

SESSION OF 2008

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2632

As Recommended by House Committee on
Energy and Utilities

Brief*

HB 2632 would amend current law to require the Kansas Corporation Commission (KCC) to allow requesting utilities to capitalize and add to their rate base investments in and expenditures for energy efficiency, conservation, and demand management programs. Any such programs must be approved by the KCC.

Background

At the hearing held by the House Committee on Energy and Utilities, the bill was supported by representatives of Westar Energy, Kansas City Power and Light, the Climate and Energy Project of the Land Institute, the Kansas Chapter of the Sierra Club, and the Mid-America Regional Council. The Greater Kansas City Chamber of Commerce and the Olathe School District provided written testimony in support of the bill. Representatives of the Kansas Corporation Commission (KCC) and the Citizens' Utility Ratepayer Board (CURB) testified in opposition to the bill. AARP provided written testimony in opposition to the bill.

The fiscal note prepared by the Division of the Budget indicates that passage of the bill would have little or no fiscal effect on the operations of the KCC or CURB. According to the note, CURB believes mandating the inclusion of energy efficiency expenditures in the rate base of utilities would result in higher rates for consumers.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>