of record at the April 24, 2026 open meeting, the Final Decision modifies Wisconsin Electric's initial proposal by (1) removing its ability to waive the Financial Support Requirements at its sole discretion, and (2) increasing the minimum credit rating in the Financial Support Requirements to A- (S&P) or A3 (Moody's).

38. On June 10, 2026, and pursuant to Wis. Stats. §§ 227.49, 196.39, Wisconsin Electric, Vantage, and Cloverleaf filed a petition for reopening and rehearing of the Final Decision ("Rehearing Petition"), requesting that the Commission reopen the proceeding to (1) approve a graduated table of security requirements for customers with credit ratings below A-/A3 and (2) modify the security requirements for the Lighthouse Campus, such that Oracle can post 90 percent of the VLC Security through a parent guaranty and the remaining 10 percent through a letter of

credit or cash deposit. A true and correct copy of the Rehearing Petition, including the accompanying exhibits and affidavit, is attached hereto as **Exhibit B**.

39. The filing of the Rehearing Petition tolled the deadline for Wisconsin Electric and other parties to the Proceeding to seek judicial review until “30 days after service of the order finally disposing of the application for rehearing, or within 30 days after the final disposition by operation of law of any such application for rehearing.” Wis. Stat. § 227.53(1)(a)2.

40. This tolling provision does not apply to Oracle because it was not a party to the Proceeding. However, if the Commission ultimately grants the Rehearing Petition and reopens the Proceeding to consider the relief requested therein, Oracle intends to move to stay these judicial review proceedings while the Commission adjudicates the outcome of the Rehearing Petition.

41. As explained in the Rehearing Petition and accompanying affidavit from Oracle Corporation, Oracle relied, in significant part, on the tariffs and credit support/financial security requirements Wisconsin Electric proposed when making its investments in the Lighthouse Campus. Oracle has already invested billions of dollars in the Lighthouse Campus.

42. The Commission’s modifications to Wisconsin Electric’s initially proposed Financial Support Requirements will make it logistically difficult for customers to take service under the VLC Tariff and Bespoke Resources Tariff to obtain the required financial security.

43. The Commission’s modifications to Wisconsin Electric’s proposed Financial Support Requirements will impose substantial and unreasonable costs on customers taking electric service under the VLC Tariff and Bespoke Resources Tariff, and the magnitude of these costs are wholly disproportionate to the risks the Financial Support Requirements are intended to mitigate.

44. The Commission’s modifications to Wisconsin Electric’s proposed Financial Support Requirements will create harmful and unintended consequences that will force significant

investment outside of Wisconsin. The cost of posting the required security will deter investment in the state from many firms, who will likely pursue opportunities in other jurisdictions.

45. The Commission's modifications to Wisconsin Electric's proposed Financial Support Requirements will require Oracle to post security for the Lighthouse Campus in the form of a cash deposit or, more likely, a letter of credit, at substantial and unreasonable cost, which cost could exceed \$100 million annually and which Oracle would not have incurred under the financial security requirements Wisconsin Electric initially proposed for the tariffs.

46. As of the date of this filing, the Commission has not formally responded to the Rehearing Petition. If the Commission does not enter an order disposing of the Rehearing Petition within 30 days, it is deemed denied by operation of law as of the expiration of the 30-day period. *See Wis. Stat. § 227.49(5)*.

47. Oracle timely filed this petition for judicial review within 30 days of the Commission serving the Final Decision upon all parties to the Proceeding. *See Wis. Stat. § 227.53(1)(a)2*.

CLAIMS

48. Pursuant to Wis. Stat. § 227.57, this Court should set aside, reverse, and remand that portion of the Final Decision altering the Financial Support Requirements that Wisconsin Electric proposed and order the Commission to modify the Final Decision by restoring the Financial Support Requirements Wisconsin Electric proposed. The Commission did not have substantial evidence to support its decision; relied upon non-record evidence; erroneously interpreted provisions of law; exercised discretion outside the range the Legislature delegated to the Commission; and otherwise acted arbitrarily, capriciously, and in violation of law.

COUNT ONE: The Commission's modifications to the Financial Support Requirements are not supported by substantial evidence and relied on non-record evidence.

49. Oracle realleges all prior paragraphs in this Petition and incorporates them by reference.

50. This Court must set aside, modify, reverse, or remand the Final Decision if it finds that it “depends on any finding of fact that is not supported by substantial evidence in the record” or if it finds that the “either the fairness of the proceedings or the correctness of the action has been impaired by a material error in procedure or a failure to follow prescribed procedure.” Wis. Stat. §§ 227.57(4), (6).

51. In the Final Decision, the Commission found that (1) “It is reasonable to modify the proposed credit support provisions to require VLCs to have a higher credit rating than proposed to be eligible for a waiver of the financial security obligations”; and (2) “It is reasonable to modify the proposed credit support provisions to remove the language allowing the applicant to have sole discretion on waiving the credit support provisions.”

52. These findings of fact are not supported by substantial evidence and are based on mischaracterizations of the record and on non-record evidence.

53. There is no substantial record evidence demonstrating that the Commission’s modifications to the Financial Support Requirements are reasonable or are needed to prevent harm to Wisconsin Electric’s non-participating customers or shareholders.

54. The Commission failed to consider the significant, adverse impacts that its modifications to the Financial Support Requirements would have on Oracle or other similarly situated customers.

55. The overwhelming weight of the record evidence supports approving the tariffs’ Financial Support Requirements as proposed by Wisconsin Electric. Other parties to the proceeding, including Commission staff, Microsoft, Wisconsin Electric, and Walnut Way

Conservation Corp., all testified that the Financial Support Requirements Wisconsin Electric proposed were reasonable and/or would mitigate risk to the utility.

COUNT TWO: The Commission's modifications to the Financial Support Requirements are based on an erroneous interpretation of law and reflect an unlawful exercise of the Commission's discretion.

56. Oracle realleges all prior paragraphs in this Petition and incorporates them by reference.

57. This Court must set aside, modify, reverse, or remand the Final Decision if it finds that the Commission “erroneously interpreted a provision of law and a correct interpretation compels a particular action[.]” Wis. Stat. § 227.57(5). The Court must also set aside, modify, reverse, or remand the Final Decision if it finds that the Commission’s “exercise of discretion is outside the range of discretion delegated to the agency by law.” Wis. Stat. § 227.57(7).

58. The Legislature directed that the Commission “*shall approve market-based rates*” so long as they: (1) “result in customers receiving market-based compensation for voluntary interruptions of firm load during peak periods of electric use;” and (2) “include market-based pricing options . . . that allow a retail customer . . . to receive market benefits and take market risks for the customer’s purchase of capacity or energy.” Wis. Stat. § 196.192(2). The Commission must also find that shareholders and non-participating customers are not harmed. If these three conditions are met, the tariffs *must* be approved. *Id.*

59. Although the Commission has discretion in certain circumstances, it must explain the rationale behind its decisions, and those decisions must be supported by a rational basis. *See Reidinger v. Optometry Examining Bd.*, 81 Wis. 2d 292, 297, 260 N.W.2d 270, 273 (1977); *Town of Holland v. Pub. Serv. Comm’n of Wis.*, 2018 WI App 38, ¶ 58, 382 Wis. 2d 799, 827, 913 N.W.2d 914.

60. The Commission did not find that the Financial Support Requirements proposed by Wisconsin Electric would harm non-participating customers or shareholders, and in any event, there was no substantial evidence in the record to support such a finding.

61. Absent a finding that the Financial Support Requirements would harm non-participating customers or shareholders, the Commission lacks legal justification to modify those requirements.

62. There was no rational basis for the Commission's decision to modify the Financial Support Requirements that Wisconsin Electric initially proposed. The Commission did not explain how or why its modifications to the Financial Support Requirements are necessary to protect non-participating customers or shareholders from harm.

63. The Commission also failed to consider the significant, adverse impacts that its modifications to the Financial Support Requirements would have on Oracle or other similarly situated customers.

64. Without any discussion of the legal basis or rationale for modifying the Financial Support Requirements Wisconsin Electric proposed, and without any consideration of the adverse impacts those modifications would have on Oracle and/or other similarly situated customers, the Final Decision reflects an erroneous interpretation of the law, an erroneous exercise of discretion, and is arbitrary and capricious.

GROUNDINGS FOR REVIEW

65. In approving modifications to Wisconsin Electric's proposed Financial Support Requirements, the Commission made errors of fact, law, procedure, and discretion. Wis. Stat. §§ 227.57(5)–(8).

REQUEST FOR RELIEF

WHEREFORE, Oracle respectfully requests judgment in its favor as follows:

1. Set aside, reverse, and vacate that portion of the Final Decision in which the Commission modified the Financial Support Requirements Wisconsin Electric proposed;
2. Remand the Final Decision to the Commission with instructions to approve the Financial Support Requirements Wisconsin Electric proposed; and
3. Grant such other and further relief as the Court deems just and equitable.

Dated this 19th day of June, 2026

Respectfully submitted,

Electronically signed by Brian H. Potts

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