AN ACT concerning electric transmission lines; relating to construction and ownership of certain electric transmission lines; providing incumbent electric transmission owners a right of first refusal.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) An incumbent electric transmission owner shall have the first right to construct, upgrade, own and maintain an electric transmission line that has been approved for construction in a transmission plan if such electric transmission line interconnects to facilities owned or proposed to be constructed by the incumbent electric transmission owner.

(b) If an electric transmission line has been approved for construction, upgrade or maintenance in a transmission plan and the line interconnects to facilities owned by two or more incumbent electric transmission owners, the right to construct, upgrade, own and maintain such electric transmission line shall be determined by mutual agreement between such incumbent electric transmission owners.

(c) If an electric transmission line has been approved for construction, upgrade or maintenance in a transmission plan, the incumbent electric transmission owner having the first right to construct, upgrade, own and maintain the electric transmission line pursuant to this section shall give written notice to the regional transmission organization within the time prescribed by the regional transmission organization to indicate whether the incumbent electric transmission owner or an affiliate or subsidiary of the incumbent electric transmission owner intends to construct, upgrade, own and maintain all or, if applicable, a share of the electric transmission line. Upon submission of a notice of intent to construct, upgrade, own and maintain an electric transmission line pursuant to this section, the incumbent electric transmission owner shall:

(1) Have already obtained from the state corporation commission a certificate of convenience and necessity for the construction of the electric transmission line pursuant to K.S.A. 66-131, and amendments thereto; or

(2) Within 18 months after submission of such notice, file an application for a certificate of convenience and necessity pursuant to K.S.A. 66-131, and amendments thereto, seeking permission to begin construction of the electric transmission line.

(d) Any other electric transmission entity may construct, upgrade,
own and maintain an electric transmission line if:

(1) The incumbent electric transmission owner having the first right to construct, upgrade, own and maintain the electric transmission line:

(A) Does not timely indicate that the incumbent electric transmission owner, or an affiliate or subsidiary of such incumbent electric transmission owner, intends to exercise the right of such incumbent electric transmission owner to construct, upgrade, own and maintain such electric transmission line;

(B) is deemed to not be qualified for the construction, upgrade, ownership and maintenance of the electric transmission line by the regional transmission organization; or

(C) has not received or fails to timely seek a certificate of convenience and necessity pursuant to K.S.A. 66-131, and amendments thereto, for such electric transmission line; and

(2) the electric transmission entity receives all necessary authorizations or approvals required by the regional transmission organization.

(e) Nothing in this section shall be construed to affect an incumbent electric transmission owner's use and control of its existing property rights, including, but not limited to, the incumbent electric transmission owner's ability to assign its rights to construct, upgrade, own and maintain an electric transmission line described in this section. The retention, modification or transfer of existing property rights described in this section shall remain subject to the relevant state law recognizing the property right.

(f) As used in this section:

(1) "Electric transmission line" means any line or extension of a line in this state with a rating of greater than 100 kilovolts or any related transmission facilities, substations and controls.

(2) "Incumbent electric transmission owner" means every corporation, company, individual, association of persons, their trustees, lessees or receivers, that now or hereafter owns, controls, operates or manages, except for private use, any equipment or plant, or any part thereof, for the transmission, delivery or furnishing of electricity or electric power in this state and is approved by the regional transmission organization as qualified to provide proposals to construct, upgrade, own and maintain electric transmission lines subject to the competitive solicitations conducted by the regional transmission organization. If there are two or more incumbent electric transmission owners of an electric transmission line, the term "incumbent electric transmission owner" includes each such owner.

(3) "Regional transmission organization" means the organization authorized by the federal energy regulatory commission to conduct
regional transmission planning and provide notice of requirements for
electric transmission line construction in the region that includes the state
of Kansas.

(4) "Transmission plan" means a transmission plan adopted by the
entity with authority for transmission planning in a regional transmission
organization recognized by the federal energy regulatory commission.

Sec. 2. This act shall take effect and be in force from and after its
publication in the statute book.