

SESSION OF 2012

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2446

As Amended by House Committee of the Whole

Brief*

HB 2446 would amend the Renewable Energy Standards Act by broadening the definition of renewable energy resources and by freezing the affected utilities' required level of renewable generation at 10 percent if construction has not begun by January 1, 2016, on the second coal-fired generation facility at Sunflower Electric Power Corporation's Holcomb Station.

The bill would broaden the definition of "renewable energy resource" by including energy storage as a resource, and by removing existing limitations on the type of new hydropower that could qualify as a renewable energy resource. Energy storage that is connected to any renewable generation by means of energy storage equipment would be considered a renewable resource for purposes of the Act.

Current law requires utilities (except those owned by municipalities) to have net renewable generating capacity constituting at least 10 percent of their peak demand in calendar years 2011 through 2015, at least 15 percent in 2016 through 2019, and at least 20 percent beginning in 2020. Under the bill, if construction on the new, permitted coal-fired generating facility at Holcomb Station had not begun by January 1, 2016, the renewable requirement would not increase, but would instead be held at 10 percent.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Background

In the House Energy and Utilities Committee, Representative Tom Sloan testified, in regard to energy storage, that this bill would be important to renewable energy developers, electric utilities, the Southwest Power Pool, and electric customers as they seek to move renewable energy from simply being energy to capacity available for dispatch. There was no testimony in opposition to the bill.

The House Energy and Utilities Committee amended the bill to remove language that defined new hydropower as a renewable energy resource only if the hydropower had a nameplate rating of ten megawatts or less.

The House Committee of the Whole amended the bill to prevent the current renewable generation portfolio requirements from increasing beyond 10 percent beginning in 2016, if construction on the second generating facility at Holcomb Station had not begun by that date. The Department of Health and Environment issued a final Air Emission Source Construction Permit for the facility in December, 2010, but challenges to the permit are currently under consideration in the courts.

The fiscal note prepared by the Division of the Budget on the bill indicates that the bill would have no fiscal effect.