

Comparison of HB 2084, as amended, and the substitute proposed by Bruce Snead and the KCC. [March 4, 2005]

[Note: double strikeout indicates portions removed by substitute. Bold, italics and underline indicate substitute additions. Remaining bold and single strikeouts indicate original amendments made in the House.]

AN ACT concerning certain public utilities; relating to energy efficiency and conservation programs for certain customers; providing for recovery of certain amounts therefor.

Be it enacted by the Legislature of the State of Kansas:

Section 1. As used in this act:

(a) "Commission" means the state corporation commission.

(b) "Energy conservation improvement" means a project that results in energy conservation

~~Section 1. (a) The~~ **For energy efficiency and conservation programs receiving prior approval of the commission, § 2.** The state corporation commission shall authorize any electric public utility or natural gas public utility to recover 112% of any **the utility's authorized rate of return on prudent and reasonable** investments by such utility in energy efficiency and conservation programs for residential customers who ~~have an energy audit and are~~, **at the time of the investment**, current in the payment of their utility bills or payments under their utility bill payment plan, **provided these investments are made as part of energy efficiency and conservation programs that have received prior approval of the commission.**

~~(b) The~~ **For energy efficiency and conservation programs receiving prior approval of the commission, the** commission shall authorize any electric public utility or natural gas public utility to recover 112% of any **the utility's authorized rate of return on** investments by such utility in programs to reduce uncollectible bills of residential customers of the utility through prepaid energy cards or similar programs that place responsibility for wise use of energy on customers at high risk of having uncollectible bills. ~~Before the commission authorizes the recovery, the utility shall be required to submit to and obtain approval by the commission of the utility's policies for identifying such high risk customers. Such policies shall take into account the customer's previous failures to meet terms of payment plan agreements, landlord preferences and such other factors as agreed to by the utility and the commission. The cold weather rule adopted by the commission in docket 158-796-U shall not apply to customers participating in programs instituted pursuant to this subsection. a customer participating in a program instituted pursuant to this subsection if such customer has failed at least three times to fulfill agreements with the utility and the utility has notified such customer of the risk of losing utility service. The utility shall provide the state corporation commission with a list of such customers.~~

~~(c) The state corporation commission shall authorize any electric public utility or natural gas public utility to recover 110% of any investments by such utility in energy efficiency~~

~~and conservation programs for commercial customers who have an energy audit and are current in payment of their utility bills.~~

Sec. 3. (a) The commission may, by order, establish a list of programs, and from time to time change and or subtract from said list of programs, that may be offered as energy efficiency and conservation programs by any electric public utility or natural gas public utility. In establishing the programs, the commission shall consult political subdivisions and nonprofit and community organizations, especially organizations such as the Citizen's Utility Ratepayer Board and those engaged in providing energy and weatherization assistance to low-income persons, and review existing studies of exemplary energy efficiency and conservation programs conducted by other states, regulatory agencies, utilities and energy related organizations.

(b) The commission may propose an electric or natural gas public utility make investments and expenditures in energy efficiency and conservation programs, explicitly setting forth terms under which the improvements must be offered to customers.

(c) The commission may require a utility to conduct an energy efficiency and conservation program, investment or expenditure whenever the commission finds that the energy conservation improvements in the program will result in energy savings at a total cost to the utility less than the cost to the utility to produce or purchase an equivalent amount of new supply of energy.

(d) The commission may contract with any qualified entity to review, evaluate or manage public utility and commission proposed energy efficiency and conservation programs.

Sec. 4 (a) In the process of evaluation and approval of proposed energy efficiency and conservation programs, the commission shall consider:

(1) The proposed time period for the program and how that addresses initiation, promotion, implementation and evaluation of program effectiveness.

(2) The cost-effectiveness and the reliability of technologies employed.

(3) The percentage of proposed program expenditures devoted to residential programs that directly address the energy efficiency and conservation of residential rental property, and low-income persons.

(4) The mechanism or process for an independent audit of the utility's energy efficiency and conservation programs, investments, expenditures, and related energy savings.

(5) Other relevant factors or criteria.

Sec. 5 This act shall not preclude the commission and the public utility from entering into energy efficiency and conservation agreements not undertaken pursuant to this act nor preclude the commission from exercising its authority pursuant to KSA 66-117(e).

Sec. 26. This act shall take effect and be in force from and after its publication in the statute book.