

HOUSE BILL No. 2049

By Committee on Utilities

1-12

9 AN ACT concerning certain electric utilities; providing for an additional
10 return on certain assets under certain circumstances.

11

12 *Be it enacted by the Legislature of the State of Kansas:*

13 Section 1. (a) As used in this section:

14 (1) "Electric public utility" means an electric public utility, as defined
15 in K.S.A. 66-101a, and amendments thereto, which is subject to rate reg-
16 ulation by the commission.

17 (2) "Commission" means the state corporation commission.

18 (b) Upon application, the commission shall allow a higher rate of
19 return on generation assets of any electric public utility during a calendar
20 year if the utility submits evidence, satisfactory to the commission, that
21 the utility has realized savings in fuel costs due to substituting one fuel
22 for another during the preceding calendar year and that customers of the
23 utility have directly benefited from the reduction in fuel costs. The higher
24 rate of return shall be subject to the following limitations:

25 (1) For each percent of the utility's fuel cost savings during the pre-
26 ceding year, the utility shall be allowed an additional 0.1% rate of return
27 on the utility's generation assets; and

28 (2) the total additional rate of return allowed shall not exceed 1%.

29 Sec. 2. This act shall take effect and be in force from and after its
30 publication in the statute book.