

March 5, 2013

The Honorable Dennis Hedke, Chairperson
House Committee on Energy and Environment
Statehouse, Room 581-W
Topeka, Kansas 66612

Dear Representative Hedke:

SUBJECT: Fiscal Note for HB 2100 by House Committee on Energy and Environment

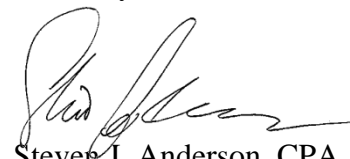
In accordance with KSA 75-3715a, the following fiscal note concerning HB 2100 is respectfully submitted to your committee.

HB 2100 would create the Renewable Energy Procurement Act. The Act would require a qualified utility to enter into a renewable energy contract with a contract customer, within a reasonable period of time, after receiving a request for such a contract. The contract customer would have to pay the qualifying utility all incremental costs associated with metering facilities, communication facilities, and administration.

The bill would require the amount of electricity under a renewable energy contract to be not less than one megawatt. Additional contractual provisions, as well as who could own any renewable energy facilities that would service the qualified utility would be specified in the bill. The bill would allow for exemptions for qualified utilities that would not be required to comply with current law regarding renewable energy facilities. HB 2100 would take effect upon publication in the *Kansas Register*.

Passage of the bill would have no fiscal effect on the Kansas Corporation Commission, although the act would require new contractual and customer relationships between monopoly utility providers and customers within the utility's designated territory. This would affect cost structures and pricing arrangements that could impact some customers. Any fiscal effect associated with HB 2100 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Tom Day, KCC
Shonda Smith, CURB