STATE OF KANSAS

SENATE CHAMBER

MADAM PRESIDENT:

I move to amend **SB 82**, on page 1, in line 24, by striking ". The"; by striking all in lines 25 through 27; in line 28, by striking "service or excessive costs to retail electric customers"; in line 31, by striking "The commission may waive or"; by striking all in lines 32 through 35;

On page 2, in line 10, by striking all after "(d)"; by striking all in lines 11 through 14; in line 15, by striking "(e)";

Also on page 2, following line 16, by inserting:

"Sec. 2. K.S.A. 2012 Supp. 66-1261 is hereby amended to read as follows: 66-1261. (a) The commission shall establish rules and regulations for the administration of the renewable energy standards act, including reporting and enforcement mechanisms necessary to ensure that each affected utility complies with this standard and other provisions governing the imposition of administrative penalties assessed after a hearing held by the commission. Administrative penalties should be set at a level that will promote compliance with the renewable energy standards act, and shall not be limited to penalties set forth in K.S.A 66-138 and 66-177, and amendments thereto.

(b)_(1) For the calendar years 2011 and 2012, the commission is not required to assess penalties if the affected utility can demonstrate it made a good faith effort to comply with the portfolio standards requirement._(2) The commission shall exempt an affected utility from administrative penalties for an individual compliance year if: (A) the utility demonstrates that the retail rate impact described in K.S.A. 2012 Supp. 66-1260, and amendments thereto, has been reached or exceeded and the utility has not achieved full compliance with K.S.A. 2012 Supp. 66-1258, and amendments thereto; or (B) the commission determines that for the utility to meet the portfolio requirement in that

compliance year, construction or acquisition of renewable energy resources would impact the retail rate of the utility such that it would have an adverse impact upon the people of Kansas and the utility has not achieved full compliance with K.S.A. 2012 Supp. 66-1258, and amendments thereto. (3) In imposing penalties, the commission shall have discretion to consider mitigating circumstances. (4) Under no circumstances shall the costs of administrative penalties be recovered from Kansas retail customers.

(c) The commission shall establish rules and regulations required in this section within 12 months of the effective date of this act.";

Also on page 2, in line 17, by striking "is" and inserting "and 66-1261 are";

And by renumbering sections accordingly;

On page 1, in the title, in line 2, after "66-1258" by inserting "and 66-1261"; in line 3, by striking "section" and inserting "sections"