

January 22, 2015

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 2036 by House Vision 2020 Committee

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2036 is respectfully submitted to your committee.

HB 2036 would allow any electric customer to purchase electricity directly from a renewable energy supplier after giving the local certificated electric supplier 180 days' notice. The Kansas Corporation Commission (KCC) would be authorized to approve tariffs for a utility from a renewable energy supplier to a renewable energy customer. Those tariffs would include all transmission, distribution, and standby rates, customer charges, and any ancillary charges. Any renewable energy credits created by the renewable energy supplier providing electricity over a certificated utility's electric lines would be credited to the utility.

The bill would also establish requirements for renewable energy customers, including operations and maintenance, reliability, safety, interconnection, and performance so that those costs would not be borne by any incumbent utility. HB 2036 would exclude renewable energy suppliers from the definition of a public utility and also from the definition of retail electric supplier.

The KCC indicates that the fiscal effect resulting from the passage of HB 2036 would be negligible.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Amy Gilbert, KCC
Larry Baer, LKM