SENATE BILL No. 517

By Committee on Federal and State Affairs

2-15

AN ACT concerning energy; relating to reliability of electric generation facilities; providing guidelines for decommissioning of certain electric generation facilities; requiring a utility to replace a closed or decommissioned facility with an equivalent amount of reliable and readily dispatchable electric generation.

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Be it enacted by the Legislature of the State of Kansas:

Section 1. As used in sections 1 through 3, and amendments thereto:

- (a) "Electric generation facility" means an electric generation facility that generates electricity primarily from the combustion of coal, natural gas or other fossil fuels and has a nameplate capacity greater than or equal to 100 megawatts:
- (b) "electric public utility" means the same as defined in K.S.A. 66-101a, and amendments thereto, any cooperative as defined in K.S.A. 17-4603, and amendments thereto, or any municipally owned or operated electric utility;
- (c) "readily dispatchable" means that the source of electric generation can be requested and produced for the power grid on demand of a power grid operator or according to market needs;
- (d) "reliable" means having adequate electric generation capacity to safely deliver electric energy at a time that the utility customer demands in the quantity and with the quality and capacity to meet the state's growing demand while contributing to the regional and national energy supply; and
- (e) "resilient" means having the ability to quickly and effectively respond to and recover from events that compromise grid reliability.
 - Sec. 2. (a) The Kansas legislature finds that:
- (1) Affordable, reliable, resilient and dispatchable energy resources are important to the health, safety and welfare of the state's citizens; and
- (2) the early retirement of an electric generation facility that provides affordable, reliable, resilient and dispatchable energy is a threat to the health, safety and welfare of the state's citizens.
- (b) Prior to the closure or decommissioning of an existing electric generation facility in the state by an electric public utility, such electric public utility shall:
- (1) Provide notice of the planned closure or decommissioning to the legislature; and

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(2) secure and place on the electric grid an equal or greater amount of reliable and readily dispatchable electric generation as the electric generation facility that is being closed or decommissioned. The reliable and readily dispatchable electric generation shall be equal to or greater than the nameplate capacity of the existing electric generation facility and be certified as an equal or greater amount of reliable and readily dispatchable electric generation by the state corporation commission and the applicable regional reliability organization;

- (3) ensure that adequate electric transmission lines are in place for operation of the new reliable and readily dispatchable electric generation;
- (4) prioritize utilizing existing land, transmission lines and other infrastructure that currently supports and provides for generation or transmission; and
- (5) avoid unnecessary disruption of land use and use of eminent domain.
- Sec. 3. (a) An electric public utility shall not propose a project to retire or terminate the functionality of such utility's existing electric generation facility.
- (b) An electric public utility that receives notice of any federal regulation or regional transmission organization directive that may result in the retirement of a utility's electric generation facility shall inform the attorney general of the regulation or directive within 30 days after the receipt of notice. The attorney general may take any action necessary to defend the interest of the state with respect to electric generation by the public electric utility, including filing an action in court or participating in administrative proceedings.
- Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.