

**66-2202. Definitions.** For the purposes of this act:

- (a) "GSRS" means gas system reliability surcharge;
- (b) "appropriate pretax revenues" means the revenues necessary to produce net operating income equal to:
  - (1) The natural gas public utility's weighted cost of capital multiplied by the net original cost of eligible infrastructure system replacements, including recognition of accumulated deferred income taxes and accumulated depreciation associated with eligible infrastructure system replacements which are included in a currently effective GSRS;
  - (2) recover state, federal and local income or excise taxes applicable to such income;
  - (3) recover depreciation expenses;
- (c) "commission" means the state corporation commission;
- (d) "eligible infrastructure system replacement" means natural gas public utility plant projects that:
  - (1) Do not increase revenues by directly connecting the infrastructure replacement to new customers;
  - (2) are in service and used and required to be used; and
  - (3) were not included in the natural gas public utility's rate base in its most recent general rate case;
- (e) "natural gas public utility" shall have the same meaning respectively ascribed thereto by subsection (a) of K.S.A. 66-1,200, and amendments thereto;
- (f) "natural gas utility plant projects" may consist only of the following:
  - (1) Mains, valves, service lines, regulator stations, vaults and other pipeline system components installed to comply with state or federal safety requirements as replacements for existing facilities;
  - (2) main relining projects, service line insertion projects, joint encapsulation projects and other similar projects extending the useful life or enhancing the integrity of pipeline system components undertaken to comply with state or federal safety requirements; and
  - (3) facility relocations required due to construction or improvement of a highway, road, street, public way or other public work by or on behalf of the United States, this state, a political subdivision of this state or another entity having the power of eminent domain provided that the costs related to such projects have not been reimbursed to the natural gas public utility;
- (g) "GSRS revenues" means revenues produced through a GSRS exclusive of revenues from all other rates and charges.

**History:** L. 2006, ch. 99, § 2; July 1.