

KANSAS OFFICE *of*
REVISOR *of* STATUTES

LEGISLATURE *of* THE STATE *of* KANSAS
Legislative Attorneys transforming ideas into legislation.

300 SW TENTH AVENUE ■ SUITE 24-E ■ TOPEKA, KS 66612 ■ (785) 296-2321

MEMORANDUM

To: House Committee on Energy, Utilities and Telecommunications
From: Nick Myers, Assistant Revisor of Statutes
Date: March 19, 2019
Subject: Substitute for Senate Bill 69

Substitute for Senate Bill 69 would require the Legislative Coordinating Council to commission a study of the retail electric rates of Kansas electric public utilities. The bill would require the LCC to select one or more independent organizations with experience in evaluating electric utilities to conduct the study. The LCC would be required to make such selection through an affirmative vote of at least five members of the LCC with at least one affirmative vote by a member of the minority party.

The study would evaluate public utilities under the jurisdiction of the Kansas Corporation Commission, Kansas electric cooperatives, and the three largest municipally owned or operated electric utilities. The costs of the study would be assessed by the Kansas Corporation Commission upon the utilities that are subject to the study.

Sub for SB 69 would require the study to be completed in two parts. The first part would comprise the findings made pursuant to subsection (c)(1) and (c)(2) which is to be completed by January 8, 2020, and the second part would comprise the findings made pursuant to subsection (c)(3) which is to be completed by July 1, 2020. The study would be required to be made available on the KCC's website.

Part one of the study would generally require a study of the effectiveness of current Kansas ratemaking practices and options that are available to the KCC and the Kansas Legislature to make Kansas retail electricity prices regionally competitive. Part two of the study would generally require a study of any other issues that materially impact Kansas electricity rates. The specific components that would be required to be studied under parts one and two of the study are found in subsection (c)(1) through (3).