

February 14, 2024

The Honorable Michael Fagg, Chairperson  
Senate Committee on Utilities  
300 SW 10th Avenue, Room 548-S  
Topeka, Kansas 66612

Dear Senator Fagg:

**SUBJECT:** Fiscal Note for SB 456 by Senate Committee on Utilities

In accordance with KSA 75-3715a, the following fiscal note concerning SB 456 is respectfully submitted to your committee.

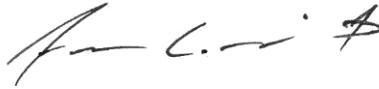
SB 456 would amend current law pertaining to public utilities. The bill would establish a rebuttable presumption against the retirement of fossil fuel-fired electric generating units. Also, the bill would, require the Kansas Corporation Commission (KCC) to submit an annual report to the Legislature on the retirements, and extend the timelines for the KCC to make a determination regarding the rate-making treatment for generating or transmission facilities.

To overcome the rebuttable presumption, the bill would require the KCC to make a finding upon the evidence entered in a pertinent KCC proceeding. The evidence to overcome the rebuttable presumption would include: (1) The utility will replace the abandoned or retired electric generating unit with new electric generating capacity that is dispatchable, maintains or improves the reliability and resilience of the electric transmission grid, and maintains the minimum reserve capacity requirement established by the utility's reliability coordinator; (2) The abandonment or retirement will not harm the utility's ratepayers or decrease the utility's regional rate competitiveness; (3) The abandonment or retirement is for economic purposes and for the benefit of ratepayers and not solely based on achieving environmental, social, or governmental goals, laws, rules or regulations; and (4) The cost savings to customers as a result of the abandonment or retirement of the electric generating unit will occur.

The Honorable Michael Fagg, Chairperson  
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The Kansas Corporation Commission and the Citizens' Utility Ratepayer Board indicate that the enactment of the bill would not have a fiscal effect.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", with a stylized flourish at the end.

Adam C. Proffitt  
Director of the Budget

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