HOUSE BILL No. 2872

By Committee on Energy and Utilities

2-13

AN ACT concerning the state corporation commission; relating to assessment of expenses; amending K.S.A. 66-1502 and repealing the existing section.

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Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 66-1502 is hereby amended to read as follows: 66-1502. (a) Whenever, in order to carry out the duties imposed upon it by law, the state corporation commission, in a proceeding upon its own motion, on complaint, or upon an application to it, shall deem it necessary to investigate any public utility or common carrier or make appraisals of the property of any public utility, such public utility or common carrier, in case the expenses reasonably attributable to such investigation or appraisal exceed the sum of \$100, including both direct and indirect expenses incurred by the commission or its staff or by the citizens' utility ratepayer board, shall pay such expenses which shall be assessed against such public utility or common carrier by the commission. Such expenses shall be assessed beginning on the date that the proceeding is filed or beginning three business days after the commission gives the public utility or common carrier notice of the assessment by United States mail, whichever is later. The state corporation commission shall give such public utility or common carrier notice and opportunity for a hearing in accordance with the provisions of the Kansas administrative procedure act. At such hearing, the public utility or common carrier may be heard as to the necessity of such investigation or appraisal and may show cause, if any, why such investigation or appraisal should not be made or why the costs thereof should not be assessed against such public utility or common carrier. The finding of the commission as to the necessity of the investigation or appraisal and the assessment of the expenses thereof shall be conclusive, except that no such public utility or common carrier shall be liable for payment of any such expenses incurred by such state corporation commission or citizens' utility ratepayer board in connection with any proceeding before or within the jurisdiction of any federal regulatory body.

The commission shall ascertain the expenses of any such investigation or appraisal and by order assess such expenses against the public utility 1

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or common carrier investigated or whose property is appraised in such proceeding, and shall render a bill therefor, by United States mail, to the public utility or common carrier, either at the conclusion of the investigation or appraisal, or from time to time during such investigation or appraisal. Such bill shall constitute notice of such assessment and demand of payment thereof. Upon a bill rendered to such public utility or common carrier, within 15 days after the mailing thereof, such public utility or common carrier shall pay to the commission the amount of the assessment for which it is billed. Such payment when made shall be transmitted by the commission to the state treasurer, who shall credit the same to the appropriations made for the use of such commission or for the use of the citizens' utility ratepayer board. The total amount, in any one state fiscal year for which any public utility or common carrier shall be assessed under the provisions of this section shall not exceed the following: (1) (a) For a public utility or common carrier that is under the jurisdiction of the commission and has not filed an annual report with the commission pursuant to K.S.A. 66-123, and amendments thereto, prior to the beginning of the commission's fiscal year, actual expenses, including direct and indirect expenses incurred by the commission or the commission's staff or by the citizens' utility rate payer board; and $\frac{2}{2}(b)$ for any other public utility or common carrier under the jurisdiction of the commission, 0.6% of the public utility's or common carrier's gross operating revenues derived from intrastate operations as reflected in the last annual report filed with the commission pursuant to K.S.A. 66-123, and amendments thereto, prior to the beginning of the commission's fiscal year. The commission may render bills in one fiscal year for costs incurred within a previous fiscal year.

(b) The commission, in accordance with the procedures prescribed by subsection (a), may assess against an entity, other than a residential or small commercial ratepayer, that is not subject to assessment pursuant to subsection (a) actual expenses of any services extended, filings processed or actions certified by the commission for the entity.

- Sec. 2. K.S.A. 66-1502 is hereby repealed.
- Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.