

February 10, 2014

The Honorable Joe Seiwert, Chairperson
House Committee on Utilities and Telecommunications
Statehouse, Room 481-W
Topeka, Kansas 66612

Dear Representative Seiwert:

SUBJECT: Fiscal Note for HB 2460 by House Committee on Energy and Environment

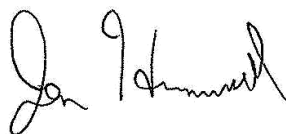
In accordance with KSA 75-3715a, the following fiscal note concerning HB 2460 is respectfully submitted to your committee.

HB 2460 would amend current law regarding the sale of renewable energy. The bill would allow any electric customer to purchase electricity directly from a renewable energy supplier after giving the local certificated electric supplier 180 days' notice. The Kansas Corporation Commission (KCC) is authorized to approve tariffs for the electricity by a utility from a renewable energy supplier to a renewable energy customer. The tariffs would include all transmission, distribution, standby rates, customer charges and any ancillary charges. Any renewable energy credits created by the renewable energy supplier providing electricity over a certificated utility's electric lines would be credited to the utility.

HB 2460 would establish requirements for renewable energy customers including operations and maintenance, reliability, safety, interconnection, and performance so that the costs and expenses would not be borne by the incumbent utility. The bill would amend current law to allow an exemption for any renewable energy supplier's sale of electricity to a renewable energy purchaser. This exemption would be included in the definition of retail electric supplier found in KSA 66-104.

The passage of HB 2460 would have a negligible fiscal effect for the Kansas Corporation Commission.

Sincerely,



Jon Hummell,
Interim Director of the Budget

cc: Tom Day, KCC

Shonda Smith, CURB