

SESSION OF 2014

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2488

As Amended by Senate Committee on Utilities

Brief*

HB 2488 would amend the purpose, membership, and authority of the Kansas Electric Transmission Authority (KETA).

The bill would extend the purpose of KETA to include further ensuring planning of the transmission system, facilitating the delivery and utilization of energy in Kansas and addressing related policy initiatives. The membership of KETA would be increased from seven members to nine members. The members appointed by the Governor would increase from three members to five members, of whom not more than three members would be allowed from the same political party.

The bill also would give KETA the express authority to create an electric transmission advisory council. The council members would serve at the pleasure of KETA and would be reviewed annually.

In addition, the bill would repeal existing law regarding KETA's authority to incur or assume indebtedness and enter into contracts with the Kansas Development Finance Authority (KDFA) to issue bonds and provide financing for a KETA transmission project.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Background

The bill was introduced by the House Committee on Energy and Environment. An identical bill, SB 307, was introduced by the Senate Committee on Utilities.

Three proponents of the bill testified at the House Committee hearing. The proponents were a representative from ITC Great Plains, a representative from KCP&L, and a representative from Midwest Energy, Inc. who also serves as the chairman of KETA. The representative from ITC Great Plains and the representative from Midwest Energy suggested changes to the composition of the advisory council. There was no neutral or opponent testimony at the hearing.

The House Committee on Energy and Environment amended the bill by deleting the requirement for the council's membership to be comprised of representatives from specific groups.

The Senate Committee on Utilities amended the bill to repeal existing law that allows KETA to have bonding authority for transmission projects.

The fiscal note prepared by the Division of the Budget on the original bill indicates any fiscal effect of the bill would be related to the increase in expenditures due to additional board members and council members and would be negligible.