

Proposed amendment to HB 2084 - March 2, 2005

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This uses the current version of the bill as Section 2 with edits in 2(c), adds new sections 1, 3, 4, and then ends with renaming Section 2 of the current version to Section 5

(EXISTING)

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

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

(ADD NEW SECTION 1)

Section 1. As used in this act:

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

(b) “Energy audit” means an unbiased study, rating or indication of a building, facility or system’s relative energy efficiency based on consistent inspection procedures, operating assumptions, climate data and calculation methods, used for the purpose of identifying energy conservation opportunities and costs.

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

(EXISTING SECTION 1 RENAMED TO 2 WITH EDITS IN 2 (c))

Section 2.

(a) **The For energy efficiency and conservation programs receiving prior approval of the commission, the** state corporation commission shall authorize any electric public utility or natural gas public utility to recover ~~112% of any the utility’s authorized rate of return on~~ investments by such utility in energy efficiency and conservation programs for residential customers who have an energy audit and are current in the payment of their utility bills or payments under their utility bill payment plan.

(b) **The For energy efficiency and conservation programs receiving prior approval of the commission, the** commission shall authorize any electric public utility or natural gas public utility to recover ~~112% of any the utility’s authorized rate of return on~~ investments by such utility in programs to reduce uncollectible bills of residential customers of the utility through prepaid energy cards or similar programs that place responsibility for wise use of energy on customers at high risk of having uncollectible bills. Before the commission authorizes the recovery, the utility shall be required to submit to and obtain approval by the commission of the utility’s policies for identifying such high-risk customers. Such policies shall take into account the customer’s previous failures to meet terms of payment plan agreements, landlord preferences

and such other factors as agreed to by the utility and the commission. The cold weather rule adopted by the commission in docket 158-796-U shall not apply to customers participating in programs instituted pursuant to this subsection. ~~a customer participating in a program instituted pursuant to this subsection if such customer has failed at least three times to fulfill agreements with the utility and the utility has notified such customer of the risk of losing utility service. The utility shall provide the state corporation commission with a list of such customers.~~

(ADD NEW EDITS TO 2 (c))

(c) **For energy efficiency and conservation programs receiving prior approval of the commission, the** ~~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** ~~110% of any~~ investments by such utility in energy efficiency and conservation programs for commercial customers who have an energy audit and are current in payment of their utility bills.

(ADD NEW SECTIONS)

Section 3. (a) The commission may, by order, establish a 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 CURB 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, 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 the interest rates, prices and 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, by order, change this list to add or subtract programs as the commission determines is necessary to promote efficient and effective conservation programs.

(e) The commission may contract with any entity to review and evaluate public utility and commission proposed programs.

Section 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 that is devoted to residential programs that directly address the needs of renters and low-income persons.

(4) The mechanism or process for an independent audit of the utility's programs and expenditures performed by an auditor approved by the commission and chosen by the utility. The audit must specify the energy savings or increased efficiency in the use of energy within the service territory of the utility that is the result of the program expenditures.

(EXISTING SECTION 2 RENAMED TO SECTION 5)

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