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Laura Kelly, Governor

Larry L. Campbell, Director

February 22, 2019

The Honorable Joe Seiwert, Chairperson House Committee on Energy, Utilities and Telecommunications Statehouse, Room 481-W Topeka, Kansas 66612

Dear Representative Seiwert:

SUBJECT: Fiscal Note for HB 2317 by Representative Finney

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2317 is respectfully submitted to your committee.

HB 2317 would amend existing law concerning electric transmission lines to create the definition of an "urban electric transmission line" and to add urban electric transmission lines to all references to electric transmission lines. The bill would require any electric utility to acquire to a siting permit from the Kansas Corporation Commission (KCC) prior to beginning site preparation for either type of line, and as the KCC makes its decision with respect to the need for and reasonableness of the location of the proposed line, it must also consider the local aesthetics, location, environment and population density of the proposed site.

Estimated State Fiscal Effect				
	FY 2019 SGF	FY 2019 All Funds	FY 2020 SGF	FY 2020 All Funds
Revenue				\$159,500
Expenditure				\$159,500
FTE Pos.				2.00

According to the KCC, enactment of HB 2317 would require the KCC Utilities Division to add 1.00 FTE at an estimated cost of \$84,500 annually for salary and benefits and the KCC Litigation Division to add 1.00 FTE at an estimated cost of \$75,000 annually for salary and benefits to process an average of seven permit requests/dockets per year, as well as perform some tasks associated with other dockets. Expenditures related to processing permit requests, including those for salaries and wages, would be approximately \$20,000 each, for an average yearly amount of \$140,000. The KCC bills the utilities for the costs of each docket and those amounts are then

recovered by the utilities from their ratepayers. The difference between the \$140,000 recovered for dockets associated with HB 2317 and the cost of the 2.00 FTE positions would be billed to the appropriate utilities and these costs would also be recovered by the utilities from their ratepayers. Any fiscal effect associated with HB 2317 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,

Larry L. Campbell
Director of the Budget

cc: Jake Fisher, KCC

Chardae Caine, League of Municipalities