

KANSAS OFFICE *of*  
**REVISOR *of* STATUTES**

LEGISLATURE *of* THE STATE *of* KANSAS

*Legislative Attorneys transforming ideas into legislation.*

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**MEMORANDUM**

To: Chairman Olson and Members of the Senate Committee on Utilities  
From: Matt Sterling, Assistant Revisor of Statutes  
Date: 01/25/2018  
RE: Senate Bill 293

SB 293 would amend K.S.A. 12-8,111 in the Kansas Municipal Energy Agency Act. The KMEAA, which consists of the provisions of K.S.A. 12-885 to 12-8,111, provides for the creation and regulation of municipal energy agencies. A municipal energy agency is defined in the Act as a “quasi-municipal corporation created by agreement between or among two or more cities pursuant to this act to exercise any of the powers granted by K.S.A. 12-885 to 12-8,111, inclusive, and amendments thereto, and including the acquisition, construction, reconstruction, operation, repair, extension or improvement of electric generation or transmission facilities or the acquisition of any interest therein or any right to part or all of the capacity thereof.”

Under current law, K.S.A. 12-8,111 provides that a municipal energy agency created under the Act is subject to the jurisdiction of the Kansas Corporation Commission in the same manner as a public utility except as it pertains to the requirement to obtain a certificate of public convenience and necessity pursuant to K.S.A. 66-131. The KCC recently issued an order on an issue concerning this statute. The question the Commission addressed was whether the statute required the Commission to regulate municipal energy agencies to the same extent that the commission regulates public utilities. The Commission ordered that MEAs are subject to Commission jurisdiction in all matters other than obtaining certificates of public convenience and necessity pursuant to K.S.A. 66-131.

SB 293 would strike the provision making MEAs subject to the jurisdiction of the KCC in the same manner as a public utility and would state instead that MEAs are not subject to KCC jurisdiction except as it pertains to the provision of services to entities that are not members of the MEA, sales of power for resale other than those allowed pursuant to K.S.A. 12-897 and 12-8,109, and wire stringing and transmission line siting requirements.

A technical correction is necessary in line 30 of the bill. The reference to transmission line siting should be to the entire Act, not just the definitions section, and should include “et seq.” after the statutory citation.