

LEGISLATURE of THE STATE of KANSAS

Legislative Attorneys transforming ideas into legislation.

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MEMORANDUM

To:

House Committee on Energy, Utilities and Telecommunications

From:

Office of Revisor of Statutes

Date:

February 9, 2023

Subject:

HB 2225: Limiting cost recovery for certain electric public utilities'

transmission-related costs.

House bill 2225 amends K.S.A. 66-1237 which authorizes an electric utility subject to the regulation of the KCC to recover costs associated with the transmission of electric power through a transmission delivery charge.

House bill would allow a for-profit investor-owned electric utility that serves more than 20,000 Kansas customers to recover transmission-related costs through a transmission delivery charge when such costs are the result of transmission facilities that were constructed due to a notice to construct or other directive from a regional transmission organization regulated by the federal energy regulatory commission.

House bill 2225 would prohibit such for-profit investor-owned electric utility from recovering costs throughs a transmission delivery charge when such costs are the result of a utility's internal planning or a local planning process without a notice or directive from a regional transmission organization approved by FERC.

Additionally, if a for-profit investor-owned electric utility is recovering through a transmission delivery charge costs associated with internal or local planning through a transmission delivery charge when the section is effective, then within 90 days, the utility shall file with the KCC a revision to no longer include such costs. Then, within 240 days of such revision, the KCC shall remove the costs from the transmission delivery charge and such costs to the utility's rate base.