

SESSION OF 2020

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2585

As Amended by House Committee of the Whole

Brief*

HB 2585, as amended, would exempt from the definition of “public utility” the marketing and sale of electricity purchased through a retail electric supplier in such supplier’s certified service territory for the sole purpose of the provision of electric vehicle charging services to an end user.

The bill would also add a definition for “urban electric transmission line” and would amend the procedures for transmission line siting, as regulated by the Kansas Corporation Commission (KCC).

The bill would make technical changes.

Definition

The bill would add a definition for “urban electric transmission line,” which would mean any line or extension of a line that is located within the corporate limits of a city and that is at least $\frac{1}{4}$ mile in length and designed for the transfer of 69 kilovolts (kV) or more of electricity.

Current law defines “electric transmission lines” as any line or extension of a line that is at least 5 miles in length and used for the bulk transfer of 230 kV or more of electricity.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Transmission Line Siting Process

The bill would require an electric utility to follow siting procedures found in current law for “electric transmission lines” before beginning site preparation for an “urban electric transmission line.”

[*Note:* Current law requires electric utilities to apply for a siting permit from the KCC prior to site preparation for or construction of an electric transmission line, or exercising the right of eminent domain. An application must include the proposed location, names and addresses of certain landowners specified in law, and other information required by the KCC. Upon the filing of an application, the KCC is required to have a public hearing on the application and may conduct an evidentiary hearing. The KCC is required to issue a final order on an application within 120 days after the application was filed.]

The bill would also make conforming amendments in provisions dealing with transmission siting pertaining to notification requirements and KCC consideration requirements by making references to “urban electric transmission lines” and cities in which such a transmission line would be constructed.

Finally, the bill would add local aesthetics, location, environment, and population density to the items the KCC would be required to take into consideration when making a determination regarding siting of an “electric transmission lines” or “urban electric transmission lines.”

Background

The bill was introduced by the House Committee on Energy, Utilities and Telecommunications at the request of Representative Schreiber.

In the House Committee hearing, representatives of ChargePoint, the Citizens' Utility Ratepayer Board, the KCC, and Triplett, Inc. testified in support of the bill. Proponents generally stated the bill would enable businesses to offer electrical vehicle charging services in a manner that fosters competition in the marketplace and allow prices for electrical vehicle charging services to be determined by the market and not the ratepayer process. Proponents noted a similar exemption exists for the sale of compressed natural gas for end use as motor vehicle fuel. Proponents also stated the bill would give regulatory certainty that those offering electrical vehicle charging services would not be treated as a public utility.

Written-only proponent testimony was provided by Eergy, the Kansas Electric Cooperatives, and the Metropolitan Energy Center.

No neutral or opponent testimony was provided.

The House Committee of the Whole amended the bill to:

- Create the definition of “urban electric transmission line”;
- Add “urban electric transmission lines” to provisions in law relating to electric transmission line siting;
- Add “local aesthetics, location, environment and population density” for the KCC to consider when making a determination regarding siting or transmission lines; and
- Make several technical and conforming changes.

According to the fiscal note prepared by the Division of the Budget on the bill as introduced, the KCC and the Department of Revenue indicate enactment of the bill would have no effect on agency operations. The League of Kansas

Municipalities indicates enactment of the bill would have little or no effect on city finances.

[*Note:* The House Committee of the Whole amendment is substantially similar to HB 2317. According to the fiscal note prepared by the Division of the Budget on HB 2317 in 2019, the KCC indicated enactment of the bill would require additional FTE positions at an estimated cost of \$159,500 annually. The KCC also estimated administrative expenditures of \$140,000 related to docket expenses annually, which would be assessed to utilities, who would be allowed to recover the costs from ratepayers.]