

HOUSE BILL No. 2589

By Committee on Utilities

1-11

9 AN ACT concerning electricity; placing certain requirements on certain
10 state agencies and certain electric service providers and providing pen-
11 alties for noncompliance; relating to certain revenues of electric public
12 utilities; amending K.S.A. 66-1,184a and repealing the existing section.
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14 *Be it enacted by the Legislature of the State of Kansas:*

15 New Section 1. (a) On and after January 1, 2007, and before January
16 1, 2010, not less than 2.5% of the total amount of electricity consumed
17 by each state agency shall be generated from renewable energy resources
18 or technologies, as defined in K.S.A. 79-201, and amendments thereto.
19 On and after January 1, 2010, not less than 10% of the total amount of
20 electricity consumed by each state agency shall be generated from such
21 resources or technologies. Only electricity generated at facilities placed
22 in service after December 31, 2006, shall apply towards the percentages
23 required by this subsection.

24 (b) The requirements of subsection (a) shall apply regardless of the
25 provider of the agency's electric service and the electricity shall be pro-
26 vided at the provider's standard rates for electric service. The agency
27 head, in the agency head's discretion, may determine that: (1) The
28 requirements of this subsection shall apply to each facility under the con-
29 trol of such agency; or (2) such requirements shall apply to the aggregate
30 consumption of all facilities under the control of such agency, with greater
31 consumption attributable to some facilities under the control of such
32 agency being offset by lesser consumption attributable to other facilities
33 under the control of such agency.

34 (c) If a state agency and its electric service provider are unable to
35 meet the requirements of subsection (a), the agency and utility may apply
36 to the state corporation commission for an extension of the date for com-
37 pliance by not more than 12 months.

38 (d) Failure to comply with the requirements of this section shall ren-
39 der the state agency and the electric provider liable for civil fines assessed
40 by the commission for each day of noncompliance.

41 (e) The provisions of this section shall not apply to any state agency
42 which is funded solely by user fees.

43 Sec. 2. K.S.A. 66-1,184a is hereby amended to read as follows: 66-

1 1,184a. (a) As used in this section:

2 (1) "Electric public utility" has the meaning provided by K.S.A. 66-
3 101a, and amendments thereto.

4 (2) "Renewable attributes" means tradeable renewable energy cred-
5 its (with or without other features), tradeable emissions credits, emission
6 offsets or other market instruments created or obtained by use of renew-
7 able energy resources or technologies.

8 (3) "Renewable resources or technologies" means wind, solar, ther-
9 mal, photovoltaic, biomass, hydropower, geothermal, waste incineration
10 and landfill gas resources or technologies located in Kansas.

11 (b) Upon application of an electric public utility, the state corporation
12 commission may authorize such utility to:

13 (1) Retain 65% of the utility's net revenues from wholesale off-system
14 sales of electricity generated from renewable resources or technologies
15 or from sales of renewable attributes if such electricity or attributes are
16 purchased by the utility at not less than the average price paid by such
17 utility for electricity or renewable attributes purchased pursuant to con-
18 tracts of five or more years' duration; ~~and~~

19 (2) retain 50% of the utility's net revenues from all other wholesale
20 off-system sales of purchased electricity generated from renewable re-
21 sources or technologies or from sales of purchased renewable attributes
22 from renewable energy procured or constructed principally to serve Kan-
23 sas retail customers; *and*

24 (3) *retain 50% of the utility's net revenues from wholesale off-system*
25 *sales of electricity generated by capacity placed in service on or after*
26 *January 1, 2008.*

27 Sec. 3. K.S.A. 66-1,184a is hereby repealed.

28 Sec. 4. This act shall take effect and be in force from and after its
29 publication in the statute book.