

**SENATE BILL No. 68**

By Committee on Utilities

1-19

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1 AN ACT concerning electric transmission lines; relating to construction  
2 and ownership of certain electric transmission lines; providing  
3 incumbent electric transmission owners a right of first refusal.  
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5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. (a) An incumbent electric transmission owner shall have  
7 the first right to construct, upgrade, own and maintain an electric  
8 transmission line that has been approved for construction in a transmission  
9 plan if such electric transmission line interconnects to facilities owned or  
10 proposed to be constructed by the incumbent electric transmission owner.

11 (b) If an electric transmission line has been approved for  
12 construction, upgrade or maintenance in a transmission plan and the line  
13 interconnects to facilities owned by two or more incumbent electric  
14 transmission owners, the right to construct, upgrade, own and maintain  
15 such electric transmission line shall be determined by mutual agreement  
16 between such incumbent electric transmission owners.

17 (c) If an electric transmission line has been approved for construction,  
18 upgrade or maintenance in a transmission plan, the incumbent electric  
19 transmission owner having the first right to construct, upgrade, own and  
20 maintain the electric transmission line pursuant to this section shall give  
21 written notice to the regional transmission organization within the time  
22 prescribed by the regional transmission organization to indicate whether  
23 the incumbent electric transmission owner or an affiliate or subsidiary of  
24 the incumbent electric transmission owner intends to construct, upgrade,  
25 own and maintain all or, if applicable, a share of the electric transmission  
26 line. Upon submission of a notice of intent to construct, upgrade, own and  
27 maintain an electric transmission line pursuant to this section, the  
28 incumbent electric transmission owner shall:

29 (1) Have already obtained from the state corporation commission a  
30 certificate of convenience and necessity for the construction of the electric  
31 transmission line pursuant to K.S.A. 66-131, and amendments thereto; or

32 (2) within 18 months after submission of such notice, file an  
33 application for a certificate of convenience and necessity pursuant to  
34 K.S.A. 66-131, and amendments thereto, seeking permission to begin  
35 construction of the electric transmission line.

36 (d) Any other electric transmission entity may construct, upgrade,

1 own and maintain an electric transmission line if:

2 (1) The incumbent electric transmission owner having the first right  
3 to construct, upgrade, own and maintain the electric transmission line:

4 (A) Does not timely indicate that the incumbent electric transmission  
5 owner, or an affiliate or subsidiary of such incumbent electric transmission  
6 owner, intends to exercise the right of such incumbent electric  
7 transmission owner to construct, upgrade, own and maintain such electric  
8 transmission line;

9 (B) is deemed to not be qualified for the construction, upgrade,  
10 ownership and maintenance of the electric transmission line by the  
11 regional transmission organization; or

12 (C) has not received or fails to timely seek a certificate of  
13 convenience and necessity pursuant to K.S.A. 66-131, and amendments  
14 thereto, for such electric transmission line; and

15 (2) the electric transmission entity receives all necessary  
16 authorizations or approvals required by the regional transmission  
17 organization.

18 (e) Nothing in this section shall be construed to affect an incumbent  
19 electric transmission owner's use and control of its existing property rights,  
20 including, but not limited to, the incumbent electric transmission owner's  
21 ability to assign its rights to construct, upgrade, own and maintain an  
22 electric transmission line described in this section. The retention,  
23 modification or transfer of existing property rights described in this section  
24 shall remain subject to the relevant state law recognizing the property  
25 right.

26 (f) As used in this section:

27 (1) "Electric transmission line" means any line or extension of a line  
28 in this state with a rating of greater than 100 kilovolts or any related  
29 transmission facilities, substations and controls.

30 (2) "Incumbent electric transmission owner" means every  
31 corporation, company, individual, association of persons, their trustees,  
32 lessees or receivers, that now or hereafter owns, controls, operates or  
33 manages, except for private use, any equipment or plant, or any part  
34 thereof, for the transmission, delivery or furnishing of electricity or  
35 electric power in this state and is approved by the regional transmission  
36 organization as qualified to provide proposals to construct, upgrade, own  
37 and maintain electric transmission lines subject to the competitive  
38 solicitations conducted by the regional transmission organization. If there  
39 are two or more incumbent electric transmission owners of an electric  
40 transmission line, the term "incumbent electric transmission owner"  
41 includes each such owner.

42 (3) "Regional transmission organization" means the organization  
43 authorized by the federal energy regulatory commission to conduct

1 regional transmission planning and provide notice of requirements for  
2 electric transmission line construction in the region that includes the state  
3 of Kansas.

4 (4) "Transmission plan" means a transmission plan adopted by the  
5 entity with authority for transmission planning in a regional transmission  
6 organization recognized by the federal energy regulatory commission.

7 Sec. 2. This act shall take effect and be in force from and after its  
8 publication in the statute book.