

66-1247. Electric transmission lines, construction or upgrade; recovery of costs from all benefitting utilities, when. (a) As used in this section:

(1) "Appurtenances" means all substations, towers, poles and other structures and equipment necessary for the bulk transfer of electricity.

(2) "Commission" means the state corporation commission.

(3) "Construction or upgrade of an electric transmission facility" means construction or upgrade of an electric line, and appurtenances, with an operating voltage of 115 kilovolts or more.

(b) Upon application, the commission may authorize recovery of costs associated with the construction or upgrade of an electric transmission facility if the commission finds that:

(1) (A) A regional transmission organization has identified such construction or upgrade as appropriate for reliable operation of the integrated electric transmission system or for economic benefits to transmission owners and customers; and (B) a state agency has determined that such construction or upgrade will provide measurable economic benefits to electric consumers in all or part of this state that will exceed anticipated project costs; and

(2) such costs are not being otherwise recovered.

(c) The commission shall review an application for recovery of costs pursuant to this section in an expedited manner if the application includes evidence that expedited construction or upgrade of the electric transmission facility will result in significant, measurable economic benefits to Kansas electric consumers. Recommendation or approval of construction or upgrade of an electric transmission facility by a regional transmission organization shall constitute a rebuttable presumption of the appropriateness of such construction or upgrade for system reliability or economic dispatch of power.

(d) In determining whether to approve recovery of costs pursuant to this section the commission may consider factors such as the speed with which Kansas electric consumers will benefit from the transmission facility and the long-term benefits of the transmission facility to Kansas electric consumers, or both, and whether such factors outweigh other less costly options. An application for recovery of costs pursuant to this section shall include such information as the commission requires to weigh such factors, including, but not limited to, information regarding estimated line losses, reactive power and voltage implications and long-term economic and system reliability benefits.

(e) Any recovery of costs authorized by the commission pursuant to this section shall be assessed against all electric public utilities, electric municipal utilities and electric cooperative utilities receiving benefits of the construction or upgrade and having retail customers in this state. Each such utility's assessment shall be based on the benefits the utility receives from the construction or upgrade. In determining allocation of benefits and costs to utilities, the commission may take into account funding and cost recovery mechanisms developed by regional transmission organizations and shall take into account financial payments by transmission users and approved by the federal energy regulatory commission or regional transmission organization. Each electric public utility shall recover any such assessed costs from the utility's retail customers in a manner approved by the commission and each electric municipal or cooperative utility shall recover such assessed costs from the utility's retail customers in a manner approved by the utility's governing body.

(f) All moneys collected by a utility from assessments authorized by the commission pursuant to this section shall be paid quarterly by the utility to the transmission operator or owner designated by the commission.

(g) Notwithstanding any other provision of law to the contrary, electric municipal utilities and electric cooperative utilities shall be subject to the jurisdiction of the commission for the limited purpose of implementing the provisions of this section.

History: L. 2005, ch. 169, § 14; Apr. 21.