phone: 785-296-2436 fax: 785-296-0231 budget.director@budget.ks.gov

Sam Brownback, Governor

Jon Hummell, Interim Director

January 28, 2014

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 2488 by House Committee on Energy and Environment

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2488 is respectfully submitted to your committee.

HB 2488 would amend current law regarding the Kansas Electric Transmission Authority (KETA) to ensure adequate planning and improvements in the state's infrastructure and related policy initiatives. The board of directors for KETA would increase from seven to nine members, with five members, rather than three, being appointed by the Governor. The bill would also make changes to the board members' length of terms. HB 2488 would create a six-member electric transmission advisory council to review fees, rates, and tariffs for services related to the Authority. The members of the council would be appointed by KETA and include a representative of the following agencies or companies:

- 1. Renewable energy company;
- 2. Transmission-owning utility;
- 3. Transmission-dependent utility;
- 4. Kansas Department of Commerce; and
- 5. Kansas Department of Wildlife, Parks, and Tourism.

The Kansas Corporation Commission indicates that KETA is funded by the KETA Administrative Fund. Any fiscal effect of the bill would be limited to the increase in expenditures related to compensation of Board members and council members, and would be negligible.

Sincerely,

Jon Hummell,

Interim Director of the Budget

cc: Tom Day, KCC