

January 25, 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 293 by Senate Committee on Utilities

In accordance with KSA 75-3715a, the following fiscal note concerning SB 293 is respectfully submitted to your committee.

Current law authorizes any municipal energy agency to operate as a public utility without obtaining a certificate from the Kansas Corporation Commission (KCC). SB 293 would specify that a municipal energy agency is exempt from the jurisdiction, regulation, supervision and control of the KCC; however, the KCC would continue to have authority over municipal energy agencies with regard to regulation of charges, fees, and tariffs for transmission services; certain sales of power for resale; wire stringing; and transmission line siting.

The KCC indicates that enactment of SB 293 would have no fiscal effect. According to the League of Kansas Municipalities, enactment of SB 293 would significantly decrease regulatory costs for cities that are members of municipal energy agencies. The estimated initial fiscal effect of this bill on these cities would be an overall reduction of at least \$700,000, with reduced costs of approximately \$400,000 each year following.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Jake Fisher, KCC
Chardae Caine, League of Municipalities