

January 25, 2012

The Honorable Carl Holmes, Chairperson
House Committee on Energy and Utilities
Statehouse, Room 174-W
Topeka, Kansas 66612

Dear Representative Carl Holmes:

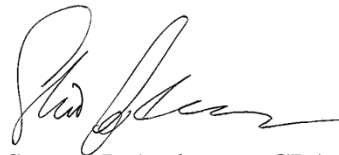
SUBJECT: Fiscal Note for HB 2445 by House Committee on Energy and Utilities

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2445 is respectfully submitted to your committee.

HB 2445 would require the Kansas Corporation Commission to determine, for rate-making purposes, how energy storage will be considered as it may serve and enhance the generation, transmission, and distribution systems. This determination would be due January 1, 2013 so that utilities and the regional transmission organization can plan effectively. The bill would define an "energy storage device" as equipment used to store electricity for release when needed. This would include batteries, fly wheels, compressed air storage, and pumped hydro. The bill would be effective upon publication the statute book.

The Kansas Corporation Commission indicates that passage of the bill would have no fiscal effect.

Sincerely,



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

cc: Tom Day, KCC
Steve Neske, Revenue