

Landon State Office Building
900 SW Jackson Street, Room 504
Topeka, KS 66612



Phone: (785) 296-2436
Fax: (785) 296-0231
shawn.sullivan@ks.gov

Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

January 30, 2018

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

Dear Senator Olson:

SUBJECT: Fiscal Note for SB 279 by Senate Committee on Utilities

In accordance with KSA 75-3715a, the following fiscal note concerning SB 279 is respectfully submitted to your committee.

SB 279 would amend existing law concerning the gas safety reliability surcharge (GSRS) to include meters in the definition of "natural gas utility plant projects" that are installed to replace, upgrade or modernize existing facilities. System security costs and investments made in accordance with a utility's safety and risk management programs would also be included in that definition. The bill provides an extensive definition of "regulatory asset" and "system security," and in each occurrence of "eligible infrastructure system replacements" contained in existing law, changes the usage to "eligible infrastructure system investments" or "eligible infrastructure system investments or regulatory assets." Current law prohibits an increase to the GSRS of more than \$0.40 monthly per residential customer. SB 279 would change that upper limit to \$0.80 monthly.

The Kansas Corporation Commission does not anticipate any fiscal effect from enactment of SB 279.

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: Jake Fisher, KCC