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Sam Brownback, Governor

Jon Hummell, Interim Director

February 11, 2014

The Honorable Joe Seiwert, Chairperson House Committee on Utilities and Telecommunications Statehouse, Room 481-W Topeka, Kansas 66612

Dear Representative Seiwert:

SUBJECT: Fiscal Note for HB 2465 by House Committee on Energy and Environment

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2465 is respectfully submitted to your committee.

HB 2465 would allow any tax exempt organization to purchase electricity generated by a renewable energy facility by means of a renewable energy generator. The tax exempt organization would be required to provide to the utility currently serving the organization a notice of intent to install a renewable energy facility at least 90 days prior to energizing the facility. A renewable energy facility could not exceed 200.0 percent of the tax exempt organization's baseline annual usage over the previous three years. Any renewable energy credits created as a result of the construction of renewable energy facilities would be credited to the utility serving the tax exempt organization. The bill would also establish requirements for a tax exempt organization to enter into a contract with a utility and conform to specific terms and conditions.

Passage of HB 2465 would have a negligible fiscal effect for the Kansas Corporation Commission. The bill would have no effect on state tax receipts.

Sincerely,

Jon Hummell,

Interim Director of the Budget

cc: Tom Day, KCC Shonda Smith, CURB