

HOUSE BILL No. 2149

By Committee on Energy, Utilities and Telecommunications

Requested by Jessica Lucas on behalf of the Clean Energy Business Council

1-29

1 AN ACT concerning distributed energy resources; requiring distributed
2 energy system retailers to disclose certain information to customers
3 who will finance a distributed energy system; requiring electric public
4 utilities to disclose certain information to distributed energy retailers;
5 relating to parallel generation and net metering; providing criteria to
6 determine appropriate system size for a customer's renewable energy
7 system subject to parallel generation; establishing requirements for
8 interconnection and operation of a renewable energy system subject to
9 parallel generation; increasing the total capacity limitation for an
10 electric public utility's provision of parallel generation service;
11 establishing powers and limitations relating thereto; establishing
12 notification requirements for when a system is no longer producing
13 energy or the customer seeks to repair or rebuild a facility; amending
14 K.S.A. 66-1,184 and 66-1268 and repealing the existing sections.

15

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

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

18 (1) "Distributed energy customer" means a property owner or
19 leaseholder who is offered a contract from a distributed energy retailer for
20 the construction, installation or operation of a financed distributed energy
21 system.

22 (2) "Distributed energy retailer" means any person or entity that sells,
23 markets, solicits, advertises or otherwise makes available for purchase a
24 distributed energy system in the state of Kansas.

25 (3) "Distributed energy system" means any device or assembly of
26 devices and supporting facilities that converts, stores or otherwise
27 manages electricity and that is or will be subject to an agreement under
28 K.S.A. 66-1,184 or 66-1283 et seq., and amendments thereto, including,
29 but not limited to, any device or assembly of devices that is a renewable
30 energy resource as defined in K.S.A. 66-1257, and amendments thereto,
31 energy charging system, energy storage system or energy management
32 system.

33 (4) "Financed distributed energy system" means a distributed energy
34 system that is financed through a loan, lease, power purchase agreement or
35 other financing agreement that is coordinated by the distributed energy

1 retailer and obligates a distributed energy customer to make one or more
2 recurring payments pursuant to such financing arrangement 31 or more
3 days after the date the utility grants permission to operate.

4 (5) "Permission to operate" means the same as defined in K.S.A. 66-
5 1,184, and amendments thereto.

6 (6) "Utility" means an electric public utility, as defined by K.S.A. 66-
7 101a, and amendments thereto, any cooperative, as defined by K.S.A. 17-
8 4603, and amendments thereto, a nonstock member-owned electric
9 cooperative corporation incorporated in this state or a municipally owned
10 or operated electric utility.

11 (b) Prior to entering into a contract with a distributed energy
12 customer for a financed distributed energy system, a distributed energy
13 retailer shall provide such customer a separate disclosure document that:

14 (1) Is written in at least 10-point type;

15 (2) is written in the language that the distributed energy retailer used
16 to speak to the distributed energy customer during the sales process or the
17 language requested by such customer;

18 (3) includes a description of the make and model of the distributed
19 energy system's major components;

20 (4) includes a guarantee concerning the quantity of energy that the
21 distributed energy system will generate on a measurable interval and a
22 remedy if such system does not comply with such guarantee within one
23 year following the date the system received permission to operate;

24 (5) does not contains blank spaces that may be subsequently filled in
25 with terms or conditions that materially affect the timing, value or
26 obligation of the contract unless such terms and conditions are separately
27 acknowledged by the distributed energy customer;

28 (6) includes, in bold and highlighted type, the total aggregate cost to
29 the distributed energy customer that will be incurred over the entirety of
30 the contract. Such total aggregate cost shall be separately acknowledged
31 by the distributed energy customer;

32 (7) includes a description of the ownership and transferability of any
33 tax credits, rebates, incentives or renewable energy certificates in
34 connection with the financed distributed energy system;

35 (8) includes the name and certification number of an individual
36 certified by the north American board of certified energy practitioners who
37 will oversee the financed distributed energy system or the name and
38 license number of the master electrician or electrical contractor who will
39 oversee the permitting and installation of the financed distributed energy
40 system;

41 (9) provides a description of the process and any associated fees for
42 transferring any financing, warranty or other agreements relating to the
43 financed distributed energy system to a new owner;

1 (10) includes the name, phone number, email and mailing address of
2 the person or entity that the distributed customer may contact for questions
3 regarding performance, maintenance or repair of the financed distributed
4 energy system;

5 (11) includes a description of the assumptions used for any savings
6 estimates that were provided to the distributed energy customer and a
7 description of the applicable utility billing structure that pertains to the
8 financed distributed energy system;

9 (12) includes a statement that the distributed energy retailer shall
10 provide the distributed energy customer proof that, within 30 days of
11 completion of installation:

12 (A) All permits required for the installation of the financed
13 distributed energy system were obtained prior to installation;

14 (B) the financed distributed energy system was inspected and
15 approved by a qualified individual pursuant to the requirements of any
16 local municipal ordinance or county resolution;

17 (C) the necessary interconnection applications and documentation
18 were submitted to and approved by the affected utility; and

19 (D) the financed distributed energy system received permission to
20 operate;

21 (13) includes a statement that any recurring payments for a financed
22 distributed energy system shall pause and not be due if such system does
23 not receive permission to operate within 90 days of the date that the first
24 recurring payment is due. Such recurring payments may resume at the time
25 that such system receives permission to operate. Any payments due during
26 any such pause shall either be forgiven or added to the end of the financing
27 term and shall not incur any penalties for nonpayment during such term;

28 (14) includes a statement describing any rate escalation, balloon
29 payment or potential reconfiguration of payment structure;

30 (15) includes a statement as to whether operations or maintenance
31 services are included as part of the original contract price;

32 (16) includes a statement describing the expected start and
33 completion dates for the installation of the financed distributed energy
34 system;

35 (17) includes a statement indicating whether any warranty or
36 maintenance obligations related to the financed distributed energy system
37 may be transferred by the distributed energy retailer to a third party and, if
38 so, a statement that provides: "The maintenance and repair obligations
39 under your contract may be assigned or transferred without your consent to
40 a third party who will be bound to all the terms of the contract. If a transfer
41 occurs, you will be notified in writing of any change to the name, mailing
42 address, email or phone number to use for questions and payments or to
43 request system maintenance or repair";

1 (18) includes a statement indicating whether the distributed energy
2 retailer will place a lien, notice or other filing on or against real property as
3 a result of the contract;

4 (19) includes a statement, in bold and highlighted type, indicating
5 whether the distributed energy retailer will impose any fees or other costs
6 upon the distributed energy customer. If any such fees or other costs will
7 be charged to the distributed energy customer, the aggregate total of such
8 fees and other costs shall be provided and separately acknowledged by the
9 distributed energy customer;

10 (20) includes a statement in capital letters and bold and highlighted
11 type that states: "[name of distributed energy retailer] is not affiliated with
12 any utility company or governmental agency and shall not claim any such
13 affiliation"; and

14 (21) may include any additional information that the distributed
15 energy retailer considers appropriate, only if such additional information is
16 not intended to conceal or obscure the disclosures required pursuant to this
17 section.

18 (c) The disclosure statement required pursuant to this section shall be
19 signed and dated by the distributed energy customer at least one calendar
20 day after the date that the contract for the financed distributed energy
21 system was executed.

22 (d) If a distributed energy retailer fails to comply with this section,
23 any contract entered into between the distributed energy retailer and the
24 distributed energy customer that pertains to the financed distributed energy
25 system shall be deemed null and void.

26 (e) This section shall not apply to a transaction of real property on
27 which a distributed energy system is located.

28 (f) To allow a distributed energy retailer to provide informed and
29 accurate information to a distributed energy customer pursuant to this
30 section, upon request of any distributed energy retailer, a utility shall
31 disclose all applications, rules, service standards, forms or other
32 documents required for interconnection of a distributed energy system
33 pursuant to K.S.A. 66-1,184 or 66-1283 et seq., and amendments thereto,
34 including the utility's historic amount of compensation per kilowatt hour
35 for interconnected systems and the current compensation amount for such
36 systems. Such historic amount of compensation shall be provided in a
37 dollar amount and shown on a monthly or similar billing period basis for
38 not less than the preceding five years. A utility may also disclose such
39 information on the utility's website.

40 Sec. 2. K.S.A. 66-1,184 is hereby amended to read as follows: 66-
41 1,184. (a) *As used in this section:*

42 (1) *"Export" means power that flows from a customer's electrical*
43 *system through such customer's billing meter and onto the utility's*

1 *electricity lines. "Export" includes the sum of power on all phase*
 2 *conductors.*

3 (2) *"Interconnected" means a listed system or apparatus that is*
 4 *designed to export power and attached or connected on the customer's*
 5 *side of the retail meter at the customer's delivery point.*

6 (3) *"Limited export" means an export in an amount that differs from*
 7 *the nameplate rating or production capacity of the customer's energy*
 8 *producing system. "Limited export" includes the sum of power on all*
 9 *phase conductors.*

10 (4) *"Listed" means that the device or equipment has been tested and*
 11 *certified to meet underwriters laboratories safety standards that*
 12 *specifically pertain to the intended function of the device or equipment.*

13 (5) *"Locational marginal price" means the hourly average market*
 14 *price of alternating current energy per kilowatt hour established by the*
 15 *applicable locational marginal price pricing node of the southwest power*
 16 *pool or \$.01 per kilowatt hour alternating current, whichever amount is*
 17 *higher.*

18 (6) *"Monthly system average cost of energy per kilowatt hour" means*
 19 *the sum of all volumetric costs incurred by an electric utility during a*
 20 *calendar month or similar billing period as billed to the utility by*
 21 *generation and transmission providers and any volumetric generation*
 22 *costs incurred by the utility to generate energy divided by the total amount*
 23 *of retail kilowatt-hours that the utility sold in such month or billing period.*

24 (7) *"Permission to operate" means the operational date of the*
 25 *customer's renewable energy system as determined by the utility.*

26 (8) *"Utility" means any electric public utility as defined in K.S.A. 66-*
 27 *101a, and amendments thereto, or municipally owned or operated electric*
 28 *utility that provides retail electric service in this state. "Utility" includes*
 29 *any cooperative as defined in K.S.A. 66-104d, and amendments thereto.*

30 (9) *"Witness test" means a representative of the electric utility who*
 31 *measures or verifies a specific setting or operational condition.*

32 (b) ~~Except as provided in subsection (b),~~ *Except as otherwise*
 33 *provided in this section, every public utility which provides retail electric*
 34 *services in this state shall enter into a contract for parallel generation*
 35 *service with any person who is a customer of in good standing with such*
 36 *utility, upon request of such customer, whereby that authorizes such*
 37 *customer may to attach or connect to the utility's delivery and metering*
 38 *system an apparatus or a listed device for the purpose of feeding exporting*
 39 *excess electrical power which is generated by such customer's renewable*
 40 *energy producing system into to the utility's system. No such apparatus or*
 41 *device shall either cause damage to the public utility's system or*
 42 *equipment or present an undue hazard to utility personnel. Every such*
 43 *contract shall include, but need not be limited to, provisions relating to fair*

1 and equitable compensation on such customer's monthly bill for energy
2 supplied to the utility by such customer.

3 (b) (1) For purposes of this subsection:

4 (A) "~~Utility~~" means an electric public utility, as defined by K.S.A. 66-
5 101a, and amendments thereto, any cooperative, as defined by K.S.A. 17-
6 4603, and amendments thereto, or a nonstock member-owned electric
7 cooperative corporation incorporated in this state, or a municipally owned
8 or operated electric utility;

9 (B) "~~school~~" means Cloud county community college and Dodge City
10 community college.

11 (2) Every utility which provides retail electric services in this state
12 shall enter into a contract for parallel generation service with any person
13 who is a customer of such utility, if such customer is a residential customer
14 of the utility and owns a renewable generator with a capacity of 25
15 kilowatts or less, or is a commercial customer of the utility and owns a
16 renewable generator with a capacity of 200 kilowatts or less or is a school
17 and owns a renewable generator with a capacity of 1.5 megawatts or less.
18 Such generator shall be appropriately sized for such customer's anticipated
19 electric load. A commercial customer who uses the operation of a
20 renewable generator in connection with irrigation pumps shall not request
21 more than 10 irrigation pumps connected to renewable generators be
22 attached or connected to the utility's system. At the customer's delivery
23 point on the customer's side of the retail meter such customer may attach
24 or connect to the utility's delivery and metering system an apparatus or
25 device for the purpose of feeding excess electrical power which is
26 generated by such customer's energy producing system into the utility's
27 system. No such apparatus or device shall either cause damage to the
28 utility's system or equipment or present an undue hazard to utility
29 personnel.

30 (c) *A utility may assess upon any customer requesting parallel*
31 *generation service a nonrefundable interconnection application fee as*
32 *follows:*

33 (1) *For customers requesting an export capacity of 200 kilowatts*
34 *alternating current or less, \$300;*

35 (2) *for customers requesting an export capacity of more than 200 but*
36 *less than 500 kilowatts alternating current, \$1,000;*

37 (3) *for customers requesting an export capacity of 500 kilowatts but*
38 *less than one megawatt alternating current, \$1,500;*

39 (4) *for customers requesting an export capacity of one megawatt but*
40 *less than five megawatts alternating current, \$2,000;*

41 (5) *for customers requesting an export capacity of five megawatts but*
42 *less than 10 megawatts alternating current, the fee shall be \$2,500 plus \$1*
43 *for each requested kilowatt alternating current; or*

1 (6) *for customers requesting an export capacity of 10 megawatts*
 2 *alternating current or more, the fee shall be \$3,000 plus \$1 for each*
 3 *requested kilowatt alternating current.*

4 (d) (1) ~~Every such contract for parallel generation service shall~~
 5 ~~include, but need not be limited to, provisions relating to fair and equitable~~
 6 ~~compensation for energy supplied exported to the utility by such customer.~~
 7 ~~Such compensation shall be not less than 100% of the utility's monthly~~
 8 ~~system average cost of energy per kilowatt hour except that in the case of~~
 9 ~~a customer-renewable generators with a an export capacity of 200~~
 10 ~~kilowatts alternating current or less, such compensation shall be not less~~
 11 ~~than 150% of the utility's monthly system average cost of energy per~~
 12 ~~kilowatt hour. A utility may shall credit such compensation to the~~
 13 ~~customer's account or pay such compensation to the customer at least~~
 14 ~~annually or when the total compensation due equals \$25 or more.~~

15 (2) *A utility shall disclose to any customer the formula that the utility*
 16 *uses to determine the compensation that the utility provides pursuant to a*
 17 *contract for parallel generation service.*

18 (3) (A) *A utility that offers parallel generation service to a customer*
 19 *who is located in the retail electric service territory of midwest energy,*
 20 *inc., as such territory existed on July 1, 2025, may determine the*
 21 *compensation to be provided to any such customer for energy exported to*
 22 *the utility based on locational marginal pricing. A utility that determines*
 23 *compensation pursuant to this paragraph shall provide:*

24 (i) *On such customer's bill, the hourly price and the corresponding*
 25 *amount of energy exported to the utility; and*

26 (ii) *to any person who requests such information, the hourly*
 27 *locational marginal price for the previous year.*

28 (B) *The provisions of this paragraph shall expire on July 1, 2035.*

29 ~~(e)~~(e) ~~A customer-generator of any investor-owned investor-owned~~
 30 ~~utility shall have the option of entering into a contract pursuant to this~~
 31 ~~subsection (b) section or utilizing the net metering and easy connection~~
 32 ~~act. The customer-generator shall exercise the option in writing, filed with~~
 33 ~~the utility.~~

34 ~~(e)~~(f) ~~The following terms and conditions shall apply to contracts~~
 35 ~~entered into under subsection (a) or (b) for parallel generation service:~~

36 (1) ~~The utility will supply shall furnish, own, and maintain all~~
 37 ~~necessary meters and associated equipment utilized for billing. In addition,~~
 38 ~~and for the purposes of monitoring customer generation and load;~~

39 (2) ~~the utility may install, at its the utility's expense, load research~~
 40 ~~metering meters and equipment to monitor customer generation and load.~~
 41 ~~The customer shall supply provide, at no expense to the utility, a suitable~~
 42 ~~location for such meters and associated equipment used for billing and for~~
 43 ~~load research;~~

1 ~~(2) for the purposes of insuring the safety and quality of utility-~~
2 ~~system power, the utility shall have the right to require the customer, at~~
3 ~~certain times and as electrical operating conditions warrant, to limit the~~
4 ~~production of electrical energy from the generating facility to an amount~~
5 ~~no greater than the load at the customer's facility of which the generating~~
6 ~~facility is a part;~~

7 (3) the customer shall furnish, install, operate, and maintain in good
8 order and repair ~~and without cost to the utility, such relays, locks and seals,~~
9 ~~breakers, automatic synchronizer, and other control and protective~~
10 ~~apparatus as shall be designated by the utility as being required as a listed~~
11 ~~device that is suitable for the operation of the generator customer's~~
12 ~~renewable energy system in parallel with the utility's system. In any case~~
13 ~~where the customer and the utility cannot agree to terms and conditions of~~
14 ~~any such contract, the state corporation commission shall establish the~~
15 ~~terms and conditions for such contract. In addition,~~

16 (4) the utility may install, own, and maintain a disconnecting device
17 located near the electric meter or meters;

18 (5) interconnection facilities between the customer's and the utility's
19 equipment shall be accessible at all reasonable times to utility personnel.
20 Upon notification by the customer of the customer's intent to construct and
21 install parallel generation, the utility shall provide the customer a written
22 estimate of all costs that will be incurred by the utility and billed to the
23 customer to accommodate the interconnection. The customer may be
24 required to reimburse the utility for any equipment or facilities required as
25 a result of the installation by the customer of generation in parallel with
26 the utility's service.;

27 (6) *except as otherwise provided in this section, the utility may*
28 *require a customer to reimburse the utility for any devices or equipment*
29 *required to be furnished by the utility for the provision of parallel*
30 *generation service if the requested export capacity is greater than zero*
31 *kilowatts alternating current;*

32 (7) the customer shall notify the utility prior to the initial energizing
33 and start-up testing of the customer-owned generator, and the utility shall
34 ~~have the right to have a representative present at such test~~ *customer's*
35 *renewable energy system;*

36 ~~(4) the utility may require a special agreement for conditions related~~
37 ~~to technical and safety aspects of parallel generation; and~~

38 ~~(5)(8) prior to granting permission to operate, the utility may~~
39 ~~require:~~

40 (A) *A witness test of the customer's renewable energy system and*
41 *interconnection facilities; and*

42 (B) *the customer to provide the certificate of inspection of the*
43 *customer's renewable energy system completed pursuant to any municipal*

1 ordinance or code requirements or a certification from an electrician or
2 electrical engineer licensed in this state that the system is installed
3 according to applicable codes and standards; and

4 (9) the utility may periodically require witness testing of the
5 customer's renewable energy system and interconnection facilities
6 throughout the provision of parallel generation service.

7 (g) (1) Prior to approving an application of any customer who is
8 seeking to construct and install a renewable energy system for the purpose
9 of entering into a parallel generation service contract, a utility may
10 require such customer to enter into a special agreement that establishes
11 technical and safety conditions relating to the construction and
12 installation of such customer's renewable energy system. As a condition of
13 any such special agreement, to ensure that such system is constructed and
14 installed according to any applicable standards and codes, the utility may
15 require the customer to provide documentation that the customer's
16 renewable energy system is constructed and installed under the direction
17 of a person who is:

18 (A) Certified by the north American board of certified energy
19 practitioners; or

20 (B) a master electrician or electrical contractor licensed under the
21 provisions of K.S.A. 12-1525 et seq., and amendments thereto.

22 (2) Upon request of any person, a utility shall disclose the
23 requirements of any such special agreement.

24 (h) (1) The export capacity of a customer's renewable energy system
25 shall be appropriately sized for such customer's anticipated electric load
26 as follows:

27 (A) (i) Divide the customer's historic consumption in kilowatt-hours
28 for the previous 12-month period by 8,760 and divide such quotient by a
29 capacity factor of 0.144; or

30 (ii) if the customer does not have historic consumption data that
31 adequately reflects the customer's consumption at such premises, the
32 customer's historic consumption for the previous 12-month period shall be
33 7.15 kilowatt-hours per square foot of conditioned space; and

34 (B) round the amount determined pursuant to subparagraph (A) up to
35 the nearest standard size as follows:

36 (i) Round up to the nearest two kilowatts alternating current power
37 increment if such amount is between two and 20 kilowatts alternating
38 current power; or

39 (ii) round up to the nearest five kilowatts alternating current power
40 increment if such amount is 20 kilowatts alternating current power or
41 more; and

42 (2) Any other electric generation system or energy storage system
43 located on a customer's property that is not designed and intended to

1 contribute to the customer's export capacity shall not be considered when
2 determining the appropriate system size.

3 (i) A utility shall not be required to approve a customer's request for
4 parallel generation service if such service would cause the utility's
5 aggregate export capacity from all renewable energy systems subject to
6 parallel generation service to exceed 10% of such utility's historic peak
7 demand. The utility may limit the ~~number and size~~ export capacity of
8 additional renewable ~~generators~~ energy systems to be connected to the
9 utility's system due to the capacity of the distribution line to which such
10 renewable ~~generator would~~ energy system will be connected, ~~and in no~~
11 ~~case shall the utility be obligated to purchase an amount greater than 4% of~~
12 ~~such utility's peak power requirements.~~

13 (j) (1) A utility may require any customer who is seeking to construct
14 and install a renewable energy system that limits the export to the utility's
15 system in an amount that differs from the system's nameplate capacity to
16 submit an application prior to any connection of the renewable energy
17 system with the utility's system, notify the utility of the proposed renewable
18 energy system and verify that such system is installed and connected in
19 accordance with all applicable standards and codes. A utility may assess
20 upon any such customer a nonrefundable application fee in an amount not
21 to exceed the applicable nonrefundable interconnection application fee
22 established pursuant to subsection (c). The amount of the nonrefundable
23 application fee shall be determined based on the system's reasonably
24 anticipated export capacity if the system commences exporting energy to
25 the utility's system pursuant to parallel generation service.

26 (2) Any customer that submits an application pursuant to paragraph
27 (1) to construct and install a renewable energy system that will export zero
28 kilowatts alternating current shall have the option to remain on a retail
29 rate tariff that is identical to the same rate class that such customer would
30 otherwise qualify for as a non-generating customer.

31 (3) For any customer with a renewable energy system that is
32 designed to export an amount of power that differs from the system's
33 generating capacity:

34 (A) The customer shall own and maintain any necessary export-
35 limiting device;

36 (B) protections shall be in place to restrict the export-limiting device
37 settings to qualified persons;

38 (C) the utility shall have the option to require a witness test of the
39 export-limiting device's functions or settings prior to granting permission
40 to operate;

41 (D) the export capacity of the system shall not be increased without
42 prior approval of the utility;

43 (E) the customer shall allow the utility to perform periodic witness

1 tests of the export-limiting device's functions or settings upon request;

2 (F) if the export-limiting device's functions or settings are incorrect
3 or if the device fails to limit the export of power below the designed export
4 capacity for more than 15 minutes in any single event, the customer shall
5 cease operation of the system until repair or reprogramming of the export-
6 limiting device is completed; and

7 (G) the utility shall not restrict the brand or model of the export-
8 limiting device if the device is approved by the manufacturer of a listed
9 renewable energy system or is listed to perform such operations in
10 conjunction with the customer's system.

11 (k) A utility shall provide written notice of receipt of any application
12 submitted pursuant to this section to the applicant within 30 days
13 following such receipt. A utility shall approve or deny any such
14 application or a request for system certification pursuant to such an
15 application within 90 calendar days following receipt of such application
16 or request. If the utility denies such application or request, the utility shall
17 provide to the customer a list of the reasons for such denial and the
18 corrective actions needed for approval.

19 ~~(d)~~(l) (1) Service under any parallel generation service contract
20 entered into under subsection (a) or (b) shall be subject to either the
21 utility's rules and regulations on file with the state corporation
22 commission, which shall include a standard interconnection process and
23 requirements for such utility's system, or the current federal energy
24 regulatory commission interconnection procedures and regulations.

25 ~~(e)~~(2) In any case where the ~~owner of the renewable generator~~
26 customer and the utility cannot agree to terms and conditions of any
27 contract provided for by this section, the state corporation commission
28 shall establish the terms and conditions for such contract.

29 (m) A utility shall not impose any additional fees, charges or
30 requirements for the provision of parallel generation service unless
31 expressly authorized pursuant to this section.

32 (n) (1) Any customer who has received approval from a utility to
33 construct or operate a renewable energy system pursuant to this section
34 shall notify the utility when the construction has been canceled or the
35 system is permanently shut down. Upon receipt of such notice, the utility
36 shall cancel the parallel generation service contract with such customer.

37 (2) If a utility has reason to suspect that a customer's renewable
38 energy system has been abandoned and is no longer producing energy,
39 such utility may request verification from the customer that the system is
40 still functioning, or that the customer has a reasonable plan to reenergize
41 the system. If the customer fails to repair the system or provide a
42 reasonable plan to complete such repairs within 24 months, the utility
43 shall have the option to cancel the parallel generation service contract

1 *with such customer.*

2 *(3) Upon cancellation of any parallel generation service contract*
 3 *pursuant to this subsection, the utility shall:*

4 *(A) Make the associated export capacity available to other customers*
 5 *of the utility; and*

6 *(B) not be obligated to refund any fees previously paid by the*
 7 *customer.*

8 *(o) (1) A customer shall have the right to repair or rebuild such*
 9 *customer's renewable energy system subject to a parallel generation*
 10 *service contract if the repair does not materially affect the portion of the*
 11 *system that interacts with the utility or cause an increase in export*
 12 *capacity.*

13 *(2) If a customer will repair or replace a system in a way that*
 14 *materially affects the portion of the system that interacts with the utility,*
 15 *the customer shall notify the utility prior to such repair or replacement*
 16 *and provide proof that the new equipment complies with the same rules,*
 17 *regulations and approved capacity as the original installation. A customer*
 18 *who repairs or replaces a system pursuant to this paragraph shall not be*
 19 *required to submit a new parallel generation service application to the*
 20 *utility.*

21 *(3) If a customer will repair or replace a system in a way that*
 22 *increases the export capacity of the system, the customer shall notify the*
 23 *utility prior to such repair or replacement. The utility may require the*
 24 *customer to submit a new parallel generation service application to*
 25 *include the new provisions and requirements relating to such system.*

26 ~~(f)~~*(p) (1) The governing body of any school desiring to proceed under*
 27 *this section shall, prior to taking any action permitted by this section, make*
 28 *a finding that either:*

29 ~~(+)~~*(A) Net energy cost savings will accrue to the school from such*
 30 *renewable generation over a 20-year period; or*

31 ~~(2)~~*(B) that such renewable generation is a science project being*
 32 *conducted for educational purposes and that such project may not recoup*
 33 *the expenses of the project through energy cost savings.*

34 *(2) Any school proceeding under this section may contract or enter*
 35 *into a finance, pledge, loan or lease-purchase agreement with the Kansas*
 36 *development finance authority as a means of financing the cost of such*
 37 *renewable generation.*

38 ~~(g)~~*(q) Each kilowatt of ~~nameplate~~ export capacity of the associated*
 39 *with a utility's parallel generation of electricity provided for in this section*
 40 *service shall count as 1.10 kilowatts toward the compliance of ~~the~~ an*
 41 *affected utility, as defined in K.S.A. 66-1257, and amendments thereto,*
 42 *and with whom the customer-generator has contracted, with the renewable*
 43 *energy standards act in K.S.A. 66-1256 through 66-1262, and amendments*

1 thereto.

2 ~~(h)(r)~~ The provisions of the net metering and easy connection act
3 shall not preclude the state corporation commission from approving net
4 metering tariffs upon request of an electric utility for other methods of
5 renewable generation not prescribed in ~~subsection (b)(1) of~~ K.S.A. 66-
6 1264(b)(1), and amendments thereto.

7 Sec. 3. K.S.A. 66-1268 is hereby amended to read as follows: 66-
8 1268. (a) Net metered facilities must meet all applicable safety,
9 performance, interconnection and reliability standards established by the
10 national electrical code, the national electrical safety code, the institute of
11 electrical and electronics engineers, underwriters laboratories, the federal
12 energy regulatory commission and any local governing authorities. A
13 utility may require that a customer-generator's system contain a switch,
14 circuit breaker, fuse or other easily accessible device or feature located in
15 immediate proximity to the customer-generator's metering equipment that
16 would allow a utility worker the ability to manually and instantly
17 disconnect the unit from the utility's electric distribution system.

18 (b) A utility may not require a customer-generator whose net
19 metering facility meets the standards in subsection (a) to comply with
20 additional safety or performance standards or perform or pay for additional
21 tests or purchase additional liability insurance. A utility shall not be liable
22 directly or indirectly for permitting or continuing to allow an attachment of
23 a net metered facility or for the acts or omissions of the customer-
24 generator that cause loss or injury, including death, to any third party.

25 *(c) (1) Any customer-generator who has received approval from a*
26 *utility to construct or operate a net metering facility shall notify the utility*
27 *when the construction has been canceled or the facility is permanently*
28 *shut down. Upon receipt of such notice, the utility shall cancel the*
29 *interconnection agreement with such customer.*

30 *(2) If a utility has reason to suspect that a customer-generator's*
31 *facility has been abandoned and is no longer producing energy, such*
32 *utility may request verification from the customer-generator that the*
33 *facility is still functioning or that the customer-generator has a reasonable*
34 *plan to reenergize the facility. If the customer-generator fails to repair the*
35 *facility or provide a reasonable plan to complete such repairs within 24*
36 *months, the utility shall have the option to cancel the interconnection*
37 *agreement with such customer-generator.*

38 *(3) Upon cancellation of any interconnection agreement pursuant to*
39 *this subsection, the utility shall:*

40 *(A) Make the associated export capacity available to other customer-*
41 *generators of the utility; and*

42 *(B) not be obligated to refund any fees previously paid by the*
43 *customer-generator.*

1 (d) (1) *A customer-generator shall have the right to repair or rebuild*
2 *such customer-generator's net metering facility that is subject to an*
3 *interconnection agreement if the repair does not materially affect the*
4 *portion of the facility that interacts with the utility or cause an increase in*
5 *export capacity.*

6 (2) *If a customer-generator will repair or replace a facility in a way*
7 *that materially affects the portion of the facility that interacts with the*
8 *utility, the customer shall notify the utility prior to such repair or*
9 *replacement and provide proof that the new equipment complies with the*
10 *same rules, regulations and approved capacity as the original installation.*
11 *A customer who repairs or replaces a facility pursuant to this paragraph*
12 *shall not be required to submit a new net metering interconnection*
13 *application to the utility.*

14 (3) *If a customer-generator will repair or replace a facility in a way*
15 *that increases the export capacity, the customer-generator shall notify the*
16 *utility prior to such repair or replacement. The utility may require the*
17 *customer-generator to submit a new net metering interconnection*
18 *application to include the new provisions and requirements relating to*
19 *such facility.*

20 Sec. 4. K.S.A. 66-1,184 and 66-1268 are hereby repealed.

21 Sec. 5. This act shall take effect and be in force from and after its
22 publication in the statute book.