

Proposed Substitute bill for HB 2084 - March 3, 2005

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This amendment incorporates comments and suggested amendments from testimony by CURB, KGS and KCPL given to this point.

AN ACT concerning certain public utilities; relating to energy efficiency and conservation programs for certain customers; providing for recovery of certain amounts thereof.

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

Section 1. As used in this act:

(a) “Commission” means the state corporation commission.

(b) “Energy conservation improvement” means a project that results in energy conservation.

Sec. 2.

The state corporation commission shall authorize any electric public utility or natural gas public utility to recover the utility’s authorized rate of return on prudent and reasonable investments by such utility in energy efficiency and conservation programs for customers who are, at the time of the investment, current in the payment of their utility bills or payments under their utility bill payment plan, provided these investments are made as part of energy efficiency and conservation programs that have received prior approval of the commission.

Sec. 3. (a) The commission may, by order, establish a list of programs, and from time to time change and or subtract from said list of programs, that may be offered as energy efficiency and conservation programs by any electric public utility or natural gas public utility. In establishing the programs, the commission shall consult political subdivisions and nonprofit and community organizations, especially organizations such as the Citizens Utility Ratepayer Board and those engaged in providing energy and weatherization assistance to low-income persons, and review existing studies of exemplary energy efficiency and conservation programs conducted by other states, regulatory agencies, utilities and energy related organizations.

(b) The commission may propose an electric or natural gas public utility make investments and expenditures in energy efficiency and conservation programs, explicitly setting forth terms under which the improvements must be offered to customers.

(c) The commission may require a utility to conduct an energy efficiency and conservation program, investment or expenditure whenever the commission finds that the energy conservation improvements in the program will result in energy savings at a total cost to the utility less than the cost to the utility to produce or purchase an equivalent amount of new supply of energy.

(d) The commission may contract with any qualified entity to review, evaluate or manage public utility and commission proposed energy efficiency and conservation programs.

Sec. 4 (a) In the process of evaluation and approval of proposed energy efficiency and conservation programs, the commission shall consider:

(1) The proposed time period for the program and how that addresses initiation, promotion, implementation and evaluation of program effectiveness.

(2) The cost-effectiveness and the reliability of technologies employed.

(3) The percentage of proposed program expenditures devoted to residential programs that directly address the energy efficiency and conservation of residential rental property, and low-income persons.

(4) The mechanism or process for an independent audit of the utility's energy efficiency and conservation programs, investments, expenditures, and related energy savings.

(5) Other relevant factors or criteria.

Sec. 5 This act shall not preclude the commission and the public utility from entering into energy efficiency and conservation agreements not undertaken pursuant to this act nor preclude the commission from exercising its authority pursuant to KSA 66-117(e).

Sec. 6. This act shall take effect and be in force from and after its publication in the statute book.