

HOUSE BILL No. 2765

By Committee on Energy and Utilities

2-5

9 AN ACT concerning electric energy; relating to the determination and
10 provision of future energy requirements.

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

13 Section 1. (a) To meet the state's anticipated need for base-, inter-
14 mediate- and peak-load generated electricity, to maximize the efficient
15 generation of that energy, and to stimulate construction of a robust trans-
16 mission system, while keeping in mind the desire to minimize pollution,
17 the state corporation commission shall require all Kansas retail electric
18 suppliers, as defined in K.S.A. 66-1,170, and amendments thereto, to
19 provide information regarding their anticipated electricity needs to serve
20 their customers by amount and year from the year 2010 through the year
21 2030. Such information will be provided in the format specified by the
22 commission.

23 (b) The commission shall aggregate the anticipated electricity needs
24 reported pursuant to subsection (a) by type of load. On behalf of and in
25 consultation with all retail electric suppliers, the commission shall issue
26 a request for proposals for the appropriate amounts of electricity to be
27 generated by facilities located in Kansas. The request for base-load and
28 intermediate-load generation shall:

29 (1) For coal-fired generation:

30 (A) Require supercritical power plants or more efficient plants; and
31 (B) specifically require carbon dioxide capture and sequestration
32 technologies, in addition to all other emission capturing or reducing tech-
33 nologies, to address heavy metals, particulates and greenhouse gases;

34 (2) for natural gas-fired generation:

35 (A) Require combined cycle combustion turbine power plants or
36 more efficient plants; and

37 (B) specifically require carbon dioxide capture and sequestration of
38 carbon dioxide and other greenhouse gases to the extent technologically
39 and cost-effectively feasible;

40 (3) for nuclear generation:

41 (A) Require adequate on-site high- and low-level radioactive waste
42 disposal capacity for five years of plant operation; and

43 (B) require plans for permanent on-site disposal in the event that

- 1 federal repositories are not available; and
- 2 (4) for renewable energy, require 10% by the year 2015, and 20% by
- 3 the year 2025, of generated base-load electric energy be generated from
- 4 renewable resources, including wind, solar, small hydro and bio-mass,
- 5 including municipal waste.
- 6 (c) Responses to the request for proposal shall be evaluated by the
- 7 commission and retail electric suppliers as a group, and a consensus-based
- 8 selection shall be made on factors including, but not limited to:
- 9 (1) Efficiency of operation or generation;
- 10 (2) technologies available to reduce emissions;
- 11 (3) the monetary cost and cost in reduced energy output to achieve
- 12 those reductions;
- 13 (4) the resulting cost to customers; and
- 14 (5) the percent of emissions captured.
- 15 (d) The commission shall review the responses and approve the elec-
- 16 tricity generating plant siting and necessary transmission siting so that all
- 17 Kansans will benefit from the available electricity generation and provide
- 18 for a robust electric transmission system that provides energy security,
- 19 energy export and import and energy price protections for consumers.
- 20 (e) Ownership of the electricity generating plant or plants shall be
- 21 based on a formula developed by the commission, which shall include,
- 22 but is not limited to, the following factors:
- 23 (1) Number of customers of each retail electric supplier;
- 24 (2) amount of electricity needed; and
- 25 (3) date at which electricity will be needed.
- 26 (f) Recognizing that carbon dioxide capture technologies are new in
- 27 the electric industry, the owners of the electricity generating plant or
- 28 plants must participate in minimizing financial and other liability risks to
- 29 the partnering Kansas retail electric suppliers, in the event the technology
- 30 is not successful.
- 31 (g) The commission must recognize that technology performance
- 32 challenges may arise and shall not retroactively disallow cost recovery.
- 33 (h) Each retail electric supplier shall itemize on customer bills the
- 34 investments that the utility is making in clean air technology.
- 35 (i) The commission shall authorize recovery of and earnings on the
- 36 investment in carbon dioxide and other heavy metal, particulate and
- 37 greenhouse gas-capturing and disposal technologies.
- 38 Sec. 2. This act shall take effect and be in force from and after its
- 39 publication in the statute book.