

March 6, 2017

The Honorable Robert Olson, Chairperson  
Senate Committee on Utilities  
Statehouse, Room 236-E  
Topeka, Kansas 66612

Dear Senator Olson:

**SUBJECT:** Fiscal Note for SB 209 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 209 is respectfully submitted to your committee.

SB 209 would require that consumers' electric bills be "unbundled." Unbundling refers to breaking the base rate and customer charge into the respective pro rata portion related to generation, transmission, and distribution. The bill would specify the information that must be included on any bill provided by a retail electric supplier for metered electricity service to a customer. It would allow any Kansas retail electric customer-owner to bring an action to enforce the requirements of the bill for a hearing before the Kansas Corporation Commission (KCC). In addition, the bill would require the KCC to establish rules and regulations for unbundling, and on and after July 1, 2018, all consumer electric bills would be unbundled.

Estimated State Fiscal Effect				
	FY 2018 SGF	FY 2018 All Funds	FY 2019 SGF	FY 2019 All Funds
Revenue	--	--	--	--
Expenditure	--	\$74,905	--	\$73,605
FTE Pos.	--	1.00	--	1.00

According to the KCC, SB 209 is a companion bill to SB 183, which would create the Retail Choice Act. The KCC estimates that enactment of SB 209 would result in costs to the agency of \$74,905 in FY 2018 and \$73,605 in FY 2019 and out years for 1.00 FTE position in

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the Economic and Rates Section. The agency indicates that unbundling is extremely complex and time consuming; thus it would not be able to adopt rules and regulations within the time period provided in the bill. Any fiscal effect associated with SB 209 is not reflected in *The FY 2018 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,  
Director of the Budget

cc: Amy Green, KCC