

February 28, 2013

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 2241 by House Committee on Energy and Environment

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2241 is respectfully submitted to your committee.

HB 2241 would amend current law regarding the portfolio requirements for renewable energy resources. The bill would include the following changes:

1. Renewable energy credits could be used to meet only a portion of portfolio requirements for the years 2011 and 2018, unless otherwise allowed by the Kansas Corporation Commission (KCC). Currently, they would be allowed in 2011, 2016, 2018, and 2020;
2. The dates previously established for renewable energy portfolio requirements would be extended;
3. Any new generation added to an affected utility's portfolio after calendar year 2020 would not be included in determining the utility's portfolio requirement;
4. The KCC could delay the 15.0 percent portfolio requirement for an affected utility for a specified period of time upon a showing of good cause. Good cause would include, but would not be limited to, the availability of firm transmission service or excessive costs to retail electric customers;
5. The current standard of not less than 20.0 percent of an affected utility's peak demand for each calendar year beginning in 2020 be renewable energy, based on average demand of the prior three years has been removed; and
6. Firm transmission service would be defined as service that may not be interrupted for any reason except during an emergency when continued delivery of power is not possible.

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Page 2—HB 2241

The passage of HB 2241 would have no fiscal effect on the Kansas Corporation Commission.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Tom Day, KCC