

February 6, 2020

REVISED

The Honorable Ty Masterson, Chairperson
Senate Committee on Utilities
Statehouse, Room 224A-E
Topeka, Kansas 66612

Dear Senator Masterson:

SUBJECT: Revised Fiscal Note for SB 339 by Senate Committee on Utilities

In accordance with KSA 75-3715a, the following revised fiscal note concerning SB 339 is respectfully submitted to your committee.

SB 339 would grant authority to the Kansas Corporation Commission (KCC) to approve special contract rates by an electric public utility for an industrial or commercial customer, without the filing of a general rate case.

Estimated State Fiscal Effect				
	FY 2020 SGF	FY 2020 All Funds	FY 2021 SGF	FY 2021 All Funds
Revenue	--	--	--	--
Expenditure	--	\$75,000- \$200,000	--	\$75,000- \$200,000
FTE Pos.	--	--	--	--

Prior to granting the special contract rates that would be authorized by enactment of SB 339, the KCC indicates that it would need to develop a body of information sufficient to support approval of these rates. Because the agency is unable to estimate how many companies would choose to take part in this program, it is also unable to determine the scope of internal agency expansion that would be necessary in order to provide the required information. Thus, the agency indicates that it would need to rely on outside consultants and estimates the cost of each study to be \$10,000 to \$20,000 for each company that files an application, with total annual costs to be

\$75,000 to \$200,000. The agency expects that these would be ongoing expenses for as long as the statute would be in effect. In a prior response to the request for fiscal information the KCC indicated SB 339 would have no fiscal effect. Any fiscal effect associated with SB 339 is not reflected in *The FY 2021 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink that reads "L. L. Campbell". The signature is written in a cursive style with a large, sweeping initial "L".

Larry L. Campbell
Director of the Budget

cc: Jake Fisher, KCC