

SESSION OF 2007

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2220**

As Amended by Senate Committee on  
Utilities

**Brief\***

The bill would amend existing law regarding transmission charges for retail electric service. The bill would specifically authorize two procedures for approval of transmission-related charges by the Kansas Corporation Commission (KCC). The bill also would specifically authorize approval of transmission charges that result from “interim” federal transmission cost orders.

Under the bill, transmission charges could be determined by the KCC in response to a general retail rate application or as part of a full rate case. Under current law, as interpreted by Kansas courts, transmission delivery charges cannot be determined during a rate case.

In regard to transmission charges resulting from federal orders, the bill would authorize the KCC to order changes to a utility’s transmission charge if a federal transmission rate order changes. Under current law, utilities have discretion regarding changing their transmission delivery charges when a federal transmission rate order is changed.

The bill would become effective upon publication in the *Kansas Register*.

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\*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>

## **Background**

The bill was introduced by and referred to the House Committee on Energy and Utilities. At the House Committee's hearing on the bill, a representative of Westar Energy and Midwest Energy presented testimony in support of the bill. A representative of the KCC presented background information and stated that the Commission did not oppose the bill. No opponents to the bill presented testimony to the House Committee.

The information provided by the KCC indicated that the bill would clarify implementation of the statute as it has been interpreted by the Kansas Court of Appeals in *Kansas Industrial Consumers Group, Inc. v. State Corporation Commission (1996)*.

The Senate Committee on Utilities amended the bill to make the bill effective upon publication in the *Kansas Register*.

The Division of the Budget's fiscal note for the bill states that enactment would not have a fiscal effect on either the KCC or the Citizens' Utility Ratepayer Board.