

KANSAS CORPORATION COMMISSION

FY 2023 – FY 2025 BUDGET ANALYSIS

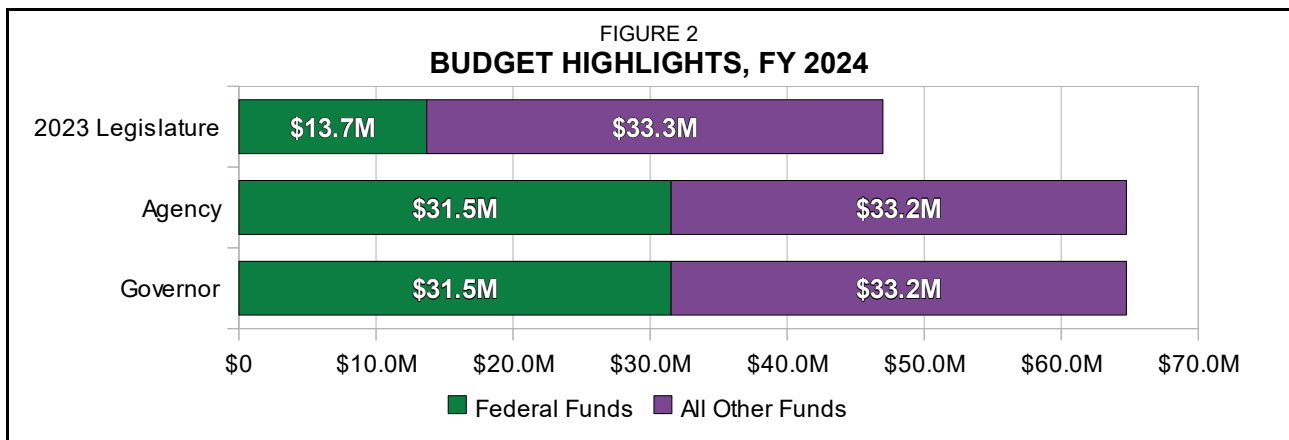
FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	26,599,855	31,531,178	31,531,178	66,561,259	66,561,259
All Other Funds	24,095,172	33,235,019	33,235,019	34,195,317	34,195,317
<i>Subtotal</i>	<i>\$ 50,695,027</i>	<i>\$ 64,766,197</i>	<i>\$ 64,766,197</i>	<i>\$ 100,756,576</i>	<i>\$ 100,756,576</i>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
TOTAL	\$ 50,695,027	\$ 64,766,197	\$ 64,766,197	\$ 100,756,576	\$ 100,756,576
Percentage Change:					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	114.8 %	27.8 %	27.8 %	55.6 %	55.6 %
FTE Positions	204.5	204.5	204.5	204.5	204.5

The Kansas Corporation Commission (KCC) is responsible for regulating and overseeing the safety of public utilities, common carriers, motor carriers, and oil and gas producers. Additionally, the agency is involved in developing the State's energy policy, and it administers conservation projects that promote the efficient use of energy.

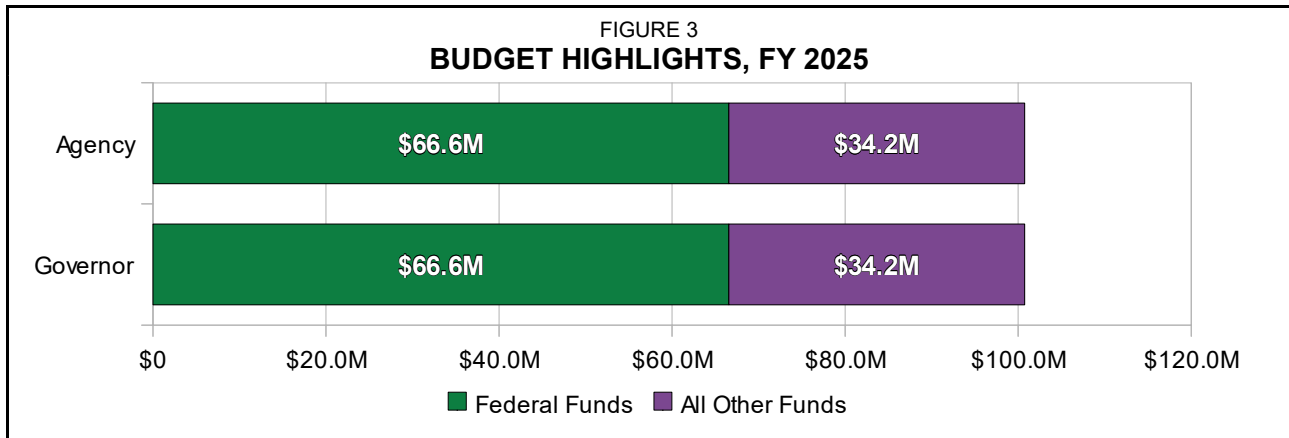
EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$47.0 million, all from special revenue funds, for the Kansas Corporation Commission for FY 2024.



The **agency** requests a revised estimate of \$47.0 million, all from special revenue funds, in expenditures and 204.5 FTE positions in FY 2024. This is an increase of \$17.8 million, or 37.8 percent, above the agency's approved amount for FY 2024. The largest increase in the agency's revised estimate is for expenditures relating to new federal funding made available through the Inflation Reduction Act (IRA) and the Infrastructure Investment and Jobs Act (IIJA). Funding for these initiatives total 10.5 million in FY 2024.

The **Governor** concurs with the agency's FY 2024 revised estimate.



The **agency** requests \$100.8 million, all from special revenue funds, in expenditures and 204.5 FTE positions for FY 2025. This is an increase of \$36.0 million, or 55.6 percent, above the FY 2024 revised estimate. The largest increase above the FY 2024 revised estimate is in the new federal funding made available through the IRA and the IJJA. Funding for these initiatives total \$44.9 million in FY 2025, which is \$34.4 million more than in FY 2024.

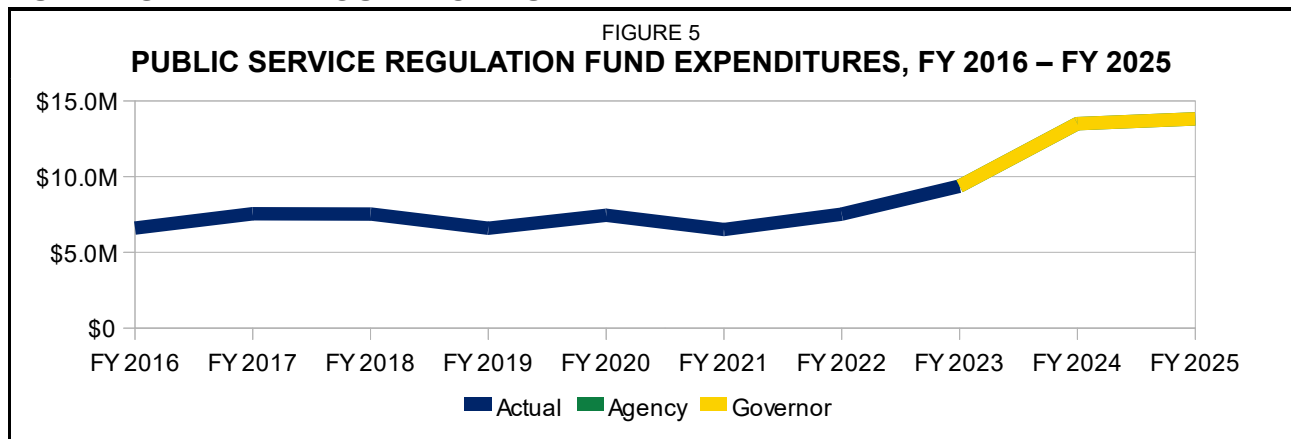
The **Governor** concurs with the agency's FY 2025 request.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

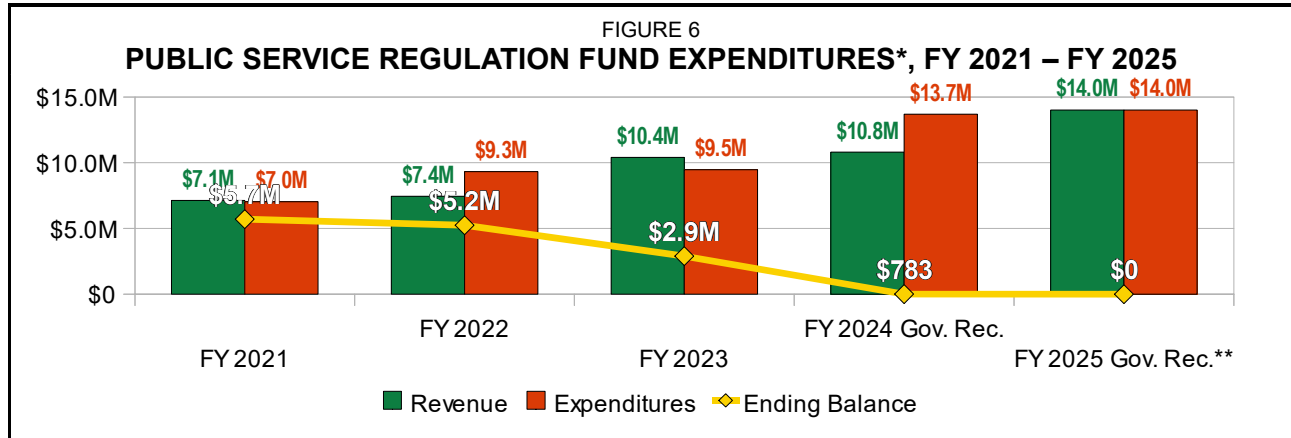
Category of Expenditure:	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Salaries and Wages	\$ 14,319,467	\$ 17,923,153	\$ 17,923,153	\$ 17,895,595	\$ 17,895,595
Contractual Services	35,513,133	33,893,581	33,893,581	65,440,754	65,440,754
Commodities	340,901	360,173	360,173	360,173	360,173
Capital Outlay	521,526	3,702,441	3,702,441	3,742,441	3,742,441
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<u>\$ 50,695,027</u>	<u>\$ 55,879,348</u>	<u>\$ 55,879,348</u>	<u>\$ 87,438,963</u>	<u>\$ 87,438,963</u>
Aid to Local Units	-	3,886,849	6,886,849	3,773,023	3,773,023
Other Assistance	-	5,000,000	5,000,000	9,544,590	9,544,590
<i>Subtotal—Operating</i>	<u>\$ 50,695,027</u>	<u>\$ 64,766,197</u>	<u>\$ 67,766,197</u>	<u>\$ 100,756,576</u>	<u>\$ 100,756,576</u>
Capital Improvements	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
TOTAL	<u>\$ 50,695,027</u>	<u>\$ 64,766,197</u>	<u>\$ 67,766,197</u>	<u>\$ 100,756,576</u>	<u>\$ 100,756,576</u>
Financing:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Public Service Regulation Fund	9,368,377	13,497,894	13,497,894	13,812,160	13,812,160
Conservation Fee Fund	8,680,670	12,592,341	12,592,341	12,882,498	12,882,498
Abandoned Oil and Gas Well Fund	2,603,524	2,177,192	2,177,192	2,177,192	2,177,192
Federal Funds	26,599,855	31,531,178	31,531,178	66,561,259	66,561,259
All Other Funds	3,442,601	4,967,592	4,967,592	5,323,467	5,323,467
TOTAL	<u>\$ 50,695,027</u>	<u>\$ 64,766,197</u>	<u>\$ 64,766,197</u>	<u>\$ 100,756,576</u>	<u>\$ 100,756,576</u>
FTE Positions	204.5	204.5	204.5	204.5	204.5

PUBLIC SERVICE REGULATION FUND



The Public Service Regulation Fund is used to finance payments for outside accounting, legal, and economic advisory services incurred in connection with the investigation of a utility or common carrier for violating, refusing, or failing to obey any lawful requirement or any order of the KCC. The KCC is empowered to assess a fine against a utility or common carrier company undergoing investigation of up to three-fifths of 1.0 percent (*i.e.*, 0.6 percent) of the gross revenue derived from the company's intrastate operations in the preceding year.

PUBLIC SERVICE REGULATION FUND

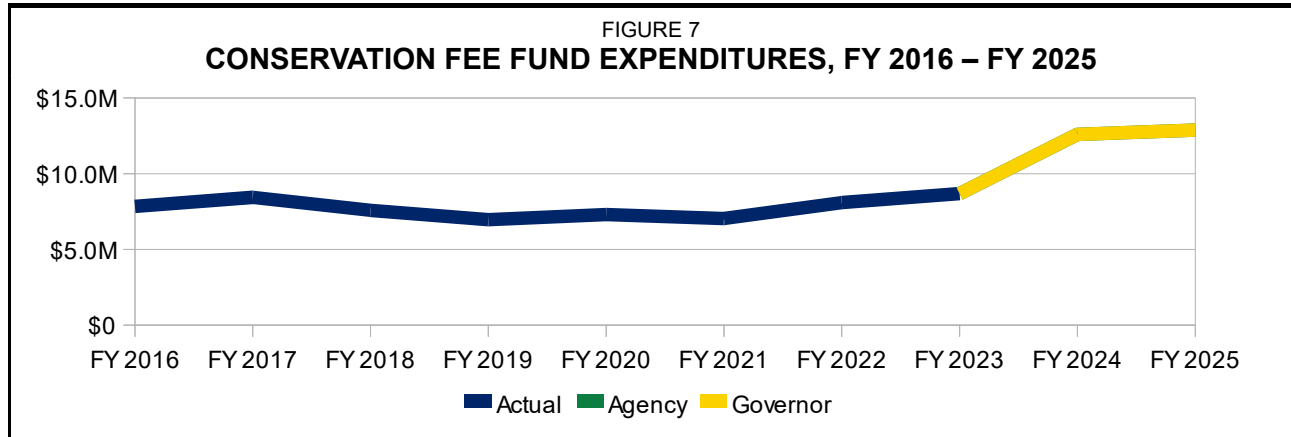


* Staff note: Figures include transfers as well as both on- and off-budget amounts.

** For FY 2025, the lowest month ending balance for the Public Service Regulation Fund will occur in September, with a balance of \$40.

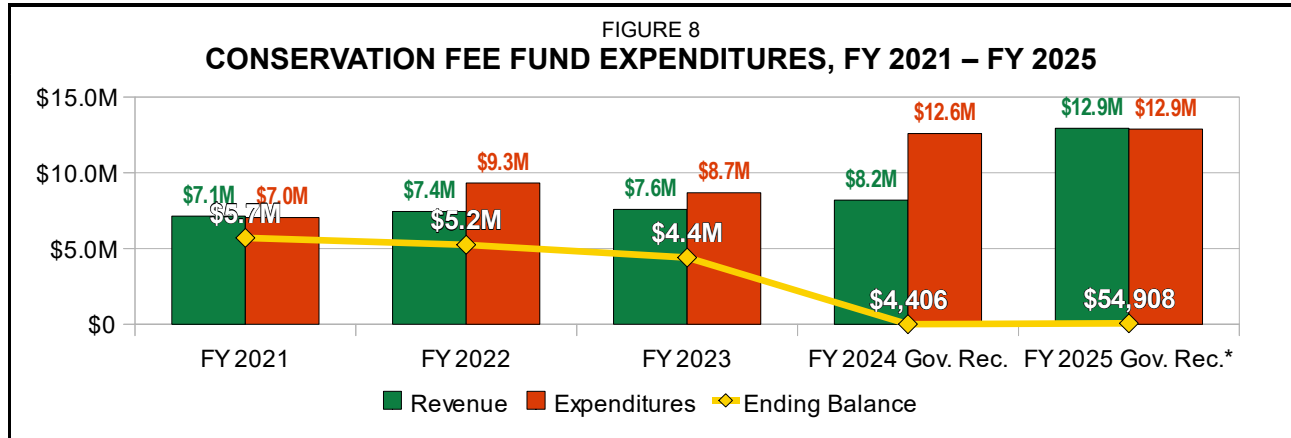
The agency estimates increased expenditures from the Public Service Regulation Fund in FY 2024 and for FY 2025 when compared with FY 2023. For FY 2024, expenditures are estimated to be approximately \$4.1 million, or 44.1 percent, higher than in FY 2023. Notably, the 2023 Legislature approved expenditures totaling \$13.5 million from the Public Service Regulation Fee Fund for FY 2024. The increase in FY 2024 is primarily attributable to ongoing expenditures relating to the the overhaul of the agency's docket system as approved by the 2023 Legislature. Similarly, the agency estimates sustained increases in expenditures from the fund for FY 2025 when compared with the previous fiscal years.

CONSERVATION FEE FUND



The Conservation Fee Fund provides funding for the administration of operations and oversight of oil and gas activities. It is funded by assessments and fees on the petroleum industry.

CONSERVATION FEE FUND



* For FY 2025, the lowest month ending balance for the Conservation Fee Fund will occur in April, with a balance of \$39,071.

The agency estimates increased expenditures from the Conservation Fee Fund in FY 2024 and for FY 2025 when compared with FY 2023. This increase is a result of federal action taken regarding the Orphaned Well Site Plugging, Remediation, and Restoration Program (Orphaned Well Program). While the agency has secured federal funding for the initiative, the agency also estimates increasing expenditures from the Conservation Fee Fund. Notably, the 2023 Legislature approved expenditures totaling \$12.5 million from the Conservation Fee Fund for FY 2024.

FY 2024 ANALYSIS

FIGURE 9

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ -	\$ 46,990,045	204.3
1. No Changes	-	-	--
<i>Subtotal—Legislative Approved</i>	<u>\$ -</u>	<u>\$ 46,990,045</u>	<u>204.3</u>
Agency Revised Estimate:			
2. Federal IIJA and IRA Initiatives	\$ -	\$ 10,479,567	--
3. Orphaned Well Program	-	6,000,000	--
4. Existing Energy Programs	-	1,325,356	
5. All Other Adjustments	-	(28,771)	0.3
<i>Subtotal—Agency Revised Estimate</i>	<u>\$ -</u>	<u>\$ 64,766,197</u>	<u>204.5</u>
Governor’s Recommendation:			
6. No Changes	\$ -	\$ -	--
TOTAL	<u><u>\$ -</u></u>	<u><u>\$ 64,766,197</u></u>	<u><u>204.5</u></u>

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, no adjustments were made to the \$47.0 million appropriated to the Kansas Corporation Commission in FY 2024.

- NO CHANGES.** No adjustments were made to the \$47.0 million appropriated to the agency in FY 2024.

AGENCY ESTIMATE

The **agency** estimates revised FY 2024 expenditures of \$64.8 million, all from special revenue funds. This is an increase of \$17.8 million, or 37.8 percent, above the FY 2024 approved amount.

Significant adjustments are as follows:

- FEDERAL IIJA AND IRA INITIATIVES.** New U.S. Department of Energy federal grant funds made available through the IRA and the IIJA include Energy Efficiency and Conservation Block Grant, Energy Efficiency Revolving Loan Fund, Grid Resilience 40101(d), and IRA rebates. Some expenditures relating to these grants will be used for contracting with vendors to assist with grant writing and program rollout, including design, implementation, and administration of the grant programs. The agency's revised estimate includes \$10.5 million for funding made available through these initiatives. Of this amount, \$8.9 million is for grants, while the remaining balance is for contracting with vendors to assist with grant writing and program rollout.
- ORPHANED WELL PROGRAM.** The agency is responsible for administering the Orphaned Well Program. The program was created by the federal government in November 2021. As a part of the program, Kansas was awarded \$25.0 million over three years to plug prioritized abandoned wells across the state. For FY 2024, the agency's revised estimate for the Orphaned Well Program is \$6.0 million above the agency's approved budget. Funding would assist in plugging more than 2,300 abandoned oil and gas wells over the next two fiscal year.

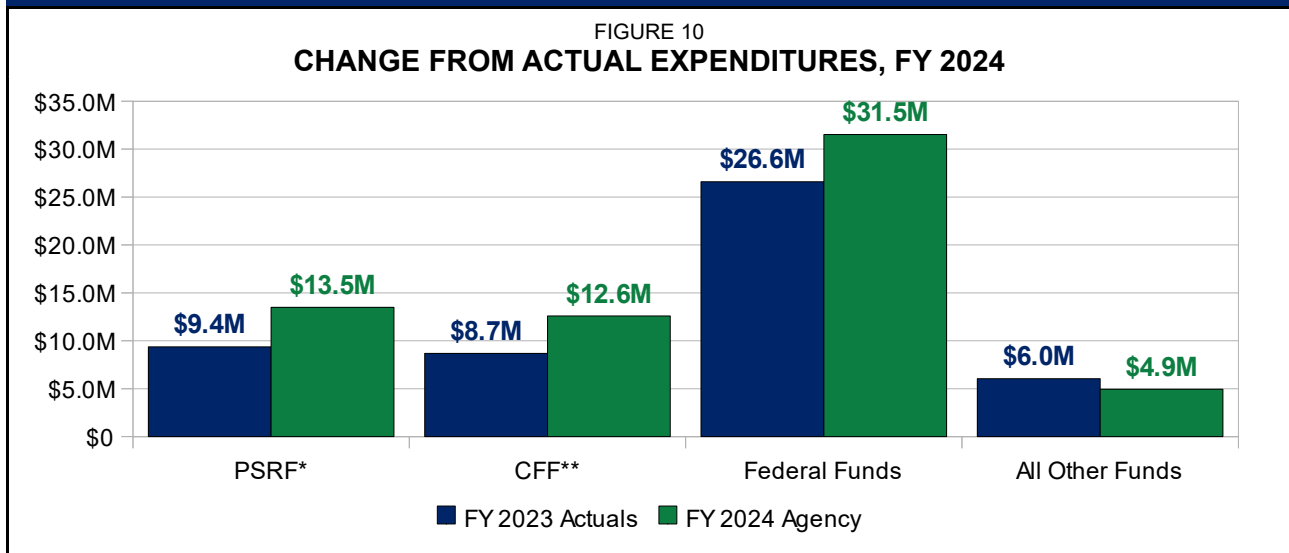
4. **EXISTING ENERGY PROGRAMS.** The agency's revised request for FY 2024 includes an increase of \$1.3 million, all from special revenue funds, for energy programs relating to the development and implementation of basic energy conservation plans within the state.
5. **ALL OTHER ADJUSTMENTS.** All other adjustments made by the agency are attributable to incremental adjustments made across all other funds utilized by the agency.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate of \$64.8 million, all from special revenue funds, in expenditures and 204.5 FTE positions in FY 2024.

6. **NO CHANGES.** The Governor does not recommend any changes to the agency's FY 2024 revised estimate.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



* Public Service Regulation Fee Fund (PSRF)

** Conservation Fee Fund (CFF)

The **agency** estimates revised expenditures of \$64.8 million, all from special revenue funds, in FY 2024. This is an increase of \$14.1 million, or 27.8 percent, above FY 2023 actual expenditures. The increase is primarily attributable to the following:

- Expenditures for the **Energy Division** are estimated at \$12.6 million for FY 2024, which is \$11.8 million, or 1,513.5 percent, above FY 2023 actual expenditures. This is primarily attributable to new federal funding made available in FY 2024 that was not available in FY 2023. Of this increase in expenditures, \$8.9 million is attributable to grants, while the remaining balance is mostly attributable to the agency contracting with vendors to assist with grant writing and rollout, including design, implementation, and administration of the programs.
- Increases in the **Utilities Division** for FY 2024 total \$4.0 million, all from special revenue funds, above FY 2023 actual expenditures. While this represents an increase over actual expenditures, estimated expenditures track closely with expenditures approved by the 2023 Legislature. Increases over actual expenditures are mostly attributable to the overhaul of the agency's docket system, along with increases in other contractual services.
- Increases in the **Administration Division** for FY 2024 total \$2.0 million above FY 2023 actual expenditures. Similar to increases in the Utilities Division, while estimated expenditures in FY 2024 are higher than actual expenditures in FY 2023, estimated expenditures track closely with expenditures approved for the Division by the 2023 Legislature. The increase is primarily attributable to ongoing expenditures relating to the overhaul of the agency's docket system.

FY 2025 ANALYSIS

FIGURE 11

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$	-	\$ 66,326,237
1. Federal IIJA and IRA Initiatives		-	34,430,339
<i>Subtotal—Agency Request</i>	\$	-	\$ 100,756,576
Governor’s Recommendation:			
2. No Changes	\$	-	-
TOTAL	\$	-	\$ 100,756,576
			204.5

AGENCY REQUEST

The **agency** requests expenditures totaling \$100.8 million, all from special revenue funds, for FY 2025. The agency's request, absent major changes, totals \$66.3 million.

1. **FEDERAL IIJA AND IRA INITIATIVES.** New U.S. Department of Energy federal grant funds made available through the IRA and the IIJA include Energy Efficiency and Conservation Block Grant, Energy Efficiency Revolving Loan Fund, Grid Resilience 40101(d), and IRA rebates. Some expenditures relating to these grants will be used for contracting with vendors to assist with grant writing and rollout. The agency's request includes an increase of \$34.4 million above the agency's FY 2024 request for funding made available through these initiatives. Of this amount, \$30.0 million is for contracting with vendors to assist with grant writing and program rollout, including design, implementation, and administration of the programs. The remaining balance, \$4.4 million, is for aid to local units and other assistance. The agency's request includes funding totaling \$44.9 million for these initiatives for FY 2025.

GOVERNOR’S RECOMMENDATION

The **Governor** concurs with the agency's request of \$100.8 million in expenditures and 204.5 FTE positions for FY 2025.

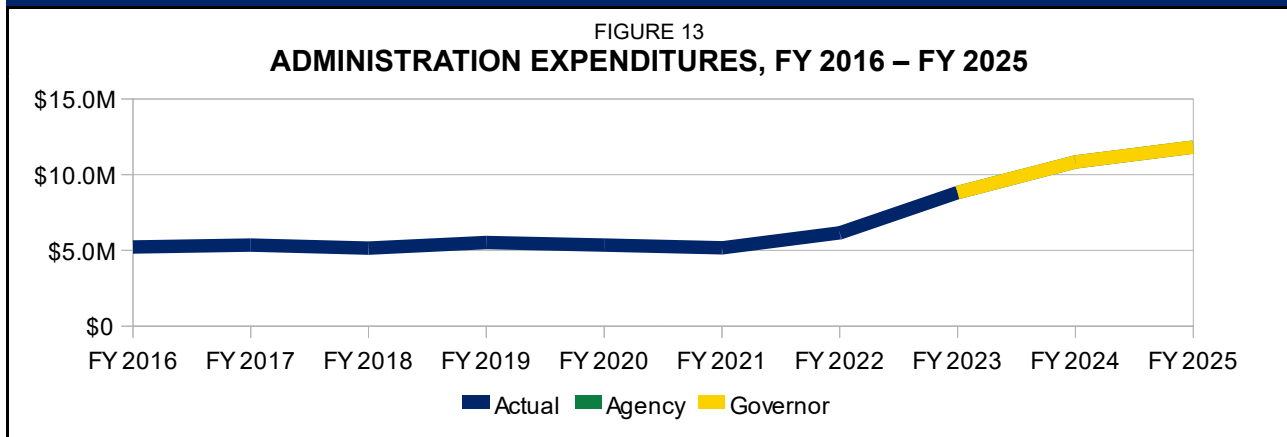
2. **NO CHANGES.** The Governor does not recommend any changes to the agency's FY 2024 request.

PROGRAM OVERVIEW

FIGURE 12
EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025

Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration	\$ 8,815,906	\$ 10,840,588	\$ 10,840,588	\$ 11,819,483	\$ 11,819,483
Utilities	4,145,974	8,150,566	8,150,566	8,103,675	8,103,675
Conservation	35,097,950	30,505,348	30,505,348	30,485,227	30,485,227
Transportation	1,854,991	2,681,212	2,681,212	2,727,901	2,727,901
Energy	780,206	12,588,483	12,588,483	47,620,290	47,620,290
TOTAL	\$ 50,695,027	\$ 64,766,197	\$ 64,766,197	\$ 100,756,576	\$ 100,756,576
FTE Positions:					
Administration	58.0	58.0	58.0	58.0	58.0
Utilities	38.5	38.5	38.5	38.5	38.5
Conservation	87.0	87.0	87.0	87.0	87.0
Transportation	19.0	19.0	19.0	19.0	19.0
Energy	2.0	2.0	2.0	2.0	2.0
TOTAL	204.5	204.5	204.5	204.5	204.5

ADMINISTRATION



STATUTORY BASIS: • KSA 74-601 to 74-631; 74-605; 74-606

- PROGRAM GOALS:**
- Protect the public interest by impartially, effectively, and efficiently regulating the rates, terms of service, and safety of public utilities and commercial trucking by regulating the production of crude oil and natural gas, and by promoting energy programs that improve energy efficiency in Kansas.
 - Ensure due process in KCC proceedings and ensure compliance with applicable statutes and regulations.
 - Maintain all dockets for the agency and ensure timely filing of all documents within the dockets.
 - Serve as a resource for the legislative process by providing technical information to legislators, their staff, and legislative committees in regard to subject matters under the agency's regulatory authority.
 - Provide a streamlined process for public participation, education, and protection for the general public regarding regulatory issues.
 - Implement programs and services to ensure a comprehensive and effective human resources effort for the KCC.
 - Provide responsive, cost-effective, and efficient information technology services to the agency.
 - Process all fiscal-related transactions for the agency and provide support to the divisions for purchases, travel, and other fiscal-related matters. Maintain financial integrity of the KCC.

The Administration Division includes the three Commissioners, the Executive Director, and an Executive Secretary. The Division is further composed of the following sections:

LEGAL SERVICES

The agency's legal staff is organized into two separate divisions, the **Office of General Counsel**, which represents the Commission, and the **Litigation Division**, which represents technical staff across the Conservation, Transportation, and Utilities Divisions. Both divisions have separate clients and dockets but otherwise offer similar services—providing legal advice, guidance, and support to the KCC.

PUBLIC AFFAIRS AND CONSUMER PROTECTION (PACP)

PACP staff provide education services and assistance to the general public with regulatory issues. PACP also assists with legislative initiatives, public outreach, and stakeholder communication and collaboration on special projects.

DOCKET ROOM/LEGISLATIVE AND COMPLIANCE

Docket Room staff are responsible for docketing and distribution of new applications to the Commission and assigned staff. **Legislative and Compliance** staff provide technical information to the Legislature as requested.

SUPPORT SERVICES

The Administration Division also provides support to its regulatory divisions, including **Human Resources, Information Technology (IT), and Fiscal Management**. Of note, IT staff maintain the agency's docket-management system. The current system uses a highly customized version of the STAR software package and includes e-filing services as well

as management of cases, dockets, and documents. The agency is actively working to replace this software and has received project approval from the Kansas Information Technology Office to issue a Request for Proposal (RFP) for a replacement. Once a vendor is selected, the agency will undergo a multiyear modernization process.

FIGURE 14
ADMINISTRATION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	1,241	-	-	-	-
All Other Funds	8,814,665	10,840,588	10,840,588	11,819,483	11,819,483
TOTAL	\$ 8,815,906	\$ 10,840,588	\$ 10,840,588	\$ 11,819,483	\$ 11,819,483
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	43.5 %	23.0 %	-- %	9.0 %	-- %
FTE Positions	58.0	58.0	58.0	58.0	58.0

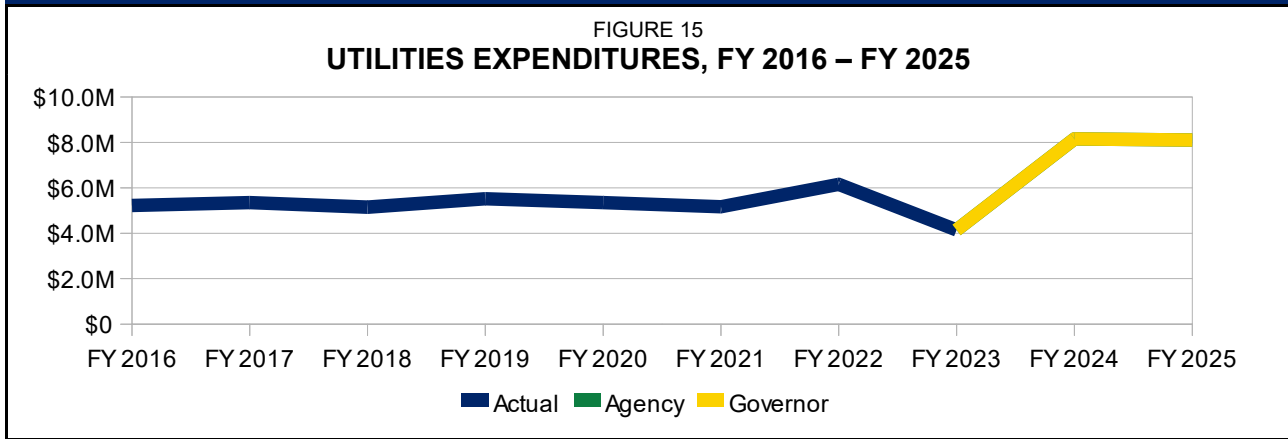
BUDGET ANALYSIS

The Administration Division requests FY 2025 expenditures of \$11.8 million, all from special revenue funds. This is an increase of \$978,895, or 9.0 percent, above the FY 2024 revised estimate. This increase is primarily attributable

to replacing the agency's docket-management system.

The **Governor** concurs with the agency's FY 2025 Administration Division request.

UTILITIES



- STATUTORY BASIS:** • KSA 74-601 to 74-631; 74-633
- PROGRAM GOALS:**
- Ensure the laws and regulations applicable to jurisdictional electric, natural gas, telecommunications, and water utilities are adhered to.
 - Provide recommendations and advice to the KCC to promote and assure sufficient, efficient, and safe utility services at reasonable and nondiscriminatory rates to consumers.
 - Minimize the safety risk of natural gas pipeline operations through the state by assuring safe operation through compliance with regulations. Initiate action to educate operators to lower safety risks of natural gas systems.
 - Lower the risk to public safety by reducing excavator damages to pipelines.
 - Protect the public interest through impartial, efficient, and transparent resolution of all jurisdictional issues through regulation and oversight of rates, services, and quality of service of jurisdictional telecommunications public utilities.

The Utilities Division is responsible for administering the regulation and statutes applicable to utilities under the KCC's jurisdiction, including electric, natural gas, telephone, liquid pipelines, and water utilities. It also regulates rates and other aspects of utility operations.

The primary responsibility of the Utilities Division is to make recommendations to the KCC concerning the fairness of utility rates and tariffs, as well as the efficiency and sufficiency of utility services and operations.

FIGURE 16
UTILITIES FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	671,506	1,151,371	1,151,371	1,149,219	1,149,219
All Other Funds	3,474,468	6,999,195	6,999,195	6,954,456	6,954,456
TOTAL	\$ 4,145,974	\$ 8,150,566	\$ 8,150,566	\$ 8,103,675	\$ 8,103,675
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	(7.1) %	96.6 %	-- %	(0.6) %	-- %
FTE Positions	38.5	38.5	38.5	38.5	38.5

BUDGET ANALYSIS

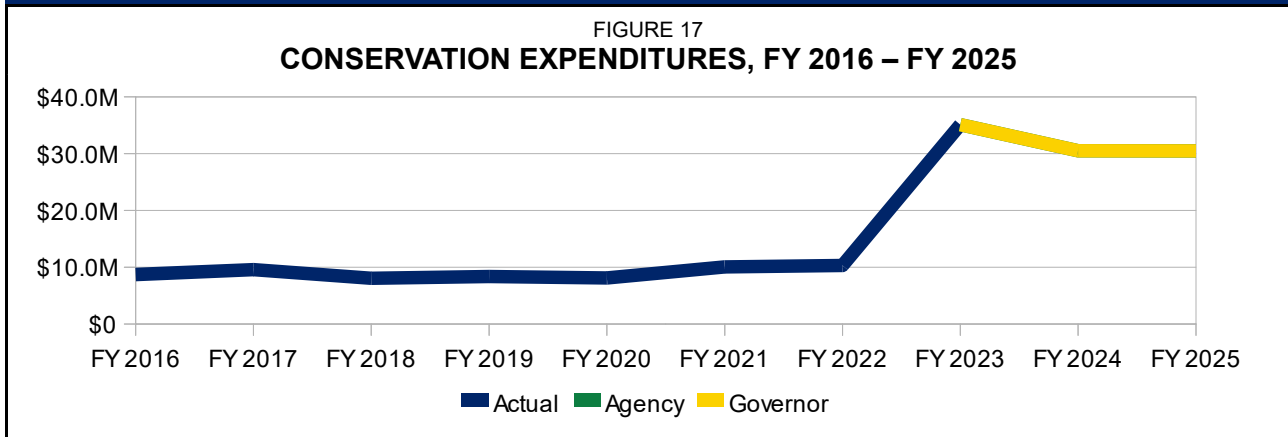
The Utilities Division requests FY 2025 revenue funds. This is a decrease of \$46,891, expenditures of \$8.1 million, all from special or 0.6 percent, below the FY 2024 revised

estimate. This is attributable to the agency estimating higher staff turnover within the Division in FY 2025 when compared with FY 2024. The agency notes that technical positions require college degrees, and fewer than five applicants apply for most postings. For example, the Commission has been recruiting an engineer position for approximately three

years with no success. The Commission also notes that, especially over the last two years, more employees are leaving the agency for the private sector where salaries are higher than what the Commission can offer.

The **Governor** concurs with the agency's FY 2025 Utilities Division request.

CONSERVATION



STATUTORY BASIS: • KSA 74-606; 74-623 to 74-628

PROGRAM GOALS:

- Regulate, enforce laws, and supervise activities associated with the exploration and production of oil and gas to prevent degradation of land and water resources.
- Timely reclaim and remediate land and water sources using allocated funds.
- Prevent waste in the production of crude oil and natural gas resources.
- Protect correlative rights of mineral owners and royalty interest holders.

The Conservation Division is responsible for administering the State's oil and gas field regulatory programs. More specifically, the Division enforces regulations and statutes concerning abandoned-well plugging and site remediation, underground injection control,

Mississippi Lime Play, hydraulic fracturing (fracking), permitting and compliance, land-spreading, intrastate gas storage, carbon dioxide sequestration, compressed air energy storage, and the Kansas Online Automated Reporting system.

FIGURE 18
CONSERVATION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	25,181,247	18,000,000	18,000,000	18,000,000	18,000,000
All Other Funds	9,916,703	12,505,348	12,505,348	12,485,227	12,485,227
TOTAL	\$ 35,097,950	\$ 30,505,348	\$ 30,505,348	\$ 30,485,227	\$ 30,485,227
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	240.8 %	(13.1) %	-- %	(0.1) %	-- %
FTE Positions	87.0	87.0	87.0	87.0	87.0

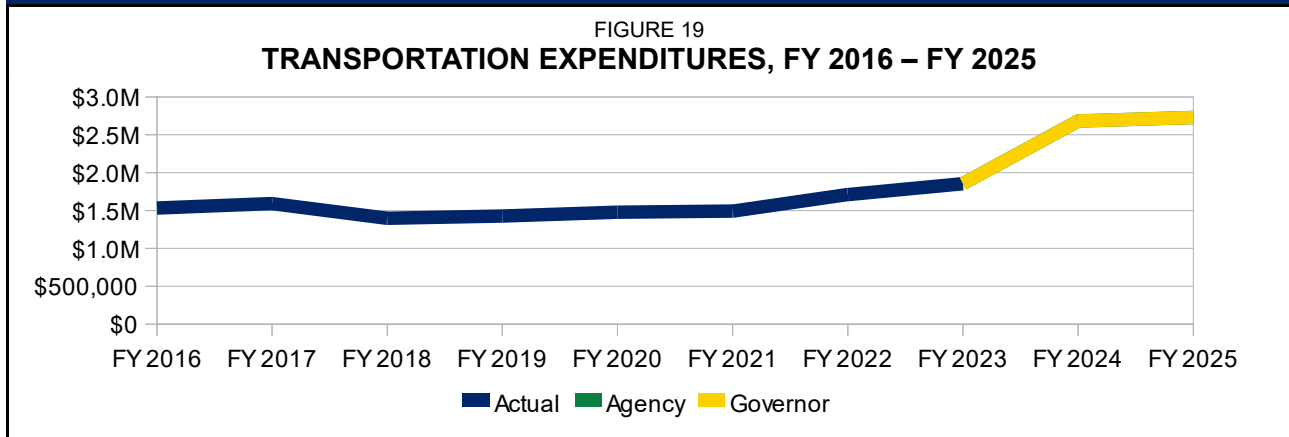
BUDGET ANALYSIS

Conservation Division expenditures total \$30.5 million, all from special revenue funds, for FY 2025. This is a decrease of \$20,121, or 0.1 percent, below the FY 2024 revised estimate. This decrease is primarily due to estimated changes in fringe benefit rates in FY 2025 when compared with FY 2024. Of note, the agency

estimates receiving \$18.0 million in federal funding for the Orphaned Well Program in FY 2024 and for FY 2025.

The **Governor** concurs with the agency's FY 2025 Conservation Division request.

TRANSPORTATION



- STATUTORY BASIS:** • KSA 66-1,108a, 1, 108b; 66-1, 112g; 66-1,114; 66-1,139(a); 66-1,129
- PROGRAM GOALS:**
- Reduce the number of accidents involving Kansas-based carriers in comparison to carriers based in Midwest states.
 - Reduce the number of conditional and unsatisfactory rated Kansas-based carriers.
 - Maintain a high rate of compliance of Kansas-based carriers with Unified Carrier Registration (UCR) requirements.

The Transportation Division regulates motor carriers of persons and property (common and private carriers) and works to assure compliance by regulated transportation industries in Kansas and safety for carrier-shippers and the consuming public.

The program helps protect the public interest and safety through comprehensive inspection, licensing, and planning.

FIGURE 20
TRANSPORTATION FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	1,854,991	2,681,212	2,681,212	2,727,901	2,727,901
TOTAL	\$ 1,854,991	\$ 2,681,212	\$ 2,681,212	\$ 2,727,901	\$ 2,727,901
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	240.8 %	44.5 %	-- %	1.7 %	-- %
FTE Positions	19.0	19.0	19.0	19.0	19.0

BUDGET ANALYSIS

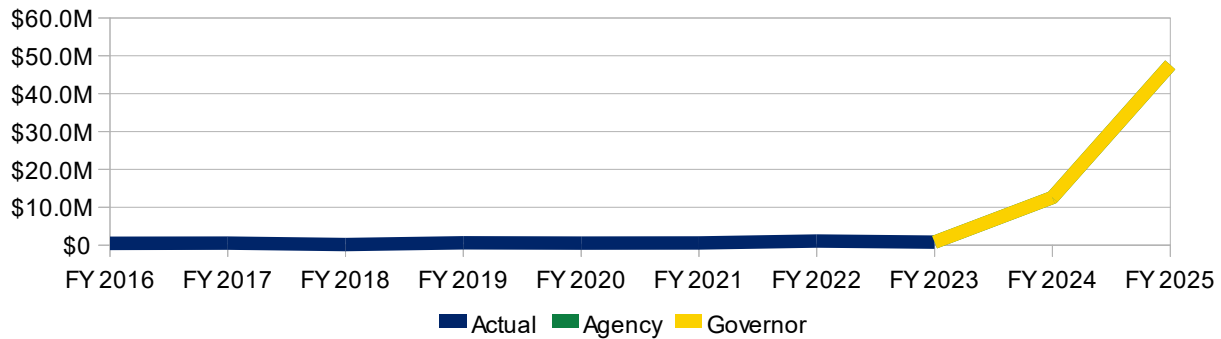
Transportation Division expenditures total \$2.7 million, all from special revenue funds, for FY 2025. This is an increase of \$46,689, or 1.7 percent, above the FY 2024 revised estimate. This increase is primarily due to replacing

agency vehicles utilized by staff located throughout the state.

The **Governor** concurs with the agency's FY 2025 Transportation Division request.

ENERGY

FIGURE 21
ENERGY EXPENDITURES, FY 2016 – FY 2025



STATUTORY BASIS: • KSA 74-616; 74-617; 74-622; 75-37,125; 75-37,129

- PROGRAM GOALS:**
- Increase energy conservation in small rural businesses and public buildings.
 - Increase the number of schools participating in K-12 energy benchmarking activities.
 - Expand energy efficiency education outreach (K-12, small business, and residential). This includes KidWind participants.

The Energy Division administers federal and state programs aimed at promoting energy conservation practices and delivering energy conservation services. The Energy Division works to identify opportunities to encourage energy conservation while fostering business development and efficient delivery of public services, particularly in rural Kansas. The Energy Division is funded through the U.S. Department of Energy’s State Energy Program.

enable "pass-through" grants, with the program goals designed to meet the various federal requirements. This federal funding includes: Grid Resilience (4010I(d)), Energy Efficiency and Conservation Block Grant, Energy Efficiency Revolving Loan Fund, and a one-time supplement for State Energy Program-IIJA. Some of these federal programs initiate in FY 2024, while others occur for FY 2025. The Energy Division will also receive additional federal funding from the IRA with two rebate programs. These rebate programs are focused on residential energy efficiency. They start in FY 2024 or FY 2025 and continue through FY 2031.

Energy Division funds are anticipated to increase over the coming years with funding from the IIJA. This will require the establishment of several new programs that will primarily

FIGURE 22
ENERGY FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	745,861	12,379,807	12,379,807	47,412,040	47,412,040
All Other Funds	34,345	208,676	208,676	208,250	208,250
TOTAL	\$ 780,206	\$ 12,588,483	\$ 12,588,483	\$ 47,620,290	\$ 47,620,290
Percent Change:					
SGF	-- %	-- %	-- %	-- %	-- %
All Funds	(28.9) %	1,513.5 %	-- %	278.3 %	-- %
FTE Positions	2.0	2.0	2.0	2.0	2.0

BUDGET ANALYSIS

The Energy Division requests FY 2025 expenditures of \$47.6 million, all from special revenue funds. This is an increase of \$35.0 million, or 278.3 percent, above the FY 2024 revised estimate. This increase is primarily attributable to estimated increases in contractual service expenditures as they relate

to the rollout of new federal IIJA and IRA initiatives.

The **Governor** concurs with the agency's FY 2025 Energy Division request.