

February 6, 2023

The Honorable Leo Delperdang, Chairperson
House Committee on Energy, Utilities and Telecommunications
300 SW 10th Avenue, Room 582-N
Topeka, Kansas 66612

Dear Representative Delperdang:

SUBJECT: Fiscal Note for HB 2228 by House Committee on Energy, Utilities and Telecommunications

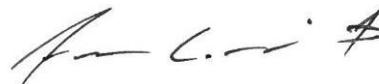
In accordance with KSA 75-3715a, the following fiscal note concerning HB 2228 is respectfully submitted to your committee.

HB 2228 would require Kansas electric utilities not under the jurisdiction of the Kansas Corporation Commission to make net-metering available under the Net-Metering and Easy Connection Act. The bill would also remove the load size limitation of certain net-metered systems and increase the total generating capacity limit for all net-metered systems from 1.0 percent to 10.0 percent of a utility's peak demand from the previous year.

Additionally, HB 2228 would modify how excess energy generated by a net-metered system offsets a customer's utility bill. Under current law, such excess energy is credited to the customer at a rate of 100.0 percent of the utility's monthly system average cost of energy per kilowatt-hour. Under HB 2228, a customer's balance of excess energy would be reduced by 25.0 percent and carried forward as kilowatt-hours against their energy consumption in subsequent months.

According to the League of Kansas Municipalities, enactment of HB 2228 would have an unknown fiscal effect on cities due to the new requirements for municipally owned electrical utilities. The Kansas Corporation Commission and the Citizens' Utility Ratepayer Board indicate that enactment of HB 2228 would not have a fiscal effect on agency operations.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Peter Barstad, Kansas Corporation Commission
Shonda Rabb, Citizens Utility Ratepayer Board