

HOUSE BILL No. 2020

By Committee on Energy and Utilities

1-14

9 AN ACT establishing the renewable energy incentive program.

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

12 Section 1. (a) As used in this section:

13 (1) "Capacity factor" means the ratio of actual output of a power plant
14 over a period of time and its output if the plant operated at full nameplate
15 capacity, and is calculated by totaling the energy the plant produced dur-
16 ing a period of time and dividing that total energy by the energy the plant
17 would produce at full nameplate capacity. The formula for "capacity fac-
18 tor" is net actual generation divided by the multiplier of period hours,
19 the number of hours in a period being reported that the power plant was
20 active, and the net maximum capacity, multiplied by 100%.

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

22 (3) "New renewable generation unit" means any generation unit hav-
23 ing a capacity of 5 MW or less constructed after July 1, 2009, owned by
24 one or more Kansas residents and solely using renewable resources or
25 technologies to generate electricity.

26 (4) "Renewable resources or technologies" means any wind, solar,
27 photovoltaic, biomass, hydropower, animal and human biowaste, munic-
28 ipal waste and landfill gas resources or technologies.

29 (5) "Utility" means every electric utility, as defined by K.S.A. 66-104,
30 and amendments thereto, and also means any municipally owned or op-
31 erated electric utility.

32 (b) On or before September 1, 2009, the commission shall establish
33 standard provisions, including applicable connection fees, safety proce-
34 dures and other provisions the commission deems appropriate, for agree-
35 ments providing for interconnection between the facilities of an electric
36 public utility and a new renewable generation unit which generates elec-
37 tricity from renewable resources or technologies. Utilities and new re-
38 newable generation units shall abide by commission-established intercon-
39 nection standards.

40 (c) Every utility which provides retail electric services in this state
41 shall enter into a contract for renewable generation service with the op-
42 erator of any new renewable generation unit who is a customer of such
43 utility.

- 1 (1) For new renewable generation units with 80% or greater capacity
2 factor, the utility shall purchase such power at a rate of at least 75% of
3 the utility's residential retail rate.
- 4 (2) For new renewable generation units with less than 80% capacity
5 factor, the utility shall purchase such power at a rate of at least 60% of
6 the utility's residential retail rate.
- 7 (3) For new renewable generation units that combine different re-
8 newable resources or technologies on the same site and are owned by the
9 same person or persons with an 80% or greater capacity factor, the utility
10 shall purchase the combined power at a rate of at least 75% of the utility's
11 residential retail rate.
- 12 (d) The utility and the new renewable generation unit shall annually
13 agree on a capacity factor for the unit. If an agreement on capacity factor
14 of the unit cannot be reached, either party may appeal to the commission
15 for a determination.
- 16 (e) The utility and the new renewable generation unit shall annually
17 agree on a payment schedule for energy produced by the unit and pur-
18 chased by the utility. Payment shall be entered into the utility's billing
19 system and shall be made no later than 30 days after the end of the
20 agreed-upon period. If an agreement on payment schedule period cannot
21 be reached, either party may appeal to the commission for a
22 determination.
- 23 Sec. 2. This act shall take effect and be in force from and after its
24 publication in the Kansas register.