



**KANSAS CORPORATION
COMMISSION**

**FY 2026
BUDGET**

Narrative Information – DA 400

Division of the Budget
State of Kansas

Agency Kansas Corporation Commission

September 13, 2024

Adam Proffitt, Director of the Budget
Division of the Budget
Landon State Office Building, 5th floor
900 SW Jackson
Topeka, Kansas 66612

Dear Director Proffitt:

Transmitted herewith is the FY2026 budget for the Kansas Corporation Commission (KCC). The KCC is fee funded by the various industries we regulate including motor carriers, oil and gas production, natural gas, electricity, and telephone utilities. The Energy Division is funded through U.S. Department of Energy federal grant funds. The Conservation Division has received federal funds from the U.S. Department of Interior. The KCC does not receive State General Funds (SGF) but does pay into the general fund pursuant to various statutes including all fines and penalties are paid to the SGF pursuant to the appropriations bill.

The KCC, like other state agencies, continues to struggle with retention and recruitment challenges, largely due to the difference between agency salaries and those offered in the private sector. Despite focused efforts, the agency still has challenges with recruiting qualified technical and professional staff and several positions have remained open for more than twelve months. We appreciate the efforts to close the salary gap with the private sector, however, the gap appears to be widening, making it even more difficult to attract and retain qualified staff. Without quality employees that have the requisite skills, the Commission is not equipped to adequately protect the public interest and stay abreast of the ever-evolving changes in our regulated industries. Moreover, these regulated industries want an experienced, professional Commission staff and are willing to pay the assessments required to support such.

We have had to increase contractual costs to fill the gap for legal and technical services. We will, within the next 12-24 months, have critical staff that will be retiring without a realistic probability of finding suitable replacements at the current salary. The Commission will continue to explore options to retain and recruit qualified staff.

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The lack of adequate qualified staff places a strain on current staff, especially when workflows are dictated by statutory deadlines. The stress and strain on staff is further compounded with more federal funds coming to the State and a demand by residents and the administration to maximize those federal dollars within the deadlines and requirements established by the federal agencies administering those funds.

In our budget submission, the agency has requested a significant increase in contractual services. This increase is in large part due to the increased federal funds through the Inflation Reduction Act (IRA) and the Infrastructure Investment and Jobs Act (IIJA). The Conservation Division has had increased funds from the Department of the Interior to plug abandoned oil and gas wells. The Energy Division has had to retain consultants to assist with the increase in federal grant funding that has included the need for utility and energy sector experience. A significant portion of the federal funds are pass through funds to local governments or other assistance related to the IRA Rebate programs. Additionally, regarding the costs associated with the overhaul and updating of the agency's docket system, due to procurement challenges the costs have shifted across fiscal years and increased the contractual services around implementation.

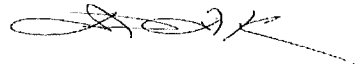
Pursuant to K.S.A. 66-1222, the KCC is required to provide technical and clerical staff assistance as requested by CURB. An existing MOA between CURB and the KCC provides Fiscal, HR and IT support to CURB. The current office lease is up for renewal – the KCC has put it out for RFP. Regardless of location there will be costs associated with either relocating or reconfiguration of the current location.

All statements and explanations contained in the request are based on staff and Commissioners' analysis and recommendations and are true and correct to the best of our knowledge and belief.

Sincerely,



Andrew J. French
Chairperson



Dwight D. Keen
Commissioner



Annie Kuether
Commissioner

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AGENCY MISSION:

The mission of the Kansas Corporation Commission (KCC) is to protect the public interest by impartially, effectively and efficiently regulating the rates, terms of service and safety of public utilities and commercial trucking, by regulating the production of crude oil and natural gas, and by promoting energy programs that improve energy efficiency in Kansas.

AGENCY REGULATORY AUTHORITY:

The KCC regulates five important industries in Kansas. The KCC is responsible for ensuring that natural gas, electricity and telephone utilities, and motor carriers provide safe, adequate and reliable services at just and reasonable rates. The KCC also regulates the production of crude oil and natural gas in a manner that protects the fresh water resources of the state, protects correlative rights and prevents waste in the production of oil and gas. The KCC is also charged under K.S.A. 74-616 with the responsibility to perform duties related to energy resources, including, requesting and administering federal funds for various state energy programs. The authority of the KCC is derived from K.S.A. 74-601 to 74-631.

DIVISIONS ESTABLISHED TO ASSIST WITH AGENCY MISSION:

- Administration
- Utilities
- Conservation
- Transportation
- Energy

STATUTORY HISTORY:

K.S.A. 74-601 establishes the KCC and provides that the agency consist of three members appointed by the governor and subject to Senate confirmation.

K.S.A. 74-616 grants the KCC the authority to accept funds and other assistance from federal agencies for energy conservation and other energy related activities in Kansas.

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Division of the Budget

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K.S.A. 66-101, *et seq.* grants the KCC the power, duty, authority, and jurisdiction to regulate and oversee electric public utilities, gas distribution utilities, some forms of telephone service, pipeline utilities and common carriers operating within the state.

K.S.A. 74-623 provides the KCC with sole authority to regulate and monitor oil and gas production related activities in Kansas, including regulation of Class II Underground Injection Wells under various provisions of K.S.A. Chapter 55. Specifically, the KCC's regulatory responsibilities regarding the crude oil and natural gas production includes preventing waste, protecting correlative rights and the protecting fresh-water resources of the state.

K.S.A. 55-192 establishes the Abandoned Oil and Gas Well Fund to provide the KCC with financial resources necessary to plug certain abandoned oil and gas wells and perform remediation of contaminated oil and gas well sites in Kansas. Monies in the fund can only be used for investigating and remediating contamination sites, and plugging abandoned wells which present an imminent threat to the public health or the environment. K.S.A. 55-193 and K.S.A. 55-166 were abolished by the legislature in 2021. The monies in the well plugging assurance fund established by K.S.A. 55-166 were transferred to the Abandoned Oil and Gas Well fund and the sunset mechanism established in K.S.A. 55-193 was discontinued.

K.S.A. 66-1,187 establishes the Kansas Telecommunications Act. K.S.A. 66-2001 establishes public policies to: 1) ensure that every Kansan has access to a first class telecommunications infrastructure; 2) ensure that consumers throughout the state realize the benefits of competition; 3) promote consumer access to a full range of telecommunications services; 4) advance the development of a statewide telecommunications infrastructure capable of supporting many different applications including telemedicine, distance learning, and access to internet providers; and 5) protect consumers of telecommunications services from fraudulent business practices.

K.S.A. 66-1256, *et seq.* establishes the Renewable Energy Standards Act and the Net Metering and Easy Connection Act. K.S.A. 66-1272, *et seq.* establishes the compressed air program under the Renewable Energy Storage Act.

FEDERAL ACTION:

To protect and promote Kansas interests, the KCC participates in certain matters within the original jurisdiction of the Federal Energy Regulatory Commission (FERC), the Federal Communications Commission (FCC), and the Southwest Power Pool (SPP). The KCC also monitors U.S. Environmental Protection Agency (EPA) rulemaking activity and works to assess and understand the impact of environmental requirements on regulated electric utilities and licensed oil and gas operators. FERC matters involve both the transportation of natural gas and initiatives regarding electric transmission and the development of wholesale electric markets. FCC matters pertain to the telecommunications industry, including federal programs that affect intercarrier compensation and the Kansas Universal Service Fund (KUSF). The SPP matters pertain to transmission costs, reliability, planning and the development of the regional grid infrastructure that includes Kansas. EPA environmental issues arise primarily from the Clean Water Act and the Clean Air Act and impact multiple industries the KCC regulates, including the prices of utility services to Kansas ratepayers.

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The Infrastructure Investment and Jobs Act (IIJA) passed Congress in 2021 and does have a direct effect on the work performed by the Utilities, Conservation and Energy Divisions of the KCC. This includes a significant influx of federal dollars to the State and the KCC, thereby increasing staffing needs and the agency's overall expenditures for the next several years.

FY2025 Current Year:

The Governor and 2024 Legislature approved a total FY2025 budget of \$105,997,839. The total revised budget request for the current year is \$101,206,993. The revised FY2025 budget includes a decrease of \$5,290,846. This decrease is primarily due to receipt of federal funds for several Energy grants and Conservation Orphaned Well Site Plugging, Remediation, and Restoration program (Orphaned Well Program) established by the Infrastructure Investment and Jobs Act (IIJA).

Narrative Information – DA 400

Division of the Budget

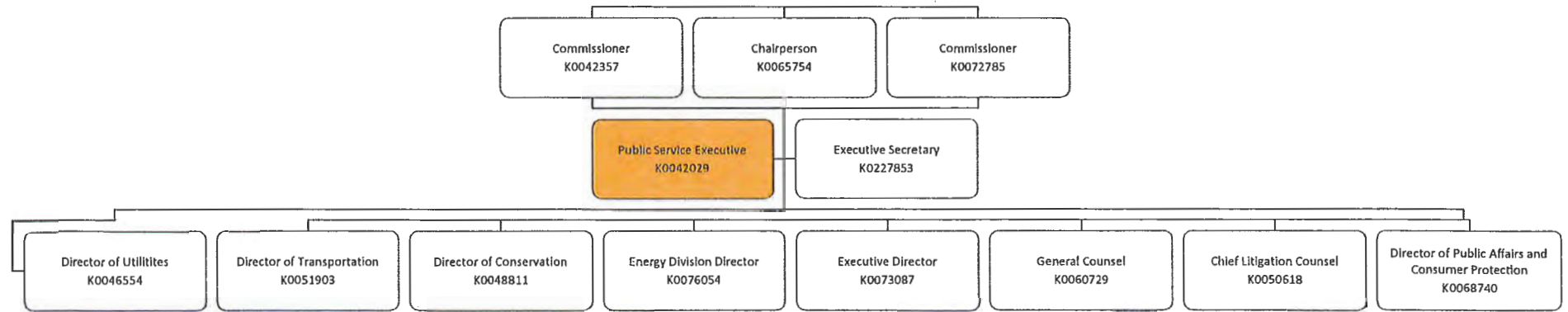
Agency Kansas Corporation Commission

State of Kansas


FY2025 CURRENT YEAR:

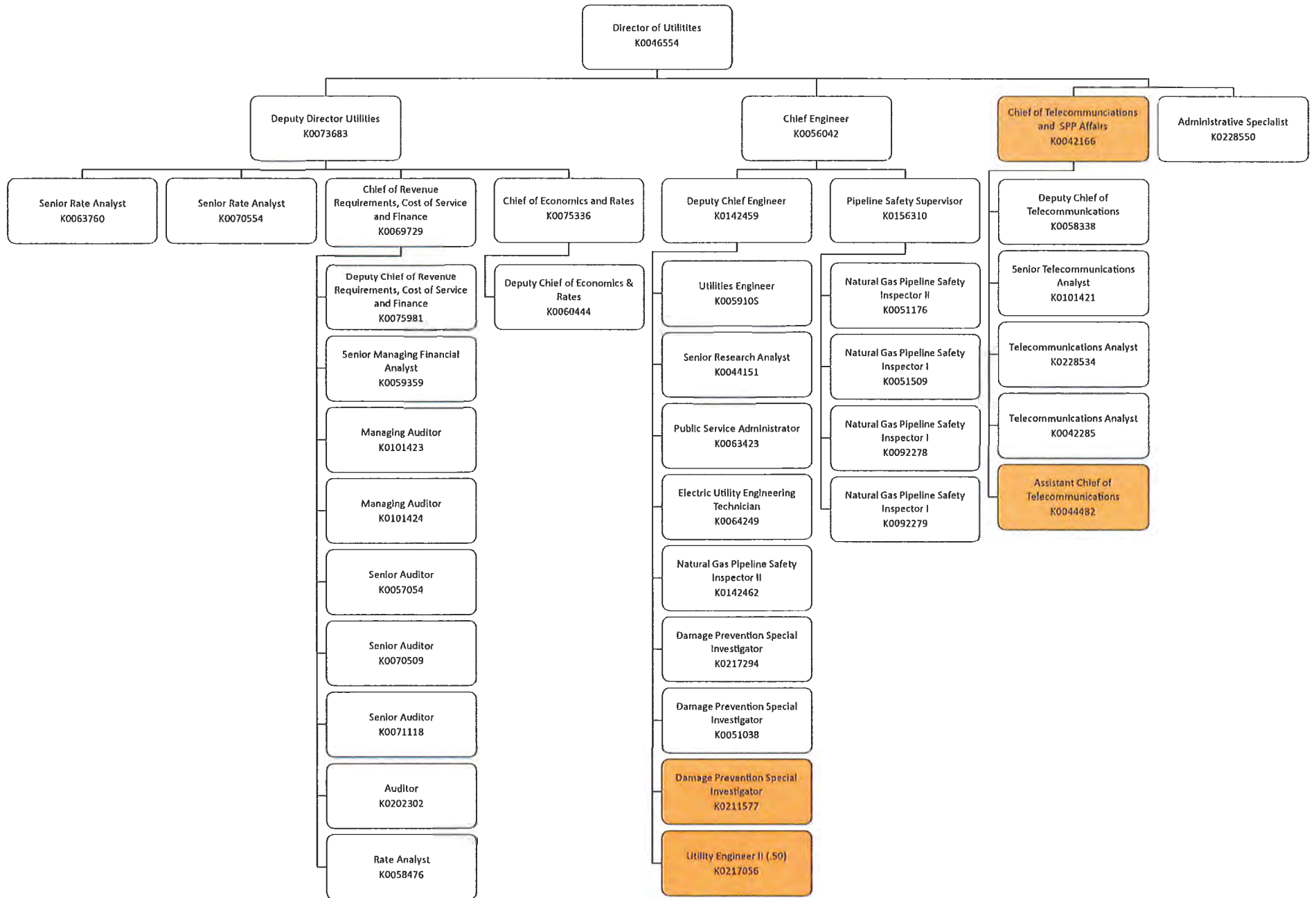
Fund	Description	FY 2025 Approved	FY 2025 Requested	Difference
2019	0100 PUBLIC SERVICE REGULATION FD	14,236,553	13,912,160	324,393
2023	1100 GAS PIPELINE INSPECTION FF	2,842	2,842	0
2130	2000 CONSERVATION FF	13,207,424	12,882,498	324,926
2143	2100 ABANDONED OIL & GAS WELL FD	2,177,192	2,177,192	500,000
2316	2300 INSERVICE EDU WORKSHOP FF	5,983	5,983	0
2432	2400 FAC CONSERVATION IMPRV FD	191,265	185,820	5,445
2667	4000 ENERGY GRNTS MGMT FD-STRIPPER	22,430	22,430	0
2812	5500 MOTOR CARRIER LICENSE FF	5,206,000	5,106,392	99,608
3103	3103 MPG for States and Tribes	0	0	0
3161	3160 ENERGY EFF REVLG LOAN PRG-ARRA	3,162,970	3,162,970	0
3477	3477 GAS PIPELN SFTY PRG-SPEC 1 CAL	104,965	100,963	4,002
3632	3000 GAS PIPELINE SAFETY PRG	749,999	721,675	28,324
3633	3120 PIPELN DMG PREVNT GRNT PRG	92,907	88,759	4,148
3639	3641 UNDRGD NT GAS STRG	3,939	3,939	0
3656	3656 Energy Community Revitalization Grant	18,000,000	18,000,000	0
3682	3500 ENERGY CONSERVATION PLAN FDF	2,779,156	2,779,156	0
3756	3536 AMER RESCUE PLAN STATE RELIEF	4,000,000	0	4,000,000
3768	3700 UNDRGD INJCTN CTRL CLS II FDF	0	0	0
NEW1	NEW1 Energy Efficiency Conservation BG	886,174	886,174	0
NEW2	NEW2 Energy Efficiency Revolving Loan Fd	0	0	0
NEW3	NEW3 High Efficiency Electric Home Rebate	15,658,299	15,658,299	0
NEW4	NEW4 Home Owner Managing Energy Savings	15,658,299	15,658,299	0
NEW6	NEW6 GRID RESILIENCE BIL FORMULA FUND	9,544,590	9,544,590	0
	Total Reportable Expenditures	105,690,987	100,900,141	5,290,846
2019	Non Expense Public Service Regulation Fund	100,000	100,000	0
3639	Non Expense Underground Natural Gas Storage Program Federal	4,549	4,549	0
3477	Non Expense Special One Call St. Dmg Prvnt Program	24,078	24,078	0
3632	Non Expense Gas Pipeline Safety Program Federal	105,558	105,558	0
3682	Non Expense Energy Conservtion Federal	72,667	72,667	0
	Total Expenditures	105,997,839	101,206,993	5,290,846


Front Office

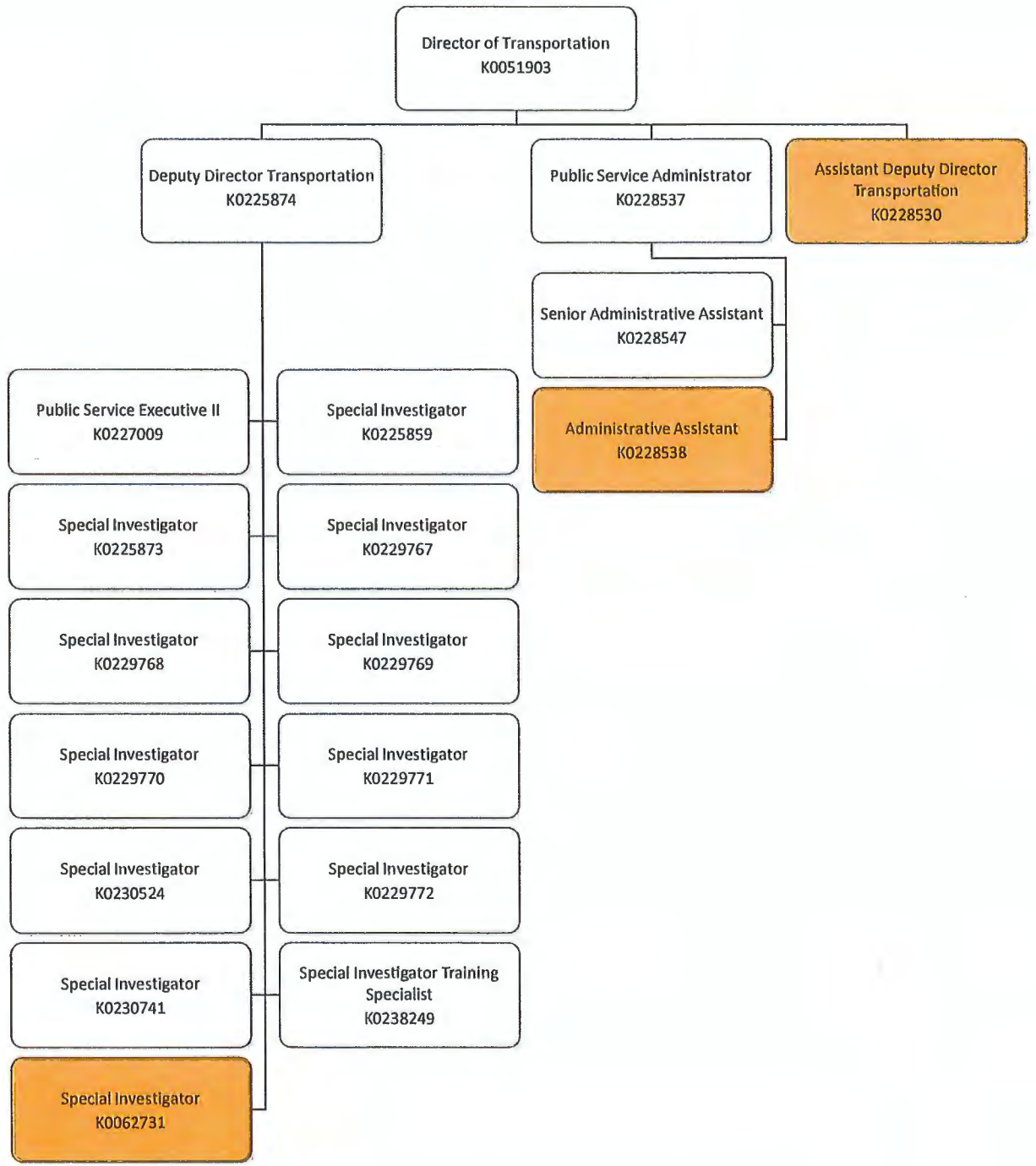



* Filled at the Commission's discretion.

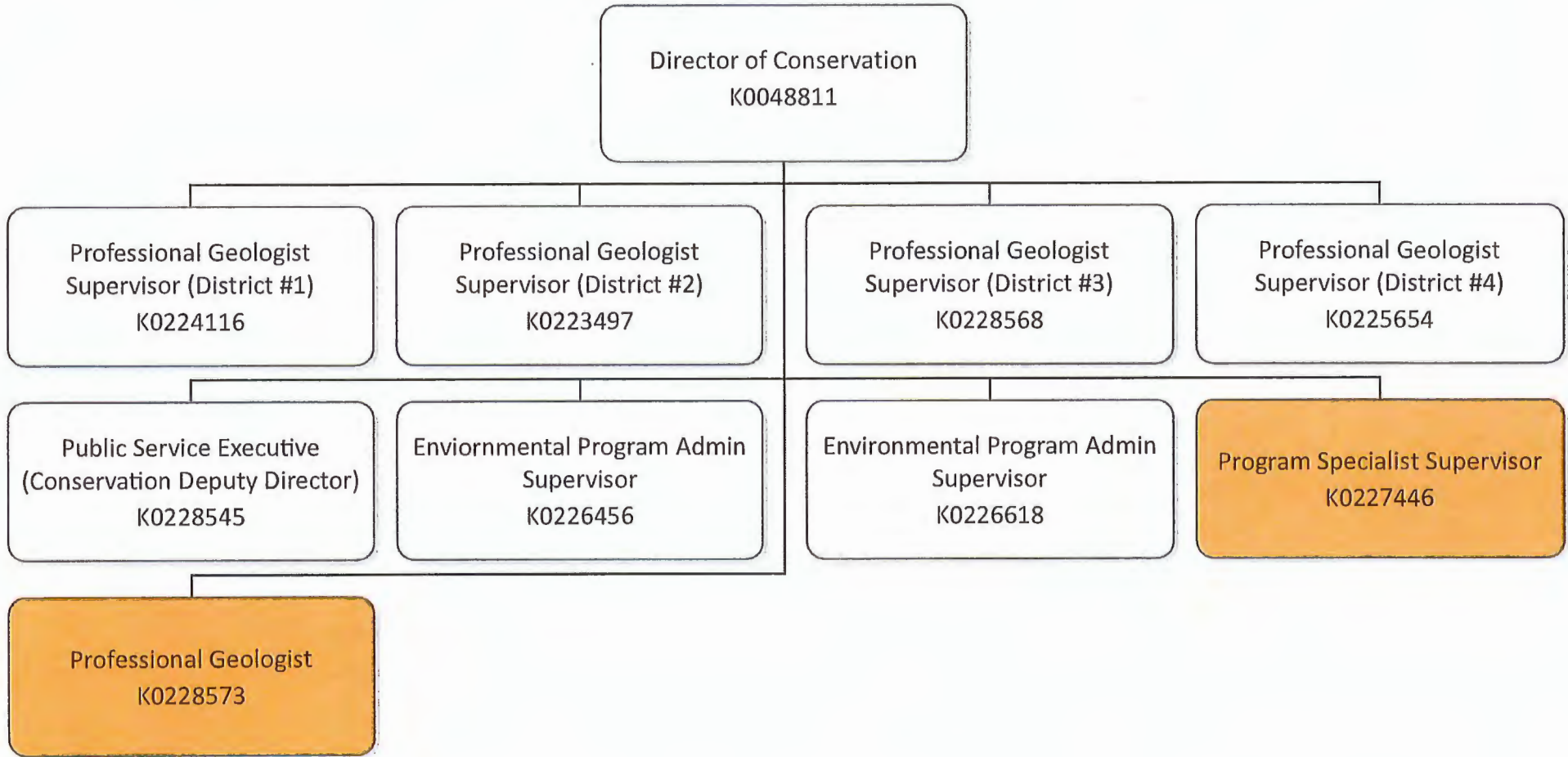
 Vacant Position



 Vacant Position




 Vacant Position




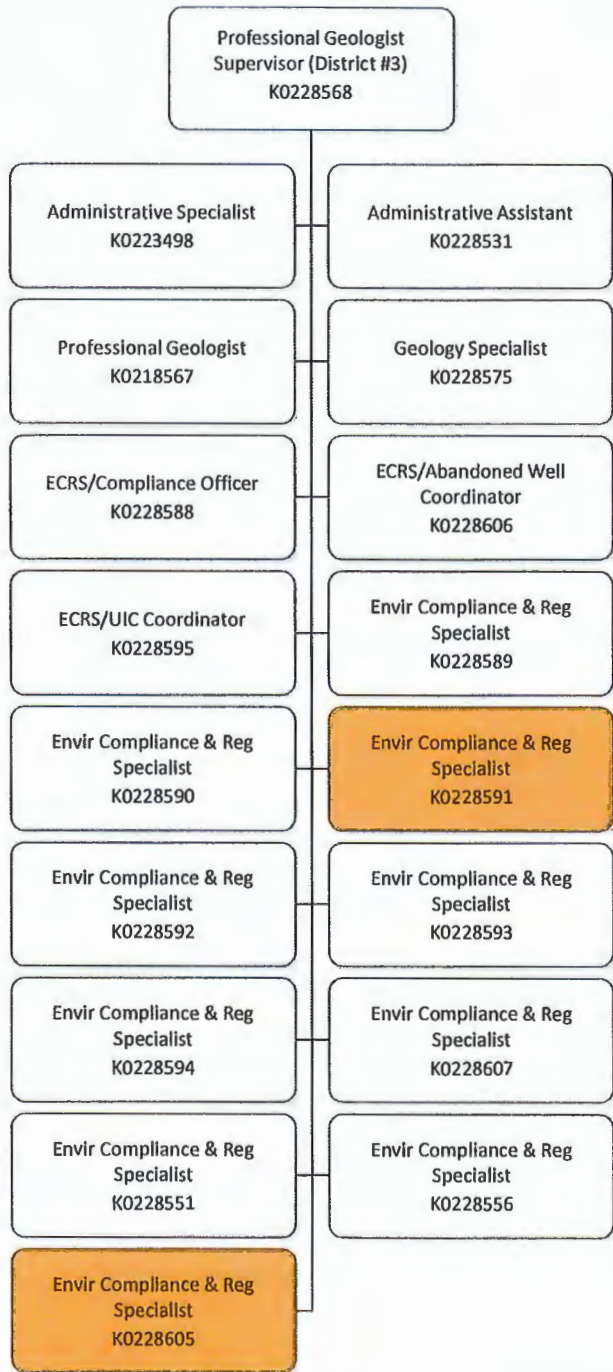
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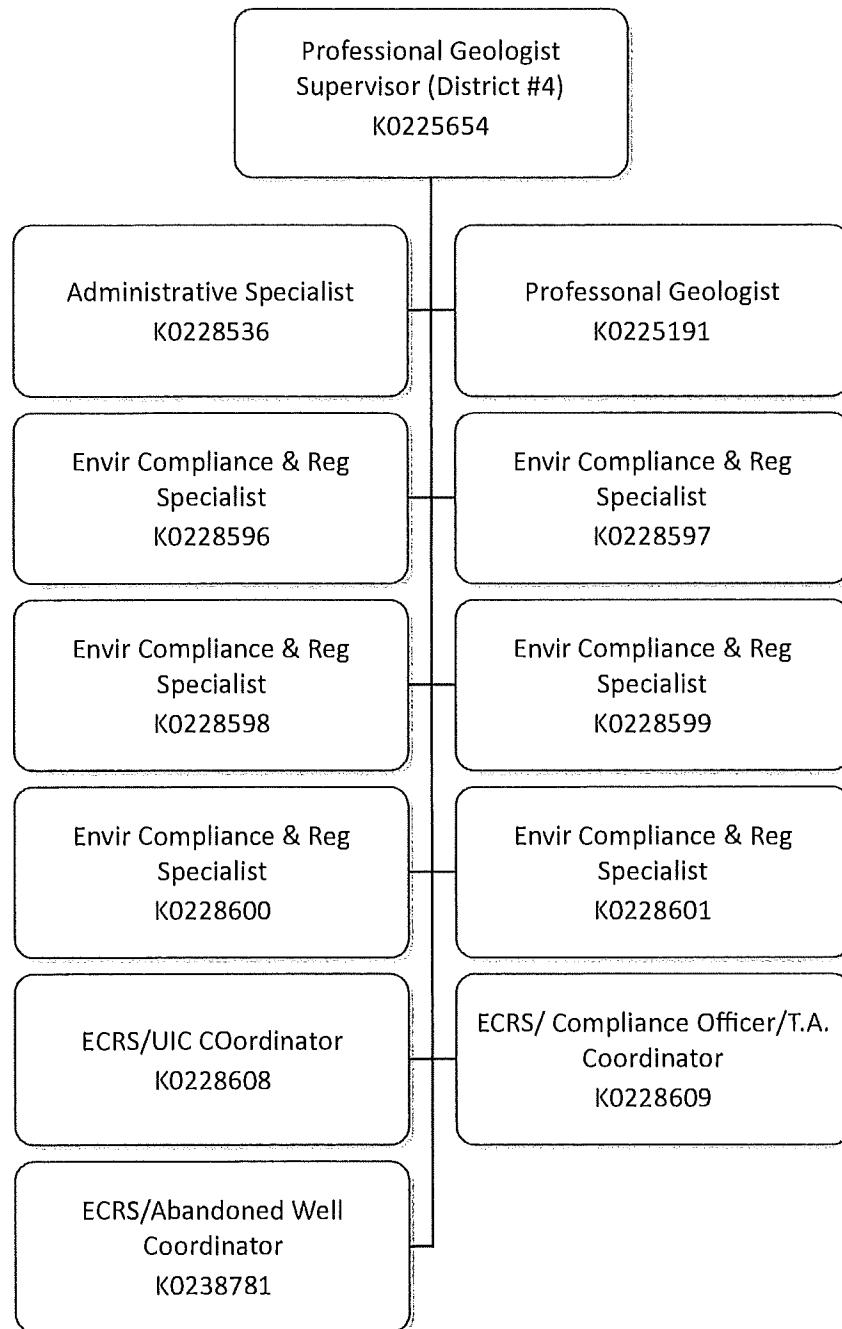
 Vacant Position




 Vacant Position



 Vacant Position



 Vacant Position



Enviornmental Program Admin
Supervisor
K0226456

Professional Geologist
K0228574

Geology Specialist/ Production
Analyst
K0217844

Geology Specialist
K0228572

Geology Specialist
K0242460

Geology Specialist
K0228571

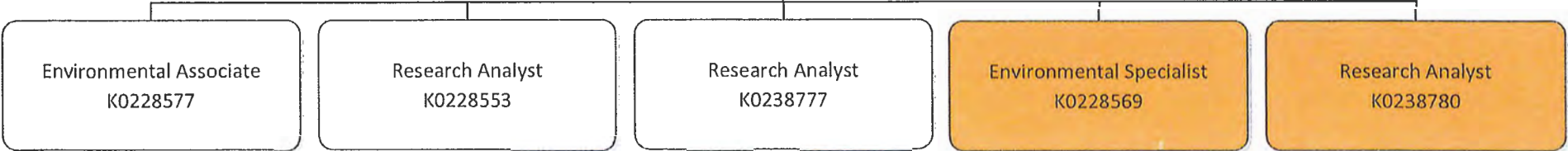
Lead Research Analyst
K0228554

Lead Research Analyst
K0228555

Research Analyst
K0240814

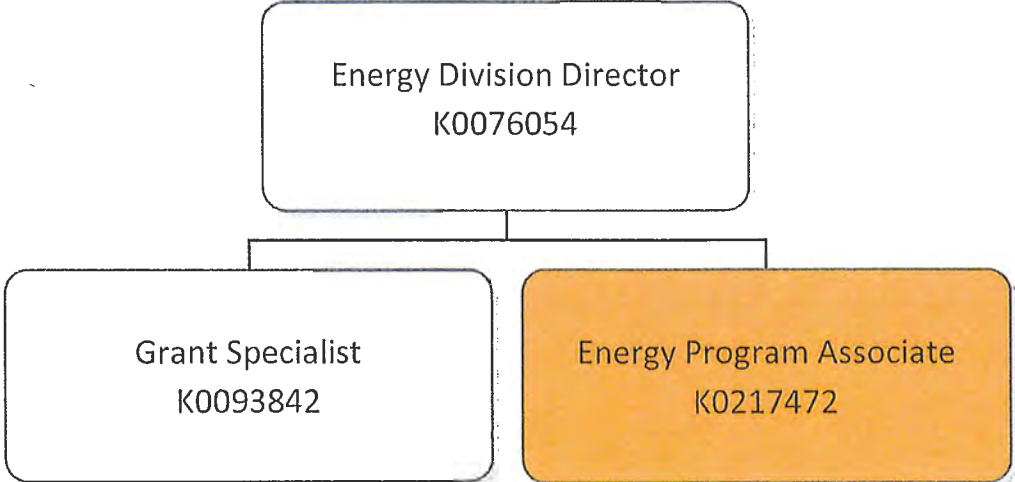
 Vacant Position

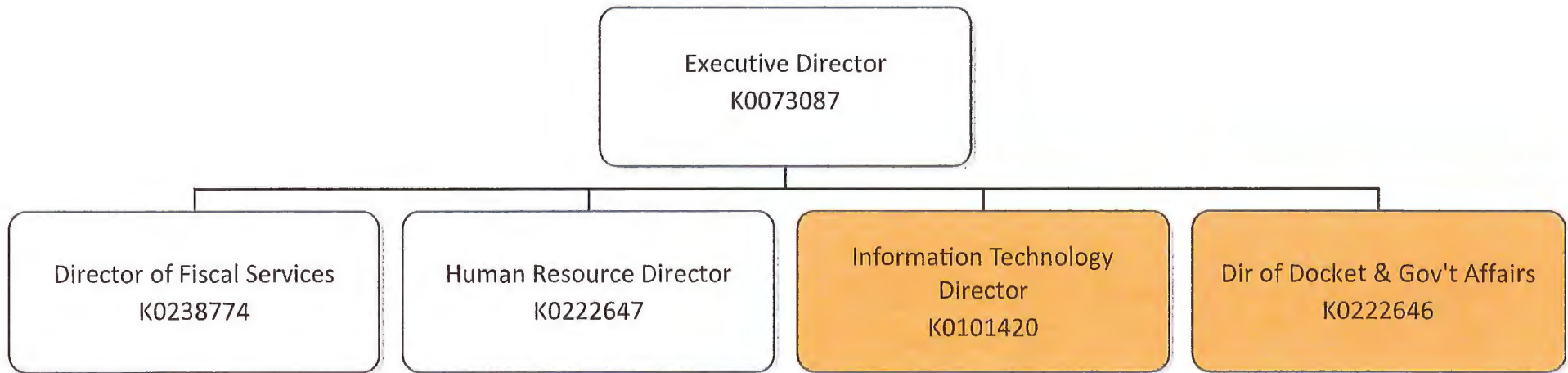
Environmental Program Admin
Supervisor
K0226618



 Vacant Position







Director of Fiscal Services
K0238774

Accountant
K0228529

Accountant
K0227482

Accountant
K0101044

Accountant
K0227242

Accountant
K0228528

Accountant
K0222083

Administrative Assistant
K0238776

 Vacant Position



Information Technology
Director
K0101420

Info Tech Security Analyst
K0228566

IT Project Manager
K0226302

IT Support Manager
K0228567

IT Project Manager
K0245664

Network Specialist
K0228563

Senior Applications Developer
K0228540

Techology Support Consultant
K0222748

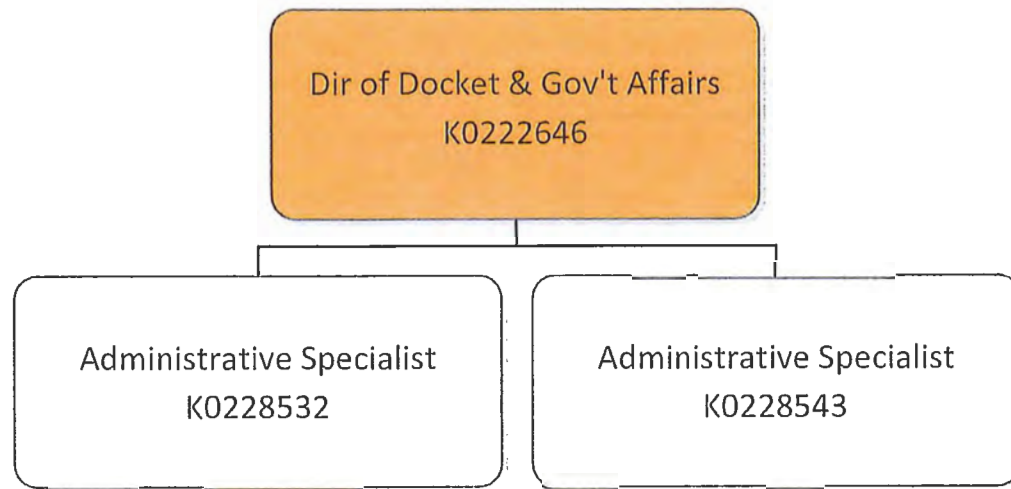
Database Administrator
K0228565

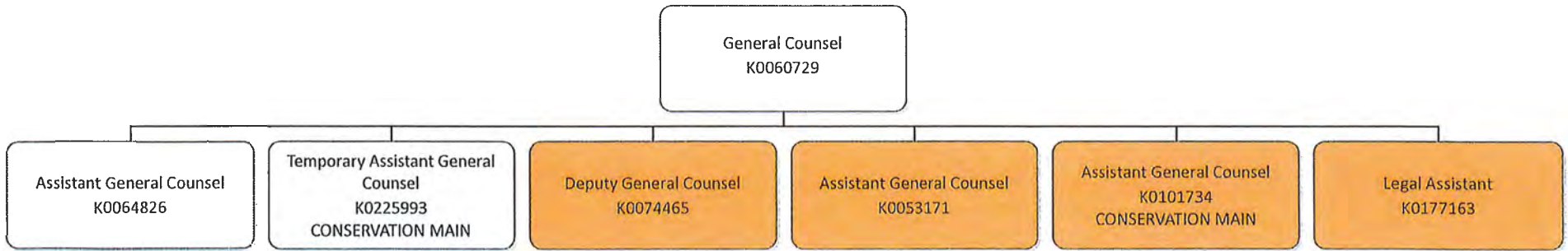
Business Systems Analyst
K0228548
CONSERVATION MAIN

Technology Support Consultant
K0228549
CONSERVATION MAIN

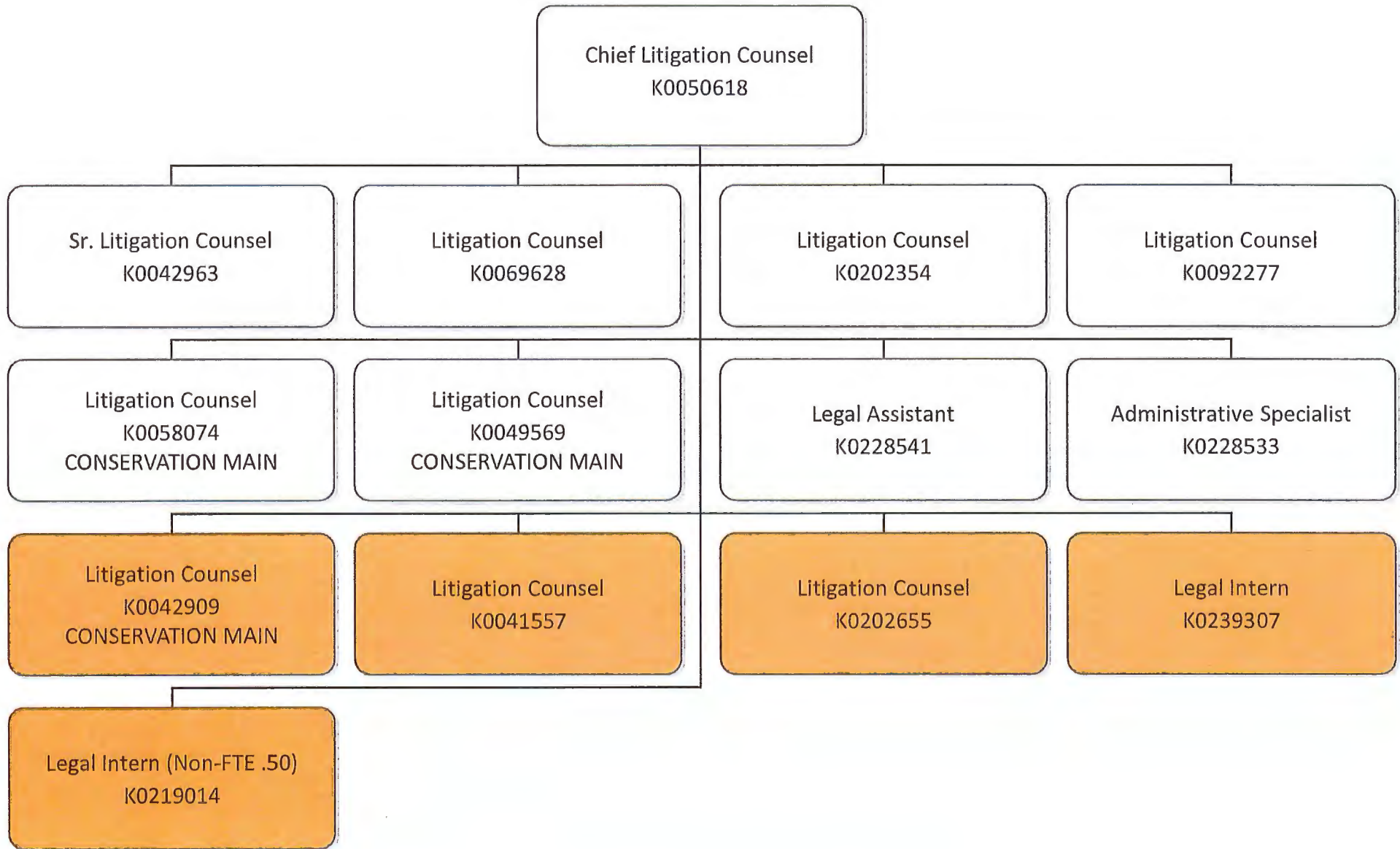
Information Systems Analyst
K0227447

Technology Support Consultant
K0228539





 Vacant Position



Vacant Position

Director of Public Affairs and
Consumer Protection
K0068740

Public Service Administrator
K0227882

Project Coordinator
K0202839

Legislative Liaison
K0217240

Administrative Specialist
K0093617


Administrative Specialist
K0243051

Program Consultant
K0223088

Graphic Designer
K0227448

Program Consultant
K0225652

Program Consultant
K0225653

 Vacant Position

402 Agency Summary

Agency: Kansas Corporation Commission
 Agcy No: 00143
 Version: 2026-A-04-00143

Date: 09/13/2024
 Time: 10:11:46

Division of the Budget
 KANSAS

Summary by Program Program Description	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
01030 Administration	6,060,321	17,676,958	17,053,876	0	0	0
02000 Utilities	4,629,005	8,739,744	8,673,194	0	0	0
02010 Conservation	11,283,476	30,977,319	31,051,874	0	0	0
02200 Transportation	2,826,090	2,866,987	2,845,395	0	0	0
02300 Energy Programs	1,628,728	32,775,343	76,890,229	0	0	0
Total by Program:	26,427,620	93,036,351	136,514,568	0	0	0

KANSAS

DA-402 - 402 Agency Summary

dwietharn / 2026A0400143

402 Agency Summary

Agency: Kansas Corporation Commission
 Agcy No: 00143
 Version: 2026-A-04-00143

Date: 09/13/2024
 Time: 10:11:46

Division of the Budget
 KANSAS

Summary by Funding Source Fund Description	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
1000 State General Fund	0	0	0	0	0	0
2019 Public Service Regulation Fd	6,631,118	15,934,661	15,221,436	0	0	0
2023 Gas Pipeline Inspection Ff	2,383	2,842	2,842	0	0	0
2130 Conservation Ff	8,797,581	13,438,312	13,522,254	0	0	0
2143 Abandoned Oil & Gas Well Fd	2,026,251	2,177,192	2,177,192	0	0	0
2181 Natural Gas Undgrd Storage Ff	168	0	0	0	0	0
2316 Inservice Edu Workshop Ff	18,092	5,983	5,983	0	0	0
2432 Fac Conservation Imprv Fd	185	250	250	0	0	0
2667 Energy Grnts Mgmt Fd-Stripper	0	22,430	22,430	0	0	0
2812 Motor Carrier License Ff	4,433,769	5,331,795	5,317,040	0	0	0
3157 81.128-Engy Eff/ Conserv Blk Gr	1,020,113	893,617	7,454	0	0	0
3477 St Dmg Prvtn Prg	125,788	128,593	129,708	0	0	0
3632 20.700-Pub Sfty Prg Base Grnt	712,975	906,564	912,010	0	0	0
3633 20.700-Pub Sfty Prg Base Grnt	48,126	92,695	93,503	0	0	0
3639 Undrgd Nt Gas Strg	14,494	8,488	8,488	0	0	0
3656 Energy Community Revitalization Grant	1,552,009	18,000,000	18,000,000	0	0	0
3682 81.041-St Engy Prg	646,568	22,529,318	67,530,340	0	0	0
3756 Amer Rescue Plan State Relief	0	4,000,000	4,000,000	0	0	0
3768 66.433-St Undgrd Wtr Src Prot	398,000	0	0	0	0	0
NEW2 Energy Efficiency Revolving Loan Fd	0	19,021	19,048	0	0	0
NEW6 Grid Resilience Bil Formula Fund	0	9,544,590	9,544,590	0	0	0
Total by Funding Source:	26,427,620	93,036,351	136,514,568	0	0	0

406/410 series report

Dept. Name: Corporation Commission
Agency Name: Kansas Corporation Commission
Agency Reporting Level: 00
Version: 2026-A-04-00143

Date: 09/13/
2024
Time: 09:50:48

Division of the Budget
 KANSAS

Obj. Code	OBJECTS OF EXPENDITURE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
519990	Salaries and Wages SHRINKAGE	15,489,719 0	19,632,485 (539,967)	19,812,429 (588,666)	0 0	0 0	0 0
	TOTAL Salaries and Wages	15,489,719	19,092,518	19,223,763	0	0	0
52000	Communication	405,533	532,429	532,429	0	0	0
52100	Freight and Express	489	2,334	2,334	0	0	0
52200	Printing and Advertising	1,191	15,311	15,311	0	0	0
52300	Rents	1,325,301	1,652,997	1,652,997	0	0	0
52400	Reparing and Servicing	3,774,506	21,259,015	21,304,015	0	0	0
52500	Travel and Subsistence	77,823	67,373	67,373	0	0	0
52510	InState Travel and Subsistence	54,105	63,375	63,375	0	0	0
52520	Out of State Travel and Subsis	74,887	71,766	71,766	0	0	0
52600	Fees-other Services	773,077	5,340,373	4,270,373	0	0	0
52700	Fee-Professional Services	1,601,727	3,650,588	4,048,734	0	0	0
52800	Utilities	22,241	20,705	20,705	0	0	0
52900	Other Contractual Services	676,474	19,440,488	19,440,488	0	0	0
	TOTAL Contractual Services	8,787,354	52,116,754	51,489,900	0	0	0
53000	Clothing	3,585	9,580	9,580	0	0	0
53200	Food for Human Consumption	15,421	8,987	8,987	0	0	0
53400	Maint Constr Material Supply	1,498	10,665	10,665	0	0	0
53500	Vehicle Part Supply Accessory	243,459	229,699	229,699	0	0	0
53600	Pro Science Supply Material	19,230	40,243	40,243	0	0	0
53700	Office and Data Supplies	20,987	46,379	46,379	0	0	0
53900	Other Supplies and Materials	6,415	14,620	14,620	0	0	0
	TOTAL Commodities	310,595	360,173	360,173	0	0	0
	TOTAL Capital Outlay	689,897	3,842,441	3,702,441	0	0	0
	SUBTOTAL State Operations	25,277,565	75,411,886	74,776,277	0	0	0
55000	Federal Aid Payments	1,019,090	3,773,023	2,886,849	0	0	0
55100	State Aid Payments	0	4,000,000	4,000,000	0	0	0
	TOTAL Aid to Local Governments	1,019,090	7,773,023	6,886,849	0	0	0
55200	Claims	0	9,544,590	54,544,590	0	0	0
	TOTAL Other Assistance	0	9,544,590	54,544,590	0	0	0
	TOTAL REPORTABLE EXPENDITURES	26,296,655	92,729,499	136,207,716	0	0	0
77300	Transfers	130,965	306,852	306,852	0	0	0
	TOTAL Non-Expense Items	130,965	306,852	306,852	0	0	0
	TOTAL EXPENDITURES	26,427,620	93,036,351	136,514,568	0	0	0

KANSAS

406/410S - 406/410 series report

dwietharn / 2026A0400143

406/410 series report

Dept. Name: Corporation Commission
 Agency Name: Kansas Corporation Commission
 Agency Reporting Level: 00
 Version: 2026-A-04-00143

Date: 09/13/
 2024
 Time: 09:50:48

Division of the Budget
 KANSAS

Series	Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
1	2019	0100 PUBLIC SERVICE REGULATION FD	4,714,176	7,475,489	7,534,802	0	0	0
1	2019	2019 SUBTOTAL for 2019's	4,714,176	7,475,489	7,534,802	0	0	0
1	2130	2000 CONSERVATION FF	6,775,601	8,425,652	8,512,609	0	0	0
1	2130	2130 SUBTOTAL for 2130's	6,775,601	8,425,652	8,512,609	0	0	0
1	2181	2120 NATURAL GAS UNDRGRD STORAGE FF	168	0	0	0	0	0
1	2181	2181 SUBTOTAL for 2181's	168	0	0	0	0	0
1	2432	2400 FAC CONSERVATION IMPRV FD	0	0	0	0	0	0
1	2432	2432 SUBTOTAL for 2432's	0	0	0	0	0	0
1	2812	5500 MOTOR CARRIER LICENSE FF	2,878,782	2,608,182	2,633,427	0	0	0
1	2812	2812 SUBTOTAL for 2812's	2,878,782	2,608,182	2,633,427	0	0	0
1	3157	3157 3157 ENERGY EFF AND CNSRVTN	1,023	7,443	7,454	0	0	0
1	3157	3157 SUBTOTAL for 3157's	1,023	7,443	7,454	0	0	0
1	3477	3477 3477 GAS PIPELN SFTY PRG-SPEC 1 CAL	93,809	89,180	90,295	0	0	0
1	3477	3477 SUBTOTAL for 3477's	93,809	89,180	90,295	0	0	0
1	3632	3000 GAS PIPELINE SAFETY PRG	471,138	671,331	676,777	0	0	0
1	3632	3632 SUBTOTAL for 3632's	471,138	671,331	676,777	0	0	0
1	3633	3120 PIPELN DMG PREVNT GRNT PRG	48,126	92,695	93,503	0	0	0
1	3633	3633 SUBTOTAL for 3633's	48,126	92,695	93,503	0	0	0
1	3639	3641 UNDRGD NT GAS STRG	9,819	0	0	0	0	0
1	3639	3639 SUBTOTAL for 3639's	9,819	0	0	0	0	0
1	3682	3500 ENERGY CONSERVATION PLAN FDF	99,039	217,029	218,012	0	0	0
1	3682	3503 IRA Rebate 50122	19	13,232	13,251	0	0	0
1	3682	3504 IRA Rebate 50121	19	13,231	13,251	0	0	0
1	3682	3682 SUBTOTAL for 3682's	99,077	243,492	244,514	0	0	0
1	3768	3700 UNDRGRD INJCTN CTRL CLS II FDF	398,000	0	0	0	0	0
1	3768	3768 SUBTOTAL for 3768's	398,000	0	0	0	0	0
1	NEW2	NEW2 NEW2 Energy Efficiency Revolving Loan Fd	0	19,021	19,048	0	0	0
1	NEW2	NEW2 SUBTOTAL for NEW2's	0	19,021	19,048	0	0	0
		1462 TOTAL Salaries and Wages	15,489,719	19,632,485	19,812,429	0	0	0
10	1000	9559 GENERAL FUND RECEIPT ONLY	0	0	0	0	0	0
10	1000	1000 SUBTOTAL for 1000's	0	0	0	0	0	0
10	2019	0100 PUBLIC SERVICE REGULATION FD	0	(315,902)	(361,586)	0	0	0
10	2019	2019 SUBTOTAL for 2019's	0	(315,902)	(361,586)	0	0	0
10	2130	2000 CONSERVATION FF	0	(224,065)	(227,080)	0	0	0
10	2130	2130 SUBTOTAL for 2130's	0	(224,065)	(227,080)	0	0	0
10	3682	3500 ENERGY CONSERVATION PLAN FDF	0	0	0	0	0	0
10	3682	3682 SUBTOTAL for 3682's	0	0	0	0	0	0
		1502 TOTAL Shrinkage	0	(539,967)	(588,666)	0	0	0
2	2019	0100 PUBLIC SERVICE REGULATION FD	1,849,427	7,152,471	6,525,617	0	0	0
2	2019	2019 SUBTOTAL for 2019's	1,849,427	7,152,471	6,525,617	0	0	0
2	2023	1100 GAS PIPELINE INSPECTION FF	2,383	1,958	1,958	0	0	0
2	2023	2023 SUBTOTAL for 2023's	2,383	1,958	1,958	0	0	0
2	2130	2000 CONSERVATION FF	1,316,828	3,524,713	3,524,713	0	0	0
2	2130	2130 SUBTOTAL for 2130's	1,316,828	3,524,713	3,524,713	0	0	0
2	2143	2100 ABANDONED OIL & GAS WELL FD	2,023,865	2,177,192	2,177,192	0	0	0

406/410 series report

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Series	Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
2	2143	2143 SUBTOTAL for 2143's	2,023,865	2,177,192	2,177,192	0	0	0
2	2316	2300 INSERVICE EDU WORKSHOP FF	2,886	5,771	5,771	0	0	0
2	2316	2316 SUBTOTAL for 2316's	2,886	5,771	5,771	0	0	0
2	2432	2400 FAC CONSERVATION IMPRV FD	135	230	230	0	0	0
2	2432	2432 SUBTOTAL for 2432's	135	230	230	0	0	0
2	2812	5500 MOTOR CARRIER LICENSE FF	1,399,614	1,821,110	1,821,110	0	0	0
2	2812	2812 SUBTOTAL for 2812's	1,399,614	1,821,110	1,821,110	0	0	0
2	3477	3477 3477 GAS PIPELN SFTY PRG-SPEC 1 CAL	2,368	4,683	4,683	0	0	0
2	3477	3477 SUBTOTAL for 3477's	2,368	4,683	4,683	0	0	0
2	3632	3000 GAS PIPELINE SAFETY PRG	106,431	98,692	98,692	0	0	0
2	3632	3632 SUBTOTAL for 3632's	106,431	98,692	98,692	0	0	0
2	3639	3641 UNDRGD NT GAS STRG	1,231	3,644	3,644	0	0	0
2	3639	3639 SUBTOTAL for 3639's	1,231	3,644	3,644	0	0	0
2	3656	3656 3656 Energy Community Revitalization Grant	1,552,009	18,000,000	18,000,000	0	0	0
2	3656	3656 SUBTOTAL for 3656's	1,552,009	18,000,000	18,000,000	0	0	0
2	3682	3500 ENERGY CONSERVATION PLAN FDF	530,177	19,326,290	19,326,290	0	0	0
2	3682	3682 SUBTOTAL for 3682's	530,177	19,326,290	19,326,290	0	0	0
		1622 TOTAL Contractual Services	8,787,354	52,116,754	51,489,900	0	0	0
3	2019	0100 PUBLIC SERVICE REGULATION FD	17,719	19,163	19,163	0	0	0
3	2019	2019 SUBTOTAL for 2019's	17,719	19,163	19,163	0	0	0
3	2023	1100 GAS PIPELINE INSPECTION FF	0	884	884	0	0	0
3	2023	2023 SUBTOTAL for 2023's	0	884	884	0	0	0
3	2130	2000 CONSERVATION FF	226,246	253,080	253,080	0	0	0
3	2130	2130 SUBTOTAL for 2130's	226,246	253,080	253,080	0	0	0
3	2143	2100 ABANDONED OIL & GAS WELL FD	22	0	0	0	0	0
3	2143	2143 SUBTOTAL for 2143's	22	0	0	0	0	0
3	2316	2300 INSERVICE EDU WORKSHOP FF	15,206	212	212	0	0	0
3	2316	2316 SUBTOTAL for 2316's	15,206	212	212	0	0	0
3	2432	2400 FAC CONSERVATION IMPRV FD	50	20	20	0	0	0
3	2432	2432 SUBTOTAL for 2432's	50	20	20	0	0	0
3	2667	4000 ENERGY GRNTS MGMT FD-STRIPPER	0	14,310	14,310	0	0	0
3	2667	2667 SUBTOTAL for 2667's	0	14,310	14,310	0	0	0
3	2812	5500 MOTOR CARRIER LICENSE FF	29,884	48,658	48,658	0	0	0
3	2812	2812 SUBTOTAL for 2812's	29,884	48,658	48,658	0	0	0
3	3477	3477 3477 GAS PIPELN SFTY PRG-SPEC 1 CAL	1,778	10,652	10,652	0	0	0
3	3477	3477 SUBTOTAL for 3477's	1,778	10,652	10,652	0	0	0
3	3632	3000 GAS PIPELINE SAFETY PRG	18,057	12,879	12,879	0	0	0
3	3632	3632 SUBTOTAL for 3632's	18,057	12,879	12,879	0	0	0
3	3639	3641 UNDRGD NT GAS STRG	758	295	295	0	0	0
3	3639	3639 SUBTOTAL for 3639's	758	295	295	0	0	0
3	3682	3500 ENERGY CONSERVATION PLAN FDF	875	20	20	0	0	0
3	3682	3682 SUBTOTAL for 3682's	875	20	20	0	0	0
		1742 TOTAL Commodities	310,595	360,173	360,173	0	0	0
4	2019	0100 PUBLIC SERVICE REGULATION FD	49,796	1,503,440	1,403,440	0	0	0
4	2019	2019 SUBTOTAL for 2019's	49,796	1,503,440	1,403,440	0	0	0

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Series	Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
4	2130	2000 CONSERVATION FF	478,906	1,458,932	1,458,932	0	0	0
4	2130	2130 SUBTOTAL for 2130's	478,906	1,458,932	1,458,932	0	0	0
4	2143	2100 ABANDONED OIL & GAS WELL FD	2,364	0	0	0	0	0
4	2143	2143 SUBTOTAL for 2143's	2,364	0	0	0	0	0
4	2667	4000 ENERGY GRNTS MGMT FD-STRIPPER	0	8,120	8,120	0	0	0
4	2667	2667 SUBTOTAL for 2667's	0	8,120	8,120	0	0	0
4	2812	5500 MOTOR CARRIER LICENSE FF	125,489	853,845	813,845	0	0	0
4	2812	2812 SUBTOTAL for 2812's	125,489	853,845	813,845	0	0	0
4	3157	3157 3157 ENERGY EFF AND CNSRVTN	0	0	0	0	0	0
4	3157	3157 SUBTOTAL for 3157's	0	0	0	0	0	0
4	3632	3000 GAS PIPELINE SAFETY PRG	29,735	18,104	18,104	0	0	0
4	3632	3632 SUBTOTAL for 3632's	29,735	18,104	18,104	0	0	0
4	3682	3500 ENERGY CONSERVATION PLAN FDF	3,607	0	0	0	0	0
4	3682	3682 SUBTOTAL for 3682's	3,607	0	0	0	0	0
	1822	TOTAL Capital Outlay	689,897	3,842,441	3,702,441	0	0	0
8	3157	3157 3157 ENERGY EFF AND CNSRVTN	1,019,090	886,174	0	0	0	0
8	3157	3157 SUBTOTAL for 3157's	1,019,090	886,174	0	0	0	0
8	3682	3500 ENERGY CONSERVATION PLAN FDF	0	2,886,849	2,886,849	0	0	0
8	3682	3682 SUBTOTAL for 3682's	0	2,886,849	2,886,849	0	0	0
8	3756	3536 AMER RESCUE PLAN STATE RELIEF	0	4,000,000	4,000,000	0	0	0
8	3756	3756 SUBTOTAL for 3756's	0	4,000,000	4,000,000	0	0	0
	1852	TOTAL Aid to Locals	1,019,090	7,773,023	6,886,849	0	0	0
9	3682	3503 IRA Rebate 50122	0	0	22,500,000	0	0	0
9	3682	3504 IRA Rebate 50121	0	0	22,500,000	0	0	0
9	3682	3682 SUBTOTAL for 3682's	0	0	45,000,000	0	0	0
9	NEW6	NEW6 NEW6 GRID RESILIENCE BIL FORMULA FUND	0	9,544,590	9,544,590	0	0	0
9	NEW6	NEW6 SUBTOTAL for NEW6's	0	9,544,590	9,544,590	0	0	0
	1882	TOTAL Other Assistance	0	9,544,590	54,544,590	0	0	0
92	2019	0100 PUBLIC SERVICE REGULATION FD	0	100,000	100,000	0	0	0
92	2019	2019 SUBTOTAL for 2019's	0	100,000	100,000	0	0	0
92	3477	3477 3477 GAS PIPELN SFTY PRG-SPEC 1 CAL	27,833	24,078	24,078	0	0	0
92	3477	3477 SUBTOTAL for 3477's	27,833	24,078	24,078	0	0	0
92	3632	3000 GAS PIPELINE SAFETY PRG	87,614	105,558	105,558	0	0	0
92	3632	3632 SUBTOTAL for 3632's	87,614	105,558	105,558	0	0	0
92	3639	3641 UNDRGD NT GAS STRG	2,686	4,549	4,549	0	0	0
92	3639	3639 SUBTOTAL for 3639's	2,686	4,549	4,549	0	0	0
92	3682	3500 ENERGY CONSERVATION PLAN FDF	12,832	72,667	72,667	0	0	0
92	3682	3682 SUBTOTAL for 3682's	12,832	72,667	72,667	0	0	0
	1932	TOTAL Non-Expense Items	130,965	306,852	306,852	0	0	0
	1932	TOTAL All Funds	26,427,620	93,036,351	136,514,568	0	0	0

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Division of the Budget
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Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
9559	GENERAL FUND RECEIPT ONLY	0	0	0	0	0	0
1000	SUBTOTAL STATE GENERAL FUND	0	0	0	0	0	0
0100	PUBLIC SERVICE REGULATION FD	6,631,118	15,934,661	15,221,436	0	0	0
2019	SUBTOTAL PUBLIC SERVICE REGULATION FD	6,631,118	15,934,661	15,221,436	0	0	0
1100	GAS PIPELINE INSPECTION FF	2,383	2,842	2,842	0	0	0
2023	SUBTOTAL GAS PIPELINE INSPECTION FF	2,383	2,842	2,842	0	0	0
2000	CONSERVATION FF	8,797,581	13,438,312	13,522,254	0	0	0
2130	SUBTOTAL CONSERVATION FF	8,797,581	13,438,312	13,522,254	0	0	0
2100	ABANDONED OIL & GAS WELL FD	2,026,251	2,177,192	2,177,192	0	0	0
2143	SUBTOTAL ABANDONED OIL & GAS WELL FD	2,026,251	2,177,192	2,177,192	0	0	0
2120	NATURAL GAS UNDGRD STORAGE FF	168	0	0	0	0	0
2181	SUBTOTAL NATURAL GAS UNDGRD STORAGE FF	168	0	0	0	0	0
2300	INSERVICE EDU WORKSHOP FF	18,092	5,983	5,983	0	0	0
2316	SUBTOTAL INSERVICE EDU WORKSHOP FF	18,092	5,983	5,983	0	0	0
2400	FAC CONSERVATION IMPRV FD	185	250	250	0	0	0
2432	SUBTOTAL FAC CONSERVATION IMPRV FD	185	250	250	0	0	0
4000	ENERGY GRNTS MGMT FD-STRIPPER	0	22,430	22,430	0	0	0
2667	SUBTOTAL ENERGY GRNTS MGMT FD-STRIPPER	0	22,430	22,430	0	0	0
5500	MOTOR CARRIER LICENSE FF	4,433,769	5,331,795	5,317,040	0	0	0
2812	SUBTOTAL MOTOR CARRIER LICENSE FF	4,433,769	5,331,795	5,317,040	0	0	0
3157	ENERGY EFF AND CNSRVTN	1,020,113	893,617	7,454	0	0	0
3157	SUBTOTAL 81.128-ENGY EFF/CONSERV BLK GR	1,020,113	893,617	7,454	0	0	0
3477	GAS PIPELN SFTY PRG-SPEC 1 CAL	125,788	128,593	129,708	0	0	0
3477	SUBTOTAL ST DMG PRVTN PRG	125,788	128,593	129,708	0	0	0
3000	GAS PIPELINE SAFETY PRG	712,975	906,564	912,010	0	0	0
3632	SUBTOTAL 20.700-PUB SFTY PRG BASE GRNT	712,975	906,564	912,010	0	0	0
3120	PIPELN DMG PREVNT GRNT PRG	48,126	92,695	93,503	0	0	0
3633	SUBTOTAL 20.700-PUB SFTY PRG BASE GRNT	48,126	92,695	93,503	0	0	0
3641	UNDRGD NT GAS STRG	14,494	8,488	8,488	0	0	0
3639	SUBTOTAL UNDRGD NT GAS STRG	14,494	8,488	8,488	0	0	0

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Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
3656	Energy Community Revitalization Grant	1,552,009	18,000,000	18,000,000	0	0	0
3656	SUBTOTAL Energy Community Revitalization Grant	1,552,009	18,000,000	18,000,000	0	0	0
3500	ENERGY CONSERVATION PLAN FDF	646,530	22,502,855	22,503,838	0	0	0
3503	IRA Rebate 50122	19	13,232	22,513,251	0	0	0
3504	IRA Rebate 50121	19	13,231	22,513,251	0	0	0
3682	SUBTOTAL 81.041-ST ENGY PRG	646,568	22,529,318	67,530,340	0	0	0
3536	AMER RESCUE PLAN STATE RELIEF	0	4,000,000	4,000,000	0	0	0
3756	SUBTOTAL AMER RESCUE PLAN STATE RELIEF	0	4,000,000	4,000,000	0	0	0
3700	UNDGRD INJCTN CTRL CLS II FDF	398,000	0	0	0	0	0
3768	SUBTOTAL 66.433-ST UNDGRD WTR SRC PROT	398,000	0	0	0	0	0
NEW2	Energy Efficiency Revolving Loan Fd	0	19,021	19,048	0	0	0
NEW2	SUBTOTAL Energy Efficiency Revolving Loan Fd	0	19,021	19,048	0	0	0
NEW6	GRID RESILIENCE BIL FORMULA FUND	0	9,544,590	9,544,590	0	0	0
NEW6	SUBTOTAL GRID RESILIENCE BIL FORMULA FUND	0	9,544,590	9,544,590	0	0	0
2298	TOTAL MEANS OF FUNDING	26,427,620	93,036,351	136,514,568	0	0	0

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412 reconciliation

Program Name: null
Agency Name: Kansas Corporation Commission
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Division of the Budget
 KANSAS

Classification of Employment	Pay Grade	FY 2025 Estimate		FY 2026 Request	
		Pos	Amount	Pos	Amount
Authorized Positions					
Regular Unclassified					
Accountant	1	6.00	401,185	6.00	401,185
Accounting Manager	1	3.00	335,997	3.00	335,997
Administrative Assistant	1	4.00	123,908	4.00	123,908
Administrative Specialist	1	13.00	562,764	13.00	562,764
Applications Developer	1	3.00	197,292	3.00	197,292
Appointive State Agency Head	1	3.00	493,476	3.00	493,476
Assistant General Counsel	1	2.00	181,254	2.00	181,254
Attorney	1	9.75	813,756	10.00	813,756
Business Systems Analyst	1	1.00	78,751	1.00	78,751
Chief Counsel	1	1.00	115,000	1.00	115,000
Chief Engineer	1	1.00	129,260	1.00	129,260
Chief Fiscal Officer	1	1.00	94,925	1.00	94,925
Chief Telecom Analyst	1	1.00	104,473	1.00	104,473
Database Administrator	1	1.00	78,225	1.00	78,225
Deputy Director	1	5.00	524,370	5.00	524,370
Deputy General Counsel	1	1.00	86,517	1.00	86,517
Director	1	2.00	173,020	2.00	173,020
Energy Engineer	1	1.00	103,950	1.00	103,950
Env Compliance/Regulatory Spec	1	39.00	2,307,837	39.00	2,307,837
Environmental Associate	1	1.00	61,809	1.00	61,809
Environmental Prog Admin Supv	1	3.00	254,271	3.00	254,271
Environmental Specialist	1	1.00	52,151	1.00	52,151
Executive Director	1	1.00	133,000	1.00	133,000
Executive Secretary	1	1.00	71,203	1.00	71,203
Financial Analyst	1	1.00	92,196	1.00	92,196
GIS Specialist	1	1.00	73,170	1.00	73,170
General Counsel	1	1.00	132,236	1.00	132,236
Geology Specialist	1	6.00	375,931	6.00	375,931
Grant Specialist	1	1.00	68,355	1.00	68,355
Graphic Designer	1	1.00	61,922	1.00	61,922
Head Of Division Of State Agcy	1	4.00	544,299	4.00	544,299
Human Resource Director	1	1.00	98,700	1.00	98,700
Human Resource Professional	1	1.00	63,309	1.00	63,309
Info Tech Security Analyst	1	1.00	102,733	1.00	102,733
Information Systems Manager	1	1.00	81,505	1.00	81,505
Information Technology Manager	1	1.00	90,405	1.00	90,405
Intern	1	1.00	54,709	1.00	54,709
Legal Assistant	1	3.00	148,618	3.00	148,618
Legislative Liaison	1	1.00	75,246	1.00	75,246
Managing Telecom Auditor	1	1.00	81,683	1.00	81,683
Nat Gas Pipeline Sfty Insp	1	6.00	408,506	6.00	408,506
Natural Gas Safety Sr Engineer	1	1.00	81,378	1.00	81,378

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Classification of Employment	Pay Grade	FY 2025 Estimate		FY 2026 Request	
		Pos	Amount	Pos	Amount
Network Specialist	1	2.00	149,600	2.00	149,600
Prof Geologist Supervisor	1	4.00	384,189	4.00	384,189
Professional Geologist	1	5.00	332,122	5.00	332,122
Program Analyst	1	1.00	60,000	1.00	60,000
Program Assistant	1	1.00	29,744	1.00	29,744
Program Consultant	1	3.00	146,393	3.00	146,393
Program Manager	1	1.00	61,100	1.00	61,100
Program Specialist	1	1.00	74,056	1.00	74,056
Project Coordinator	1	1.00	69,767	1.00	69,767
Project Manager	1	2.00	160,032	2.00	160,032
Public Service Administrator	1	3.00	180,985	3.00	180,985
Public Service Executive	1	3.00	215,668	3.00	215,668
Research Analyst	1	7.00	347,487	7.00	347,486
Senior Administrativ Assistant	1	2.00	78,700	2.00	78,700
Senior Telecom Analyst	1	1.00	75,246	1.00	75,246
Special Investigator	1	15.00	958,124	15.00	958,122
State Auditor	1	6.00	411,253	6.00	411,253
Technology Support Consultant	1	3.00	169,726	3.00	169,726
Telecommunications Analyst	1	2.00	118,388	2.00	118,387
Utilities Rate Analyst	1	3.00	189,145	3.00	189,145
Utility Engineer II	1	0.50	21,163	0.50	21,163
Subtotal Regular Unclassified		204.25	14,346,186	204.50	14,346,182
Non FTE Unclassified Permanent					
Intern	1	0.00	10,400	0.00	10,400
Subtotal Non FTE Unclassified Permanent		0.00	10,400	0.00	10,400
Temporary Unclassified					
Attorney	1	0.00	62,400	0.00	62,400
Intern	1	0.00	16,640	0.00	16,640
Telecommunications Analyst	1	0.00	52,000	0.00	52,000
Subtotal Temporary Unclassified		0.00	131,040	0.00	131,040
Longevity					
Longevity		0.00	0	0.00	0
Subtotal Longevity		0.00	0	0.00	0
Totals		204.25	14,487,626	204.50	14,487,622
Totals by Fringe Benefits					
RET	KPERS	0.00	639,030	0.00	651,592
RET	KPER2	0.00	1,152,817	0.00	1,160,259
FICA		0.00	898,233	0.00	898,233
WKCOMP		0.00	33,756	0.00	29,844
RSAL		0.00	81,131	0.00	89,823
HLT1		0.00	1,788,591	0.00	1,918,850
HLT2		0.00	341,231	0.00	366,135
FICA 2		0.00	210,071	0.00	210,071
Total Benefits		0.00	5,144,860	0.00	5,324,807

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Classification of Employment	Pay Grade	FY 2025 Estimate		FY 2026 Request	
		Pos	Amount	Pos	Amount
Total Salaries and Benefits		0.00	19,632,485	0.00	19,812,429
Totals by Position Type					
Regular Unclassified		204.25	14,346,186	204.50	14,346,182
Non FTE Unclassified		0.00	10,400	0.00	10,400
Permanent		0.00	131,040	0.00	131,040
Temporary Unclassified		0.00	0	0.00	0
Longevity		0.00			
KANSAS	DA-412 - 412 reconciliation				dwietharn / 2026A0400143

404 Report

Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 1000 9559 Name: GENERAL FUND RECEIPT ONLY	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
Total Available	0	0	0	0
Total Reportable Expenditures	0	0	0	0
Total Expenditures	0	0	0	0
Balance Forward	0	0	0	0
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

404 Report

Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 2019 0100 Name: PUBLIC SERVICE REGULATION FD		FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007	CASH FORWARD	4,302,843	4,465,463	2,442,179	1,132,120
420100	AUDITS AND INSPECTIONS	4,079,383	10,129,877	10,129,877	0
420400	CLERICAL SERVICES	0	360,000	360,000	0
421110	LICENSE BUSINESS	4,250	3,500	3,500	0
422600	USABLE CONDEMNED EQUIPMENT	2,760	0	0	0
462110	RECOVERY OF CURRENT FY EXP	2,676,380	3,400,000	3,400,000	0
469290	FED INDIRECT COST TRANSF IN	130,965	118,000	118,000	0
766020	OPERATING TRANSFERS OUT	(100,000)	(100,000)	(100,000)	0
	Total Available	11,096,581	18,376,840	16,353,556	1,132,120
	Total Non-Reportable Expenditures	0	100,000	100,000	0
	Total Reportable Expenditures	6,631,118	15,834,661	15,121,436	0
	Total Expenditures	6,631,118	15,934,661	15,221,436	0
	Balance Forward	4,465,463	2,442,179	1,132,120	1,132,120
KANSAS		404 Report		dwietharn / 2026-A-04-00143	

404 Report

Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 2023 1100 Name: GAS PIPELINE INSPECTION FF	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	308	46,443	83,601	120,759
420100 AUDITS AND INSPECTIONS	48,518	40,000	40,000	0
Total Available	48,826	86,443	123,601	120,759
Total Reportable Expenditures	2,383	2,842	2,842	0
Total Expenditures	2,383	2,842	2,842	0
Balance Forward	46,443	83,601	120,759	120,759
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

404 Report

Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 2130 2000 Name: CONSERVATION FF		FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007	CASH FORWARD	4,628,462	3,046,601	2,541,289	1,952,035
420100	AUDITS AND INSPECTIONS	6,983,115	12,700,000	12,700,000	0
421110	LICENSE BUSINESS	180,377	200,000	200,000	0
422600	USABLE CONDEMNED EQUIPMENT	26,217	33,000	33,000	0
462110	RECOVERY OF CURRENT FY EXP	26,011	0	0	0
	Total Available	11,844,182	15,979,601	15,474,289	1,952,035
	Total Reportable Expenditures	8,797,581	13,438,312	13,522,254	0
	Total Expenditures	8,797,581	13,438,312	13,522,254	0
	Balance Forward	3,046,601	2,541,289	1,952,035	1,952,035
KANSAS		404 Report		dwietharn / 2026-A-04-00143	

404 Report

Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 2143 2100 Name: ABANDONED OIL & GAS WELL FD	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	5,483,178	4,337,194	3,263,002	2,188,810
421190 LICENSE OTHER BUSINESS	313,091	350,000	350,000	0
422500 SALVAGED MATERIALS	27,600	152,000	152,000	0
430150 AVERAGE DAILY BALANCE INTEREST	282,193	180,000	180,000	0
431400 OIL GAS MINERAL SAND ROYALTIES	233,619	421,000	421,000	0
462110 RECOVERY OF CURRENT FY EXP	23,764	0	0	0
Total Available	6,363,445	5,440,194	4,366,002	2,188,810
Total Reportable Expenditures	2,026,251	2,177,192	2,177,192	0
Total Expenditures	2,026,251	2,177,192	2,177,192	0
Balance Forward	4,337,194	3,263,002	2,188,810	2,188,810
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 2181 2120 Name: NATURAL GAS UNDGRD STORAGE FF	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	546,941	577,720	603,720	629,720
421110 LICENSE BUSINESS	4,800	11,000	11,000	0
430150 AVERAGE DAILY BALANCE INTEREST	26,147	15,000	15,000	0
Total Available	577,888	603,720	629,720	629,720
Total Reportable Expenditures	168	0	0	0
Total Expenditures	168	0	0	0
Balance Forward	577,720	603,720	629,720	629,720
KANSAS		404 Report	dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 2316 2300 Name: INSERVICE EDU WORKSHOP FF	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	45,488	37,416	38,433	39,450
420500 EDUCATION AND LIBRARIES	10,020	7,000	7,000	0
Total Available	55,508	44,416	45,433	39,450
Total Reportable Expenditures	18,092	5,983	5,983	0
Total Expenditures	18,092	5,983	5,983	0
Balance Forward	37,416	38,433	39,450	39,450
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 2432 2400 Name: FAC CONSERVATION IMPRV FD		FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007	CASH FORWARD	1,012,655	1,012,470	1,012,220	1,011,970
	Total Available	1,012,655	1,012,470	1,012,220	1,011,970
	Total Reportable Expenditures	185	250	250	0
	Total Expenditures	185	250	250	0
	Balance Forward	1,012,470	1,012,220	1,011,970	1,011,970
KANSAS		404 Report		dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 2667 4000 Name: ENERGY GRNTS MGMT FD-STRIPPER	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	660,028	691,303	688,873	686,443
430150 AVERAGE DAILY BALANCE INTEREST	31,275	20,000	20,000	0
Total Available	691,303	711,303	708,873	686,443
Total Reportable Expenditures	0	22,430	22,430	0
Total Expenditures	0	22,430	22,430	0
Balance Forward	691,303	688,873	686,443	686,443
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 2667 4700 Name: EGMF-FPVEF-EXXON REFUND	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	82,913	86,871	89,871	92,871
430150 AVERAGE DAILY BALANCE INTEREST	3,958	3,000	3,000	0
Total Available	86,871	89,871	92,871	92,871
Total Expenditures	0	0	0	0
Balance Forward	86,871	89,871	92,871	92,871
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission
 Version: 2026-A-04-00143

Fund Number: 2812 5500 Name: MOTOR CARRIER LICENSE FF	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	2,055,681	2,904,153	4,404,153	5,904,153
420400 CLERICAL SERVICES	400	0	0	0
421120 LICENSE MOTOR CARRIER	6,278,441	5,331,795	5,317,040	0
422600 USABLE CONDEMNED EQUIPMENT	3,400	0	0	0
766020 OPERATING TRANSFERS OUT	(1,000,000)	1,500,000	1,500,000	0
Total Available	7,337,922	9,735,948	11,221,193	5,904,153
Total Reportable Expenditures	4,433,769	5,331,795	5,317,040	0
Total Expenditures	4,433,769	5,331,795	5,317,040	0
Balance Forward	2,904,153	4,404,153	5,904,153	5,904,153
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3157 3157 Name: ENERGY EFF AND CNSRVTN	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	0	0	0	0
440100 FEDERAL GRANT OPERATING	1,020,113	893,617	7,454	0
Total Available	1,020,113	893,617	7,454	0
Total Reportable Expenditures	1,020,113	893,617	7,454	0
Total Expenditures	1,020,113	893,617	7,454	0
Balance Forward	0	0	0	0
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3161 3160 Name: ENERGY EFF REVLG LOAN PRG-ARRA	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	5,447,850	5,447,850	5,447,850	5,447,850
430150 AVERAGE DAILY BALANCE INTEREST	265,537	0	0	0
766080 OP TRSF OUT-INTEREST ALLOCATIO	(265,537)	0	0	0
Total Available	5,447,850	5,447,850	5,447,850	5,447,850
Total Expenditures	0	0	0	0
Balance Forward	5,447,850	5,447,850	5,447,850	5,447,850
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3161 3164 Name: EERL-ARRA-INCENTIVE	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	0	11,562	11,562	11,562
420400 CLERICAL SERVICES	11,562	0	0	0
Total Available	11,562	11,562	11,562	11,562
Total Expenditures	0	0	0	0
Balance Forward	11,562	11,562	11,562	11,562
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3161 3165 Name: EERL-ARRA-INTEREST		FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007	CASH FORWARD	0	265,537	265,537	265,537
766070	OPERATING TRANSFERS IN, INTERE	265,537	0	0	0
	Total Available	265,537	265,537	265,537	265,537
	Total Expenditures	0	0	0	0
	Balance Forward	265,537	265,537	265,537	265,537
KANSAS		404 Report		dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3161 3166 Name: EERL-ARRA-BANKS PRIN	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	0	265	265	265
462690 REIMB LOAN PRIN OTHER	265	0	0	0
Total Available	265	265	265	265
Total Expenditures	0	0	0	0
Balance Forward	265	265	265	265
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3161 3167 Name: EERL-ARRA-UTILITY PRIN	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	0	261,208	261,208	261,208
462690 REIMB LOAN PRIN OTHER	261,208	0	0	0
Total Available	261,208	261,208	261,208	261,208
Total Expenditures	0	0	0	0
Balance Forward	261,208	261,208	261,208	261,208
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3477 3477 Name: GAS PIPELN SFTY PRG-SPEC 1 CAL		FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007	CASH FORWARD	40,344	59,043	54,816	50,588
440100	FEDERAL GRANT OPERATING	116,654	104,516	105,630	0
462710	FED INDIRECT COST REIMB	27,833	19,850	19,850	0
	Total Available	184,831	183,409	180,296	50,588
	Total Reportable Expenditures	97,955	104,515	105,630	0
	Total Non-Reportable Expenditures	27,833	24,078	24,078	0
	Total Expenditures	125,788	128,593	129,708	0
	Balance Forward	59,043	54,816	50,588	50,588
KANSAS		404 Report		dwietharn / 2026-A-04-00143	

404 Report

Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3632 3000 Name: GAS PIPELINE SAFETY PRG		FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007	CASH FORWARD	226,672	39,390	39,390	39,390
440100	FEDERAL GRANT OPERATING	438,079	801,006	806,452	0
462710	FED INDIRECT COST REIMB	87,614	105,558	105,558	0
	Total Available	752,365	945,954	951,400	39,390
	Total Non-Reportable Expenditures	87,614	105,558	105,558	0
	Total Reportable Expenditures	625,361	801,006	806,452	0
	Total Expenditures	712,975	906,564	912,010	0
	Balance Forward	39,390	39,390	39,390	39,390
KANSAS		404 Report		dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3633 3120 Name: PIPELN DMG PREVNT GRNT PRG	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	0	0	1	0
440100 FEDERAL GRANT OPERATING	48,126	92,696	93,502	0
Total Available	48,126	92,696	93,503	0
Total Reportable Expenditures	48,126	92,695	93,503	0
Total Expenditures	48,126	92,695	93,503	0
Balance Forward	0	1	0	0
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

404 Report

Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3639 3641 Name: UNDRGD NT GAS STRG		FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007	CASH FORWARD	(40)	(459)	(459)	(459)
440100	FEDERAL GRANT OPERATING	11,389	3,939	3,939	0
462710	FED INDIRECT COST REIMB	2,686	4,549	4,549	0
	Total Available	14,035	8,029	8,029	(459)
	Total Reportable Expenditures	11,808	3,939	3,939	0
	Total Non-Reportable Expenditures	2,686	4,549	4,549	0
	Total Expenditures	14,494	8,488	8,488	0
	Balance Forward	(459)	(459)	(459)	(459)
KANSAS		404 Report		dwietharn / 2026-A-04-00143	

404 Report

Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3656 3656 Name: Energy Community Revitalization Grant		FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007	CASH FORWARD	(11,560,880)	(1,653,907)	(1,653,907)	(1,653,907)
422500	SALVAGED MATERIALS	424,258	0	0	0
440100	FEDERAL GRANT OPERATING	11,034,724	18,000,000	18,000,000	0
	Total Available	(101,898)	16,346,093	16,346,093	(1,653,907)
	Total Reportable Expenditures	1,552,009	18,000,000	18,000,000	0
	Total Expenditures	1,552,009	18,000,000	18,000,000	0
	Balance Forward	(1,653,907)	(1,653,907)	(1,653,907)	(1,653,907)
KANSAS			404 Report	dwietharn / 2026-A-04-00143	

404 Report

Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3682 3500 Name: ENERGY CONSERVATION PLAN FDF		FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007	CASH FORWARD	(198,215)	(103,242)	(103,242)	(103,242)
440100	FEDERAL GRANT OPERATING	728,671	22,430,188	22,431,171	0
462710	FED INDIRECT COST REIMB	12,832	72,667	72,667	0
	Total Available	543,288	22,399,613	22,400,596	(103,242)
	Total Non-Reportable Expenditures	12,832	72,667	72,667	0
	Total Reportable Expenditures	633,698	22,430,188	22,431,171	0
	Total Expenditures	646,530	22,502,855	22,503,838	0
	Balance Forward	(103,242)	(103,242)	(103,242)	(103,242)
KANSAS		404 Report		dwietharn / 2026-A-04-00143	

404 Report

Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3682 3503 Name: IRA Rebate 50122	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	0	0	0	0
440100 FEDERAL GRANT OPERATING	19	13,232	22,513,251	0
Total Available	19	13,232	22,513,251	0
Total Reportable Expenditures	19	13,232	22,513,251	0
Total Expenditures	19	13,232	22,513,251	0
Balance Forward	0	0	0	0
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3682 3504 Name: IRA Rebate 50121	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	0	0	0	0
440100 FEDERAL GRANT OPERATING	19	13,231	22,513,251	0
Total Available	19	13,231	22,513,251	0
Total Reportable Expenditures	19	13,231	22,513,251	0
Total Expenditures	19	13,231	22,513,251	0
Balance Forward	0	0	0	0
KANSAS		404 Report	dwietharn / 2026-A-04-00143	

404 Report

Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3756 3536 Name: AMER RESCUE PLAN STATE RELIEF		FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007	CASH FORWARD	0	0	0	0
440100	FEDERAL GRANT OPERATING	0	4,000,000	4,000,000	0
	Total Available	0	4,000,000	4,000,000	0
	Total Reportable Expenditures	0	4,000,000	4,000,000	0
	Total Expenditures	0	4,000,000	4,000,000	0
	Balance Forward	0	0	0	0
KANSAS			404 Report	dwietharn / 2026-A-04-00143	

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Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: 3768 3700 Name: UNDGRD INJCTN CTRL CLS II FDF	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	0	0	0	0
440100 FEDERAL GRANT OPERATING	398,000	0	0	0
Total Available	398,000	0	0	0
Total Reportable Expenditures	398,000	0	0	0
Total Expenditures	398,000	0	0	0
Balance Forward	0	0	0	0
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

404 Report

Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: NEW2 NEW2 Name: Energy Efficiency Revolving Loan Fd		FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007	CASH FORWARD	0	0	0	0
440100	FEDERAL GRANT OPERATING	0	19,021	19,048	0
	Total Available	0	19,021	19,048	0
	Total Reportable Expenditures	0	19,021	19,048	0
	Total Expenditures	0	19,021	19,048	0
	Balance Forward	0	0	0	0
KANSAS			404 Report		dwietharn / 2026-A-04-00143

404 Report

Agency: 00143 Kansas Corporation Commission

Version: 2026-A-04-00143

Fund Number: NEW6 NEW6 Name: GRID RESILIENCE BIL FORMULA FUND	FY 2024 Actuals	FY 2025 Adjusted Budget Request	FY 2026 Adjusted Budget Request	FY 2027 Adjusted Budget Request
40007 CASH FORWARD	0	0	0	0
440100 FEDERAL GRANT OPERATING	0	9,544,590	9,544,590	0
Total Available	0	9,544,590	9,544,590	0
Total Reportable Expenditures	0	9,544,590	9,544,590	0
Total Expenditures	0	9,544,590	9,544,590	0
Balance Forward	0	0	0	0
KANSAS	404 Report		dwietharn / 2026-A-04-00143	

Explanation of Receipt Estimates – DA 405

Division of the Budget
State of Kansas

Agency Kansas Corporation Commission

Effective Fiscal Year 2014, the Appropriations bill has contained language similar to the Appropriations bill for FY25 (SB 28, Sec. 53, paragraph (e), pgs. 38-39): “During the fiscal year ending June 30, 2025, notwithstanding the provisions of K.S.A. 55-164, 66-138 or 66-1,142b, and amendments thereto, or any other statute, all moneys received from civil fines and penalties charged and collected by the state corporation commission under K.S.A. 55-164, 66-138 or 66-1,142b, and amendments thereto, in the conservation fee fund (143-00-2130-2000), the public service regulation fund (143-00-2019-0100) and the motor carrier license fees fund (143-00- 2812-5500) shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto, and deposited in the state treasury and credited to the state general fund.” The amount paid to the SGF for FY24 from all funds was \$1,412,643. Additionally, SB 28, Sec. 53, paragraph (f), on July 1, 2024, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$100,000 from the public service regulation fund (143-00-2019-0100) of the state corporation commission to the state general fund.

2019 PUBLIC SERVICE REGULATION FUND (PSR)

Statutory History:

K.S.A. 66-1503

This assessment is levied quarterly against the public utilities and common carriers under KCC jurisdiction. The assessment calculation takes actual expenditures for the prior quarter, adds anticipated expenses for the ensuing quarter, and subtracts amounts collected under K.S.A. 66-1502 and K.S.A. 66-1a01. The amounts are assessed in proportion to the respective gross operating revenues and are limited to the greater of \$100 or 0.2% of the company's gross operating revenue derived from intrastate operations, as reflected in the last annual report filed with the KCC, prior to the beginning of the KCC's fiscal year or made available to the KCC upon request.

K.S.A. 66-1a01, 66-151

Certified copies of commission orders are supplied to the utility companies and to other interested parties, and monies collected are deposited under this code. Copies of maps and miscellaneous publications are furnished to the public at cost.

K.S.A. 66-1a01

Fees are collected for applications to issue utility and common carrier securities, for applications for a certificate of convenience and authority to provide inter-exchange or competitive local exchange telecommunication services. The filing fee is \$10 for application of

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certificate to authorize issuance of stocks, bonds or other indebtedness plus a \$25 processing fee. The application fee of \$250 is obtained for certificate of convenience and for authority to provide inter-exchange telecommunications or competitive local exchange carrier services.

K.A.R. 82-15-1

Fees are collected for applications to provide video service authorization. The initial application filing fee is \$1,000 and \$250 to revise/amend the application.

K.S.A. 66-123, 66-138, and 66-177 (Pursuant to L. 2022, ch. 81, § 46(e)) civil fines and penalties are to be paid to the SGF)

The KCC may take action for an entity's failure to file annual reports, statements, monthly or regular reports or special reports that are required. Likewise, common carriers or public utilities that violate, fail, neglect or refuse to obey any lawful requirement or order of the commission, or any final judgment or decree made by any court upon appeal is subject to penalty.

K.S.A. 66-1502

The KCC is empowered to assess a utility or common carrier company undergoing investigation the cost of such examination, when the cost exceeds \$100. The assessment is limited to 0.6% of the gross revenue derived from the company's intrastate operations as reflected in the last annual report filed with the commission prior to the beginning of the commission fiscal year. In addition, the KCC may assess against an entity, other than a residential or small commercial ratepayer, actual expenses of any services extended, filings processed or actions certified by the KCC for the entity.

The Fund is used to finance payments for outside accounting, legal, and economic advisory services incurred in connection with this investigative work. Also, the Fund must pay salary and travel expenses incurred by KCC staff in such cases. All of these costs are subject to reimbursement by the company involved in the investigation. These outside services and staff expenses are billed and paid on a monthly basis, whereas assessments against the companies involved are made quarterly and sometimes after the investigation or hearing is completed. The time between payment of bills and reimbursement by assessment is always in arrears.

Per K.S.A. 75-3170a, ten percent (up to \$100,000) of the gross receipts for this fund are deposited in the state general fund.

The KCC requests the fund remain NO LIMIT.

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2023 GAS PIPELINE INSPECTION FUND

Statutory History:

K.S.A. 66-1,153, 66-1,154, 66-1,155

This program collects fees for inspecting the safety of natural gas pipeline equipment and operations from the entities that do not pay the Public Service Regulation (PSR) assessment under K.S.A. 66-1503, as amended by L. 2011.

Fees are paid by all gas pipeline utilities that are not subject to assessment under K.S.A. 66-1503 for inspection and supervision of gas pipeline safety standards under the Natural Gas Pipeline Safety Act; said assessment is based on the number of active meters within the gas pipeline utility's territory. The fee shall be fixed by rules and regulations (K.A.R. 82-11-11) adopted by the KCC, pursuant to K.S.A. 66-1,153 and 66-1,154. The current fee is \$1.00/meter with a minimum assessment of \$100 and a maximum assessment of \$10,000.

Fees are due annually by September 1 of each year. This revenue only partially funds the gas pipeline safety program. Pursuant to K.S.A. 75-3170a, ten percent of the fees or penalties received are credited to the state general fund.

K.S.A. 66-1,151

Any violation of the law shall be subject to a civil penalty not to exceed \$25,000 for each violation, with the maximum civil penalty not exceeding \$1,000,000 for any related series of violations.

Pursuant to K.S.A. 75-3170a ten percent (up to \$100,000) of the gross receipts are deposited in the state general fund.

The KCC requests the fund remain NO LIMIT.

2130 CONSERVATION FEE FUND (CFF)

Statutory History:

K.S.A. 55-609 (K.A.R. 82-3-206); K.S.A. 55-901 (K.A.R. 82-3-4128/25/2021, 82-3-118); K.S.A. 55-143(b); K.S.A. 55-176 (a); K.S.A. 55-711 (K.A.R. 82-3-307).

The major source of revenue for the CFF is the Oil Proration Assessment of 144.00 mills per barrel of oil marketed or used as authorized by K.A.R. 82-3-206; the natural gas assessment, assessed against natural gas producers at a rate established by K.A.R. 82-3-307 of 20.50 mills for each one

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thousand cubic feet (MCF) of gas produced. The chart below shows actual and estimated production based on historical production information provided by KDOR. Further, the chart also shows actual historical revenue and projected future revenue based on the estimated production.

FISCAL YEAR	ACTUAL / EST. KDOR GAS-MCF	ACTUAL / EST. KDOR OIL-BBLS	FISCAL YEAR	EXTRAPOLATED REVENUE-GAS*	EXTRAPOLATED REVENUE-OIL*	EXTRAPOLATED REVENUE-TOTAL	REVENUE NET CHANGE	REVENUE CHANGE %	REVENUE % GAS	REVENUE % OIL
FY1998	637,100,000	39,735,000	FY1998	\$3,714,293	\$1,083,573	\$4,797,866			77%	23%
FY1999	579,841,000	33,708,000	FY1999	\$3,380,473	\$919,217	\$4,299,690	(\$498,176)	-10.4%	79%	21%
FY2000	550,640,000	34,217,000	FY2000	\$3,210,231	\$933,098	\$4,143,329	(\$156,361)	-3.6%	77%	23%
FY2001	499,558,000	33,812,000	FY2001	\$2,912,423	\$922,053	\$3,834,476	(\$308,852)	-7.5%	76%	24%
FY2002	475,668,000	32,236,000	FY2002	\$4,342,849	\$1,763,309	\$6,106,158	\$2,271,682	59.2%	71%	29%
FY2003	436,458,000	33,587,000	FY2003	\$3,984,862	\$1,837,209	\$5,822,070	(\$284,088)	-4.7%	68%	32%
FY2004	413,217,000	34,052,000	FY2004	\$3,772,671	\$1,862,644	\$5,635,316	(\$186,755)	-3.2%	67%	33%
FY2005	388,148,000	33,449,000	FY2005	\$3,543,791	\$1,829,660	\$5,373,452	(\$261,864)	-4.6%	66%	34%
FY2006	375,550,000	34,853,000	FY2006	\$3,428,772	\$1,906,459	\$5,335,231	(\$38,221)	-0.7%	64%	36%
FY2007	371,633,000	35,552,000	FY2007	\$4,076,642	\$3,235,232	\$7,311,874	\$1,976,644	37.0%	56%	44%
FY2008	376,849,000	38,286,000	FY2008	\$4,861,352	\$3,484,026	\$8,345,378	\$1,033,504	14.1%	58%	42%
FY2009	372,619,000	39,957,000	FY2009	\$4,806,785	\$3,636,087	\$8,442,872	\$97,494	1.2%	57%	43%
FY2010	343,864,000	39,558,000	FY2010	\$4,435,846	\$3,599,778	\$8,035,624	(\$407,248)	-4.8%	55%	45%
FY2011	323,338,000	41,129,000	FY2011	\$4,171,060	\$3,742,739	\$7,913,799	(\$121,824)	-1.5%	53%	47%
FY2012	303,937,000	42,569,000	FY2012	\$3,920,787	\$3,873,779	\$7,794,566	(\$119,233)	-1.5%	50%	50%
FY2013	294,537,000	45,263,000	FY2013	\$3,799,527	\$4,118,933	\$7,918,460	\$123,894	1.6%	48%	52%
FY2014	291,025,000	47,759,000	FY2014	\$3,754,223	\$4,346,069	\$8,100,292	\$181,831	2.3%	46%	54%
FY2015	296,419,000	49,165,000	FY2015	\$3,823,805	\$4,474,015	\$8,297,820	\$197,529	2.4%	46%	54%
FY2016	261,461,000	41,292,000	FY2016	\$3,372,847	\$3,757,572	\$7,130,419	(\$1,167,401)	-14.1%	47%	53%
FY2017	231,608,000	36,416,000	FY2017	\$2,987,743	\$3,313,856	\$6,301,599	(\$828,820)	-11.6%	47%	53%
FY2018	207,059,000	35,745,000	FY2018	\$2,671,061	\$3,252,795	\$5,923,856	(\$377,743)	-6.0%	45%	55%
FY2019	186,397,930	33,802,000	FY2019	\$3,821,158	\$4,867,488	\$8,688,646	\$2,764,789	46.7%	44%	56%
FY2020	155,429,000	28,232,000	FY2020	\$3,186,295	\$4,065,408	\$7,251,703	(\$1,436,943)	-16.5%	44%	56%
FY2021	152,730,700	28,055,420	FY2021	\$3,130,979	\$4,039,980	\$7,170,960	(\$80,743)	-1.1%	44%	56%
FY2022	152,451,990	28,103,537	FY2022	\$3,125,266	\$4,046,909	\$7,172,175	\$1,215	0.0%	44%	56%
FY2023	149,806,491	27,903,889	FY2023	\$3,071,033	\$4,018,160	\$7,089,193	(\$82,982)	-1.2%	43%	57%
FY2024	132,757,280	28,002,077	FY2024	\$2,721,524	\$4,032,299	\$6,753,823	(\$335,370)	-4.7%	40%	60%
FY25 EST	124,791,843	27,722,056	FY25 EST	\$2,558,233	\$3,991,976	\$6,550,209	(\$203,614)	-3.0%	39%	61%
FY26 EST	117,304,333	27,444,836	FY26 EST	\$2,404,739	\$3,952,056	\$6,356,795	(\$193,414)	-3.0%	38%	62%
FY27 EST	110,266,073	27,170,387	FY27 EST	\$2,260,454	\$3,912,536	\$6,172,990	(\$183,805)	-2.9%	37%	63%

GAS-MCF .00583 / .00913 / .01290 / .0205

OIL-BBL .02727 / .0547 / .0910 / .1440

OFF ASSESSMENTS: GAS/MCF - FY97 TO FY01 \$.00583; FY02 TO DEC 06 \$.00913; JAN 07 TO JUN 18 \$.01290; FY19 \$.0205 // OIL/BBL - FY97 TO FY01 \$.02727; FY02 TO DEC 06 \$.05470; JAN 07 TO JUN 18 \$.0910; FY 19 .144

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In addition to this assessment, the KCC charges fees for specific services performed. A \$200 fee is collected for repressuring or water-flooding approval for one lease, with \$100 for an amended application. Applications for saltwater disposal are assessed a fee of \$200 with a \$100 charge for each amendment to the application, under authority of K.A.R. 82-3-412.

Repressuring charges: \$200 per application, \$100 per amendment or \$50 if the well is less than 1,000 feet deep.
Salt Water Disposal: \$200 per application, \$100 per amendment or \$50 if the well is less than 1,000 feet deep.
Plugging inspection and supervision fees 3-1/4¢ (\$.0325) per foot plugged - minimum charge \$35.

K.S.A. 55-169 et seq. – Kansas Surface Owner Notice Act

Operators are required to notify surface owners of intent to drill and transfer of operators. If operators do not notify, the KCC will charge \$30.00 to notify the surface owner.

K.S.A. 55-155, K.A.R. 82-3-120

\$100 annual application fee for operator and contractor license. \$25 fee per drilling rig or well servicing equipment. Additionally, \$25 per application or renewal for a personal use license for gas wells used on premises where personal use occurs.

K.S.A. 55-164 (Pursuant to L. 2022, ch. 81, § 46(e) civil fines and penalties are to be paid to the SGF)

Penalties for violations of provisions, not to exceed \$10,000 per violation per day, are deposited into the Conservation Fee Fund before being transferred to the State General Fund. The rules and regulations which implement K.S.A. 55-164 include: K.A.R. 82-3-103, 82-3-106, 82-3-107, 82-3-111, 82-3-113, 82-3-115a, 82-3-115b, 82-3-117, 82-3-120, 82-3-126, 82-3-128, 82-3-130, 82-3-133, 82-3-136, 82-3-304, 82-3-305, 82-3-400, 82-3-404, 82-3-407, 82-3-408, 82-3-409, 82-3-410, 82-3-600, 82-3-602, 82-3-603, 82-3-603a, 82-3-604, 82-3-606, 82-3-607, 82-3-608, 82-3-701, 82-3-702, 82-3-703, 82-3-704, 82-3-705, 82-3-706, 82-3-707, 82-3-708, 82-3-709, 82-3-710, 82-3-801, 82-3-1002, 82-3-1003, 82-3-1005, 82-3-1006, 82-3-1007, 82-3-1008, 82-3-1009, 82-3-1010, 82-3-1011.

Land-Spreading

A fee of \$250 is assessed for each application.

Per K.S.A. 75-3170a ten percent (up to \$100,000) of the gross receipts for this fund are deposited in the state general fund.

The KCC requests the fund remain No LIMIT.

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2143 ABANDONED OIL AND GAS WELL FUND

Statutory History:

K.S.A. 27-118

The fund also receives 50% of the state's share of the monies received from the federal government under the Mineral Leasing Act.

K.S.A. 55-192

In 1996, Senate Bill 755 established the Abandoned Oil and Gas Well Fund to provide the KCC with additional financial resources to plug abandoned oil and gas wells and perform remediation of contaminated oil and gas well sites in the state. Monies recovered from responsible parties on well sites or remediation sites are deposited in the Abandoned Oil and Gas Well Fund. The Abandoned Oil and Gas Well Fund is used only for paying costs to: 1) investigate contamination sites and well sites; 2) remediate contamination sites; and 3) plugging, replugging, or repairing wells and remediation well sites abandoned prior to July 1, 1996, which present an imminent threat to the public health or the environment. No monies credited to the Abandoned Oil and Gas Well Fund are used to pay administrative expenses or other personnel expenses of the KCC.

On July 1, 2021, the Abandoned Oil and Gas Well Fund contained within K.S.A. 55-192 absorbed the Well Plugging Assurance Fund described below in K.S.A. 55-166 and K.S.A. 55-167. House Bill 2022 made sweeping changes to the abandoned well plugging statutes related to operator plugging responsibility determinations by the Commission. These changes combined with an overhaul of the processes related to abandoned well plugging state contracts attracted more state-approved abandoned well plugging vendors than at any time in the history of the program. The increased number of abandoned well plugging vendors necessitated more capital to address the state's abandoned well problem. House Bill 2022 merged the two existing statutory abandoned well plugging funds so that the Commission would have all of the abandoned well plugging funds available for use. The merged Abandoned Oil and Gas Well Fund derives its revenues from the 50% share of monies received from the federal government under the Mineral Leasing Act as described above and through the financial assurance mechanism associated with operator licensure. Law mandates the Conservation division require financial assurance of all licensed operators in the state.

There are six different provisions for operators to demonstrate annual compliance of financial viability: (1) Individual performance bond or letter of credit in an amount equal to \$.75 times the total aggregate depth of all wells of the operator; (2) Blanket performance bond or letter of credit equal to \$7,500, \$15,000, \$30,000, \$45,000, or \$75,000 based on depth and number of wells; (3) Acceptable record

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of demonstrated worthiness plus non-refundable payment of \$100; (4) Non-refundable fee equal to 6% of the amount required by (2); (5) The state has a first lien on property of operator equal to not less than that required by (1) or (2); and (6) Operator has provided other financial assurance approved by the commission.

K.S.A. 55-193

The fund receives interest from the three sources described above.

The KCC requests the fund remain NO LIMIT.

2180 WELL PLUGGING ASSURANCE FUND

Statutory History:

K.S.A. 55-166, 55-167

The Well Plugging Assurance Fund was established by the 2001 Legislature in House Bill 2200 to allow for those funds which were received after January 1, 1996 for financial assurance to be placed in a separate fund as a mechanism to plug any abandoned well drilled after July 1, 1996. Prior to the passage of this bill, the funds were maintained in the Abandoned Oil and Gas fund in a separate account. The law mandates the Conservation division require financial assurance of all licensed operators in the state.

There are six different provisions for operators to demonstrate annual compliance of financial viability: (1) Individual performance bond or letter of credit in an amount equal to \$.75 times the total aggregate depth of all wells of the operator; (2) Blanket performance bond or letter of credit equal to \$7,500, \$15,000, \$30,000, \$45,000, or \$75,000 based on depth and number of wells; (3) Acceptable record of demonstrated worthiness plus non-refundable payment of \$100; (4) Non-refundable fee equal to 6% of the amount required by (2); (5) The state has a first lien on property of operator equal to not less than that required by (1) or (2); and (6) Operator has provided other financial assurance approved by the commission.

On July 1, 2021, the balance of the Well Plugging Assurance fund was transferred to the Abandoned Oil and Gas Well Fund as required by HB 2022 as discussed above. These funds may now be used to plug abandoned wells regardless of their drill date with the primary focus being the Commission's priority ranking system.

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3656 ENERGY COMMUNITY REVITALIZATION GRANT - FEDERAL FUND – (a/k/a Orphaned Well Plugging Fund)

The KCC is responsible for administering the Orphaned Well Site Plugging, Remediation, and Restoration program (Orphaned Well Program) established by Section 40601 of the Infrastructure Investment and Jobs Act (IIJA) which was established to create good-paying jobs and address the environmental harms caused by orphaned wells. The initial award to Kansas is for \$25,000,000 over three years to plug prioritized abandoned wells across the state.

2181 NATURAL GAS UNDERGROUND STORAGE FEE FUND

Statutory History:

K.S.A. 55-1,115, 1,116 – K.A.R. 82-3-1012

Legislation was passed during the 2001 Legislative Session to establish the Natural Gas Underground Storage Fee Fund. The KCC began receiving funds in October, 2002. A 2010 federal district court decision (*Colorado Interstate Gas Co. v. Wright*, 707 F Supp. 2d 1169) ruled that the KCC lacks jurisdiction to regulate the operation of interstate gas storage fields in Kansas. Therefore, the KCC regulatory jurisdiction is limited to intrastate gas storage fields. Due to this action, fewer wells require oversight. There are currently six facilities and 102 gas storage wells that are subject to fees.

Provisional permit fee per facility	\$2,000
Provisional permit fee per well	\$ 50
Provisional amendment	\$ 250
Full authorization fee per facility	\$2,500
Full authorization fee per well	\$ 75
Full authorization amendment	\$ 250
Annual operating fee per well	\$ 240

In the initial year natural gas storage companies are required to pay an application fee along with a per well fee. In the second year only a per well fee is required. Year three requires a permit fee and a well fee. Subsequent years will only require a per well fee.

The KCC requests the fund remain NO LIMIT.

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2316 INSERVICE EDUCATION WORKSHOP FEE FUND

Statutory History:

The 1992 Legislature established an In-service Workshop Revolving Fund. This fund is for operating expenditures, including official hospitality, incurred for in-service workshops and conferences conducted by the KCC. The KCC is authorized to fix, charge, and collect fees for such in-service workshops and conferences. Registration fees are established to recover costs.

The KCC requests the fund remain NO LIMIT.

2432 FACILITY CONSERVATION IMPROVEMENT PROGRAM (FCIP)

Statutory History:

K.S.A. 75-37,125 allows the KCC to fix, charge, and collect reasonable fees for administrative support of the program. As part of the FCIP program, fees are charged as part of the FCIP projects to administer the program. The fees are based on a sliding scale of a percent of the total cost of each project.

The KCC requests the fund remain NO LIMIT.

2667 ENERGY GRANTS MANAGEMENT FUND (Petroleum Violation Escrow)

Statutory History:

The KCC is responsible for administering Petroleum Violation Escrow (PVE) funds received by the State as a result of Department of Energy litigation against oil companies that violated price control between 1973 and 1981. There are several categories of acceptable uses for these funds, depending upon the specific court order in each settlement. In general, the funds and most of the interest accrued thereon are required to be spent for some specifically defined uses, within five federal energy-conservation programs, or for projects that will promote energy conservation.

The KCC requests the fund remain NO LIMIT.

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2812 MOTOR CARRIER LICENSE FEES FUND

Statutory History: K.S.A. 66-1,139, 66-1,140, 66-1,142 (Pursuant to L. 2022, ch. 81, § 46(e) civil fines and penalties are to be paid to the SGF)

Major Sources of revenue for the operation of the Transportation Division are regulatory fees. The greatest portion of the Motor Carrier Fee Fund revenue is derived from registration of trucks, truck tractors and passenger vehicles under the Unified Carrier Registration (UCR) program and Intrastate fees.

The Division receives the majority of its revenue from the UCR program. The funds are received from the National Registration System (NRS) at various times throughout the year as registration fees are collected. To maintain a sufficient balance in the fund and to manage transfers to the Kansas Highway Patrol (KHP) and the Kansas Department of Transportation (KDOT) who may also receive funding from this fund. In 2018, to address past shortfalls in the fund, the Division successfully increased its fund cap from \$700,000 to \$2,800,000. During the 2024 legislative session and through SB 28, the Division worked with the Kansas Highway Patrol to increase the transfer amount from \$2,000,000 dollars. Pursuant to SB on July 1, 2024, October 1, 2024, January 1, 2025, and April 1, 2025, or as soon thereafter each such date as moneys are available, the director of accounts and reports shall transfer an amount specified by the executive director of the state corporation commission, with the approval of the director of the budget, of not more than \$500,000 from the motor carrier license fees fund (143-00-2812-5500) of the state corporation commission to the motor carrier safety assistance program state fund (280-00-2208) of the Kansas highway patrol: Provided, however, that the total of all transfers shall not exceed \$2,000,000 in fiscal year 2025.

The UCR Agreement requires all for-hire motor carriers transporting property or passengers and motor private carriers transporting property to register with the United States Department of Transportation (“USDOT”) as well as brokers, freight forwarders, and leasing companies (collectively referred to as UCR registrants) to pay UCR fees.

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Current Fees Structure:

CMV definition:

A "commercial motor vehicle" is defined as a self-propelled or towed vehicle used on the highways in commerce principally to transport passengers or cargo, if the vehicle:

- (a) has a gross vehicle weight of 10,001 pounds or more;
- (b) is designed to transport 11 or more passengers (including the driver); or
- (c) is used in transporting hazardous materials in a quantity requiring placards.

Unified Carrier Registration (UCR) Fees:

Under federal law, the Board of Directors of the Unified Carrier Registration Plan ("Board") is required to recommend to the United States Department of Transportation (USDOT), the level of fees to be assessed in each agreement year. Each December, the Board meets to review the amount of fees collected in the previous CY and recommends the six fee brackets for the upcoming registration year either be adjusted or maintained to the USDOT. The USDOT reviews the UCR Board's recommendation and either approves or adjusts the next year's registration fees. The Board recognizes that the recommended adjustments require action in a final rule by the Department and the Federal Motor Carrier Safety Administration (FMCSA). The following information reflects the current 2024 CY UCR fee schedule and the new fees for the upcoming 2025 CY UCR fees.

The increase for CY 2025 is due to the residual impact of the COVID-19 years. During CY's 2021 and 2022 the FMCSA reported a significant increase nationwide in the number of USDOT numbers issued. With many new motor carriers entering the industry, the UCR Board lowered fees as more registrants paid into the fund. CY 2024 is the first time in several years that the number of registrants has shrunk, necessitating fees to be increased in CY2025.

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Current Fee Schedule for FY 2024:

FY 2024 Fee Schedule (# of commercial vehicles)		Fee Per Company
From	To	(\$)
0	2	\$37.00
3	5	\$111.00
6	20	\$221.00
21	100	\$769.00
101	1,000	\$3,670.00
More than 1,000		\$35,836.00

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CY 2025 Fee Schedule (# of commercial vehicles)		Fee Per Company
From	To	(\$)
0	2	\$46.00
3	5	\$138.00
6	20	\$276.00
21	100	\$963.00
101	1,000	\$4,592.00
More than 1,000		\$44,836.00

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The KCC fee schedule for Intrastate is as follows:

K.S.A. 66-1,139(c) Registration of regulated motor carrier equipment. \$10.00 (re-register equipment annually).

K.A.R. 82-4-42 (K.S.A. 66-1,140(a)) Special or emergency clearances for motor carrier equipment which is utilized as extra or substitute equipment for firms having authority to operate in Kansas.

K.S.A. 66-1a01 (b) Applications (one-time fee) of motor carrier firms seeking authority to operate in Kansas - \$250.00 (for hire) intrastate motor carrier and \$100.00 (not for hire or only drives through state) intrastate private or exempt. (UCR has effectively stopped the sale of these permits).

K.S.A. 66-1a01(b) Application for extension, rerouting, removal of restrictions or transfer of motor common carrier certificate and motor common carrier license. \$100.00.

If increases proposed in rates, fares or charges when hearing is required \$25.00.

K.S.A. 66-1a01

All fees collected for certified copies, etc., are deposited to the Motor Carrier Fee Fund.

K.S.A. 66-1a01

All fees collected for applications, duplicate cards, stamps, etc., are deposited to the Motor Carrier Fee Fund.

K.S.A. 66-123, 66-138, 66-177 (Pursuant to L. 2022, ch. 81, § 46(e) civil fines and penalties are to be paid to the SGF)

Fines, penalties, and forfeitures with minimum fines of \$100 and maximum fines not to exceed \$5,000 per offense. These are the Commission show cause proceedings.

The KCC/KHP Civil Assessment program focuses on OOS violations by assessing a penalty based upon severity or impact to the motoring public.

The KCC requests the fund remain NO LIMIT.

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3103 MULTIPURPOSE GRANT – FEDERAL FUND

KCC has received EPA grants under the Multipurpose Grants to States and Tribes (CFDA 66.204) which is a fairly new CFDA number for the KCC. The grant is 100% federal funds with no state match with a purpose of purchasing software that will monitor injection well and seismic activity from a single application. The software will have mapping capability as well as the ability to graphically represent the data as it pertains to injection volumes and earthquake occurrences for the purpose of protecting public health and safety.

The KCC requests this fund remain NO LIMIT.

3161 ARRA MAIN FEDERAL GRANT:

This fund was established to manage the Efficiency Kansas program. This was a revolving loan program that partnered with banks and utility companies to distribute federal loans for energy conservation measures to residences and small businesses. This fund is interest bearing and indirects are transferred to the PSR Fund, as the majority of administrative expenses are paid from this fund.

The KCC requests this fund remain NO LIMIT.

3632 GAS PIPELINE SAFETY PROGRAM - FEDERAL FUND

Statutory History:

The KCC acts as an agent for the federal government in making inspections and investigations under the Natural Gas Pipeline Safety Act of 1968, Public Law 92-01. This is an annual grant and the US DOT will reimburse the KCC approximately 70% of the program expenses. Indirects are transferred to the PSR Fund, as the majority of administrative expenses are paid from this fund.

The KCC requests this fund remain NO LIMIT.

Explanation of Receipt Estimates – DA 405

Division of the Budget
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3633 ONE CALL - FEDERAL FUND

Statutory History:

The KCC acts as an agent for the federal government in making inspections and investigations under the Natural Gas Pipeline Safety Act of 1968, Public Law 92-01. The One Call is an annual grant that focuses on the Kansas City area due to significant construction activity. Indirects are transferred to the PSR Fund, as the majority of administrative expenses are paid from this fund.

The KCC requests this fund remain NO LIMIT.

3477 SPECIAL ONE CALL - FEDERAL FUND

Statutory History:

The KCC acts as an agent for the federal government in making inspections and investigations under the Natural Gas Pipeline Safety Act of 1968, Public Law 92-01. The Special One Call is an annual grant that focuses on the Wichita area due to significant construction activity. Indirects are transferred to the PSR Fund, as the majority of administrative expenses are paid from this fund.

The KCC requests this fund remain NO LIMIT.

3639 UNDERGROUND NATURAL GAS STORAGE – FEDERAL FUND

KCC has received an Underground Natural Gas Storage grant (CFDA 20.725) which is a new CFDA number for the KCC. The grant is 100% federal funds with no state match with a purpose of conducting inspections of three intrastate operators and 4 intrastate facilities. Train pipeline safety inspection staff for underground storage inspection duties including attendance at the Inspector and Qualifications Division Seminar (TQ). Indirects are transferred to the PSR Fund, as the majority of administrative expenses are paid from this fund.

The KCC requests this fund remain NO LIMIT.

Explanation of Receipt Estimates – DA 405

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3682 ENERGY CONSERVATION PLAN (EPCA) - FEDERAL FUND

Statutory History:

The Energy Policy and Conservation Act of 1975 established by P.L. 94-163 provides all funding for the development and implementation of state basic energy conservation plans. Participating states agree to accept mandatory energy conservation measures (thermal standards, lighting efficiency, rideshare programs and government procurement practices) with goals of reducing energy consumption. Additional conservation programs are created by states to meet state specific energy conservation needs. This grant requires a 20% match from the state. Indirects are transferred to the PSR Fund, as the majority of administrative expenses are paid from this fund.

The KCC requests the fund remain NO LIMIT.

3753 CORONAVIRUS RELIEF FUND

All expenditures for the coronavirus relief funds (CRF) which have been recorded and verified will need to be reported as a transfer in from the Governor's Office (agency 252) under CFDA 21.019. Due to COVID ending in December 2022 we have nothing remaining in this fund and we do not expect any future activity.

3768 UNDERGROUND INJECTION CONTROL PROGRAM FUND

Statutory History:

The Safe Drinking Water Act (SDWA) of 1974 (Public Law 93-523) authorizes the issuance of grants to states wishing to be delegated Primacy by the U.S. Environmental Protection Agency (EPA). The KCC, under Section 1425 of SDWA, administers the Class II (oil field disposal and enhance recovery injection wells) portion of the Federal Underground Injection Control (UIC) Program. The grants are administered by the U.S. EPA and only funds partial program expenses. This grant requires a 25% match from the state.

The KCC requests the fund remain NO LIMIT.

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ADMINISTRATIVE SERVICES

The Office of the Commission consists of the three Commissioners, the Executive Director, and an Executive Secretary. Administrative Services is comprised of the following sections: Litigation; Office of General Counsel; Public Affairs and Consumer Protection; Human Resource Services; Information Technology Services; Docket Room and Fiscal Services.

The Commission has organized its legal staff into two separate divisions: The Office of General Counsel (OGC), which represents the Commission, and Litigation Division (Litigation), which represents the Commission's technical staff across the Conservation, Transportation and Utilities Divisions, and the public generally. OGC and Litigation staff have different "client" duties and responsibilities in dockets that come before the Commission. Outside of dockets before the Commission, attorneys from both divisions provide legal advice, guidance, and support to the Commission across all core divisions and Administrative Services. This type of support includes advising on the Kansas Open Records Act, the Kansas Open Meetings Act, ensure compliance with the Kansas Administrative Procedures Act (KAPA) and interactions with the public, to name a few. Additionally, legal staff from both divisions may provide support and advice to the Commission on matters before the Federal Energy Regulatory Commission (FERC), Federal Communications Commission (FCC), the Southwest Power Pool (SPP), and the Interstate Oil and Gas Compact Commission (IOGCC), and may participate in inter/intra agency workgroups to proactively address federal mandates, which impact Commission-jurisdictional entities, and provide technical support to statewide economic development initiatives involving energy issues. Non-docket related representation includes, but is not limited to, working closely with the Commission, technical staff, and administrative staff on all aspects of Commission functions, including but not limited to, reviewing contracts and grants, ensuring compliance with federal programs, collaborating with stakeholders on industry and legislative initiatives, drafting and updating KCC policies, rules, and regulations. Because both Divisions provide support to all Commission divisions, and legal advice in their respective roles, their function is responsive in nature, making it hard to quantify performance from day-to-day or year-to-year, as the issues presented change, and the divisions have little to no control over the magnitude and complexity of the issues they must address. Because the attorneys in these divisions are required to be licensed and in good standing, all representation meets the highest legal and ethical standards.

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Agency Kansas Corporation Commission
Program Administration Division

OFFICE OF GENERAL COUNSEL

PROGRAM GOAL:

The goal of Office of General Counsel is to ensure due process in Commission proceedings and ensure compliance with applicable statutes and regulations. The Office of General Counsel represents the Commission, provides legal advice to the Commission, drafts orders, and defends Commission orders on appeal.

Objective #1:

The Office of General Counsel represents the Commission by providing legal advice, drafting orders and defending Commission orders on appeal.

Strategies for Objective #1:

The Office of General Counsel has three major roles: (1) serve as the Commissioners' legal advisors; (2) serve as prehearing officer to handle discovery and procedural matters before the evidentiary hearing stage; and (3) provide legal advice and representation to the Commission as a whole. In serving as Commissioners' legal advisors, the Office of General Counsel plays a crucial role in keeping the Commissioners up-to-date on major dockets. One of the Office of General Counsel's main responsibilities is drafting and finalizing orders for the Commission. This responsibility includes legal research and a thorough review of the evidentiary record. The Office of General Counsel is responsible for the integrity of the official record. (See K.S.A. 77-532). The Office of General Counsel ensures Commission orders are: (1) timely issued; (2) concisely and specifically state the relevant law and facts that the Commission relied on to reach its decision (See K.S.A. 77-526(c); K.A.R. 82-232(a)(3)); and (3) able to withstand judicial review under K.S.A. 77-621. Members of the Office of General Counsel may be deputized as Special Assistant Attorneys General, enabling them to represent and defend the Commission in state and federal court. Most of the Office of General Counsel's court-related work involves defending Commission orders on appeal, including filing legal briefs and pleadings and making oral argument at court. The Office of General Counsel also represents the Commission in lawsuits brought against the Commission seeking damages or injunctive relief. In this capacity, the Office of General Counsel will often coordinate its defense with outside counsel.

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Agency Kansas Corporation Commission
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The Office of General Counsel provides legal advice to the Commissioners, including during evidentiary hearings, as part of its responsibility to ensure the Commission follows due process. The Office of General Counsel assists the Commission in making evidentiary rulings on what evidence is admitted into the record and then assists with relevant research and the issuance of a Commission Order. Additionally, Office of General Counsel also serve as presiding officers on various dockets and conduct prehearing conferences, issue protective orders, and rule on discovery disputes. (See K.S.A. 77-517)

LITIGATION DIVISION

PROGRAM GOAL

The goal of the Litigation Division is to represent the Commission’s technical Staff and the public generally by advocating positions beneficial to the public interest. The Litigation Division furthers this goal by working with technical staff across the core divisions and support/administrative divisions of the organization to meet the Commission’s mandate “to do all things necessary and convenient for the exercise” of its power and authority to supervise and control jurisdictional public utilities.

Objective #1:

The legal responsibility of the Litigation Division is to protect the public interest through fair, impartial, efficient, and transparent legal resolution of all jurisdictional issues.

Strategies for Objective #1:

As applications, petitions, and other pleadings are filed before the Commission for consideration and approval, the Litigation Division reviews the statutory basis under which the pleadings are made, and identifies the appropriate statutory deadline applicable, if any. Where a statutory deadline is applicable, Litigation Counsel works with technical staff to ensure the docket procedure is sufficiently established to ensure the Commission is able to meet the deadline. Where necessary, the Litigation Division may request the assignment of an OGC attorney on contested matters.

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In understanding the distinction between OGC and Litigation, it is helpful to view Litigation Division attorneys as equivalent to attorneys representing parties in a civil litigation matter in District Court. As such, Litigation Division attorneys are responsible for representing staff before the Commission from the inception of a docket, through the issuance of an Order or other resolution before the Commission. This representation includes, but is not limited to, legal research, the filing of various pleadings such as motions, testimony, and briefs; issuance of discovery; negotiations; oral arguments; and evidentiary hearing presentations involving the direct and cross-examination of witnesses.

*It is rare the Commission initiates its own dockets - dockets are opened by individual parties, therefore these numbers vary year-to-year depending on filings.

Data Includes OGC and Litigation Divisions:

	<u>Actuals</u> <u>FY 2024</u>	<u>Current Year</u> <u>FY 2025</u>	<u>Allocated</u> <u>FY 2026</u>
Number of Orders issued by Fiscal Year	3,811	3,500	3,500
Number of Hours KCC Attorneys spent on Rate Cases	310	500	500
Number of Hours spent on Southwest Power Pool and FERC	187.50	650	650
Number of dockets related to deregulated issues*	3	1	1
Number of dockets opened	1,377	1,600	1,600
Number of rate change applications filed and reviewed	2	2	2
Number of merger/acquisition applications filed	5	1	1

*Deregulated issues include Cooperative elections to self-regulate, and generation not otherwise in rate base, such as wind and solar farm opt-outs.

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Program Administration Division

Docket Room

Docket Room staff are responsible for docketing and distribution of new applications to commissioners and assigned staff. A detailed record of all filings and documents related to each docket is maintained in a computerized format. Docket information is maintained and made available through the agency website.

OBJECTIVE #1

Maintain all official utility and common carrier dockets for the agency, from the initial application or filing to the final order and appeals.

Strategies for Objective #1

1. Receive all documents and enter into docket management database.
2. Distribute relevant documents to the Front Office and staff within 24 hours of receipt.
3. Process documents within workflow of docket management database.

OBJECTIVE #2:

Ensure timely filing of compliance dockets and related filings. Assist with any inquiries about compliance dockets or filings.

Strategies for Objective #2:

1. File dockets and related pleadings timely.
2. Provide queries and reports.

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Program Administration Division

Legislative

Legislative staff provide information to legislators, legislative staff, and legislative committees as requested. Additionally, legislative staff monitor legislative activities as it relates to subject matters under the agency's regulatory authority.

OBJECTIVE #1

The state corporation commission's objective is to serve as a resource for the legislative process by providing information to legislators, their staff, or legislative committees in regard to subject matters under the agency's regulatory authority such as utilities, electric transmission, state energy office, motor carriers, pipeline safety, oil and natural gas production, and telecommunications.

Strategies for Objective #1:

The state corporation commission will:

1. Provide fiscal notes, testimony or relevant information as requested by legislators, their staff, or legislative committees;
2. Attend and/or participate in meetings relevant to the agency's responsibilities;
3. Provide reports as required by state law including; Abandoned Oil and Gas Well and Remediation Status Report, Annual Report on Land Spreading, Annual Price Deregulation Report, Annual Report of Public Utilities and Common Carriers, Annual Statewide Retail Rate Impact Report and Biennial Report on Electric Supply and Demand;
4. Systematically track and implement all legislative mandates directed to the KCC.

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State of Kansas

Agency Kansas Corporation Commission
Program Administration Division

Public Affairs and Consumer Protection (PACP)

PROGRAM GOAL:

PACP supports the core mission of the agency by educating and assisting the general public with regulatory issues. PACP assists with legislative initiatives, public outreach, stakeholder communication and collaboration as it relates to various special projects, and serves as liaison between the agency and the news media. In addition, PACP works to assist consumers in resolving complaints and inquiries with regulated entities. PACP has a broad range of customers, including the ratepayer, utility company, public-at-large, legislature, executive branch, state agencies, other stakeholders, news media, and KCC staff. PACP is comprised of seven staff members.

OBJECTIVE #1:

Provide a streamlined process for public participation, education, and protection for the general public regarding regulatory issues.

Strategies for Objective #1:

1. Provide an opportunity for public participation in the regulatory process through public hearings and comment periods.

Public participation and input during rate cases are important parts of the regulatory process. When rate cases for major utilities are filed, public hearings before the Commission are scheduled to provide an opportunity for utility customers to learn the details of the application, ask questions and express any concerns they may have. Public hearings are also held in accordance with K.S.A. 66-1-78 when an application is filed to site a transmission line at least five miles in length and used for the bulk transfer of 230 kilovolts or more of electricity. The line siting hearings offer information on the line and an opportunity for public comment on the proposed route.

PACP coordinates in-person public hearings throughout the state as well as virtual events. Hearings are broadcast on the agency's YouTube channel and recorded so the public has the opportunity to view the event live or later. Closed captioning is available. Participation via Zoom is also offered for those unable to attend in person.

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During FY2024, the Commission held six public hearings. The Commission held three in-person public hearings in July 2023 in Docket No. 23-EKCE-775-RTS to provide Everygy customers with an opportunity to comment on the company's proposed rate increase. The hearings were held in Topeka on July 11, in Overland Park on July 13, and in Wichita on July 27. A virtual option, via Zoom, was offered to anyone wishing to participate, but could not attend in person. The hearings were also broadcast live on YouTube and recorded for later viewing.

A public hearing was held on March 19, 2024 in Docket 24-SPEE-415-TAR to give Southern Pioneer Electric customers an opportunity to learn more about the company's new rate design proposal and ask questions. The hearing was conducted virtually via Zoom and was broadcast live on the KCC YouTube channel and recorded for later viewing.

Two in-person public hearings were held in June 2024 to discuss a rate increase proposed by Kansas Gas Service in Docket 24-KGSG-610-RTS. The hearings provided an opportunity for customers to ask questions and make comments before the Commission. The hearings were held in Topeka on June 13 and in Wichita on June 17. A virtual option, via Zoom, was offered to anyone wishing to participate, but could not attend in person. Both hearings were broadcast live on the KCC YouTube channel and recorded for later viewing.

In advance of a public hearing, a utility is required to provide notification to its customers and affected landowners (in the case of a line siting). All public notice materials are approved by the PACP office. The notice provides information about the application or request to change rates, public hearing details, and instructions on how to submit a public comment.

There are four convenient ways for Kansans to submit a public comment on rate cases and other dockets with comment periods – online, via email, written letter, or a phone call to the KCC Office of Public Affairs. In FY2024, PACP accepted public comments in six dockets for a total of 3924 comments.

2. Investigate, resolve, track, and analyze consumers' complaints and inquiries.

PACP staff members answer consumer questions, investigate complaints, and work to reduce the amount of time to resolve disputes between the customer and the utility. In FY2024, 71% of complaints reported to the KCC were resolved within one day. Complaints involve billing issues, quality and timeliness of service, service connection and disconnection, and customer service. Kansas statutes, KCC billing standards, and various Commission orders provide the standards and processes used to deal with complaints.

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In FY2024, Kansas consumers contacted PACP staff via phone, email and the Commission’s online complaint form. As a result of these interactions, PACP staff logged 2,033 informal complaints. By industry, 732 (36%) pertained to electric; 480 (24%) pertained to natural gas; 589 (29%) pertained to other/miscellaneous complaints and inquiries; 226 (11%) pertained to telecommunications complaints; and 6 (0.3%) pertained to water.

The table below provides a breakdown of FY2024 informal complaints by complaint category.

Informal Complaints and Inquiries by Description	Total Count	% of Total
Billing/Pay Arrangements	578	28.4%
Customer Service	193	9.4%
Deposits	7	0.3%
Disconnection and Refusal of Service	155	8%
Metering	27	1.3%
Nonregulated/Miscellaneous	530	26%
Quality of Service	346	17%
Rates and Charges	114	5.6%
Telephone Service Issues	83	4%
Total for FY 2024	2033	100%

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PACP records and tracks financial resolutions of disputed amounts between the consumer and the utility company. From July of 2005, when PACP started tracking this information, to the end of FY2024, KCC intervention on complaints has saved Kansas consumers a total of \$2,014,531. Records indicate a total disputed amount of \$1,858,932 for an overall recovery rate of more than 100%.

These monies generally represent disputes with billing errors and tariff or billing standard violations that were identified and corrected, some resulting in more money returned than originally requested by the consumer.

Formal Complaints: Fifteen consumers filed formal complaints with the KCC in FY2024. This happens when consumers are unable to resolve their complaint through the informal complaint process. Formal complaints represent .7% of the total informal complaints. This highlights the success rate in reaching resolution in more than 99% of informal complaints.

3. Educate the public through educational materials and programs.

PACP provides education and outreach programs through the use of news releases, the KCC website, social media, various publications, technology, collaboration with stakeholders, community leaders, and other agencies.

PACP distributes various educational materials to senior centers, Area Agencies on Aging, Head Start, American Red Cross, United Way, Community Action Programs, Kansas Legal Aid, and Kansas Department for Children and Families. Publications include the Cold Weather Rule (CWR), Lifeline, Kansas Relay Services, and a listing of utility and weatherization assistance programs. Publications are also available in PDF format (English/Spanish) for printing on the KCC website. PACP also provides memes for agencies to use on their social media sites to reach a broader audience.

Cold Weather Rule: PACP administers the CWR, a program that ensures all Kansans have gas and electric service during the cold winter months. The CWR is in effect from November 1 through March 31 of each year. The Rule establishes that jurisdictional utilities cannot disconnect a customer's utility service when the temperature is forecasted to drop below 35 degrees within the following 48-hour period. PACP ensures the CWR is followed by utilities and assists customers with questions and complaints.

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One-Call Program: The KCC has a safety role in relation to the implementation of the Kansas Underground Utility Damage Prevention Act. PACP staff collaborates with the Pipeline Safety Section, within the Utilities Division, to provide intake information. This partnership provides education on the requirements of the One-Call law and facilitates the resolution of logistical problems that occur between excavators and utility operators. PACP coordinates promotions designating April as Safe Digging Month to increase public awareness of the One-Call Program statewide energy education activities.

Lifeline: Each September, PACP promotes Lifeline awareness week through media releases, social media, and the KCC website. In addition, PACP develops informational campaigns to share with social service agencies. An increased emphasis has been placed on reaching the educational community (school boards, district social workers and administrators) to help identify families that could benefit from program discounts on telephone and broadband service.

Energy Education: An energy education contract with Kansas State University Engineering Extension, established in FY2016, continues. PACP assists with the promotion, and planning of numerous activities and events. In FY2024, those events included promotion of the KidWind competition, an Energy Efficiency Day plus the K-12 Benchmarking program. Other promotional activities focus on no cost energy audits for small business and agriculture producers in rural areas, the creation of educational videos and classroom tools posted on the KCC website, the creation of energy efficiency displays for school and community events and the marketing of energy efficiency workshops for students, adults and industry professionals.

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Program Administration Division

Human Resources/Information Technology/Fiscal (Support Services)

PROGRAM GOAL:

To provide support to strategic regulatory divisions, i.e. Conservation, Utilities, Transportation, and Energy, and assist them in carrying out their mission, as part of the agency's overall regulatory mandate.

OBJECTIVE #1:

To provide responsive, cost effective and efficient administrative and information technology services to the regulatory units of the KCC and external stakeholders.

Strategies for Objective #1:

1. Allocate resources wisely to further agency mission.
2. Integrate services to be complementary to the agency operational plan.
3. Ensure transparency of information for internal/external customers.
4. Recruit and maintain high quality staff.
5. Actively identify and address the emerging issues affecting the agency and Kansas.
6. Develop compliance tracking and reporting system(s).

These sections provide critical support to the strategic regulatory units, the inter-intra agency working groups, and the mission of the KCC.

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Program Administration Division

Information Technology

OBJECTIVE #1:

To provide responsive, cost effective and efficient administrative and information technology services to the regulatory units of the KCC and external stakeholders.

Strategies for Objective #1:

1. Improve the efficient and effective use of existing resources and expand use of technical resources.
2. Provide efficient intake of electronic information and documents to ensure KCC staff have faster access to valid and current information pertaining to KCC business.
3. Inform the public and agency staff of pertinent KCC activity.
4. Coordinate and lead software development workgroups.
5. Improve information system workflows and business processes.
6. Provide cybersecurity for the agency.

The PC replacement plan is based on a four-year rotation. The goal is to replace approximately twenty-five percent of all agency PCs each fiscal year.

The KCC has continued to make a strong effort to use information technology to provide efficient services to internal customers as well as access to external customers.

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The KCC provides e-filing EXPRESS that permits regulated entities, consumers, and attorneys to file documents electronically without the need to file paper copies. The KCC also maintains an electronic docket management and information system with an internal user interface for the Commission and staff. All non-confidential docket filings and approved orders are published to the KCC website, giving the public, as well as staff, the opportunity to research Commission rulings, policies, and decisions.

The KCC continues to utilize its use of video conferencing to hold hearings, meetings, interviews and trainings. This technology is beneficial to all staff across the state, regulated entities and the public. The KCC provides live streaming for business meetings, public hearings, and work studies resulting in increased accessibility for the public. This reduces expense for interested parties who would otherwise have to travel to attend a hearing and increases access to the public.

Docket Management System

This system is essential to the organizational business flow of the agency. The current docket management system (STAR) is a highly customized “off-the-shelf” software by ACO. The contract was to be a modified version of the STAR software package to include eFiling, docket management, document management and case management system. It was intended to become the “core” KCC business system and going forward would allow the KCC to phase out other legacy applications. The system has never fully operated as intended and has not met the business needs of the KCC.

The KCC, with the assistance of a third party contractor, has completed an agency assessment, a feasibility study, received KITO project approval and after an extensive RFP process, selected a vendor. A contract project manager and an independent verification and validation (IV&V) consultant have been retained. Full kickoff is scheduled for September 2024 and will be a two-year process.

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Document Management System

The KCC implemented a new document management system in FY2019 that provided an electronic filing system and a framework for organizing all digital documents. All operational units are currently utilizing the system, with the last division migrating in the first quarter of FY2023. The document management system provides the KCC staff centralized access to current information pertaining to KCC business.

RBDMS and KOLAR Systems

The KCC will continue to maintain the database behind the Risk-Based Data Management System (RBDMS) application. The KCC will also continue its collaboration with KGS to maintain the Kansas On-Line Automated Reporting system (KOLAR) application.

The agency needs to modernize the Risk-Based Data Management System (RBDMS) application, which is based on a Microsoft Access front end. The goal of this modernization is to position the application so that it is in line with industry standards and the future support and maintenance is in a framework that allows support staff to quickly adjust and adapt to the dynamic changes of the KCC Conservation Division in future years. KCC has completed an internal gap analysis and has engaged with Ground Water Protection Counsel (GWPC) to proceed with an 18-month process to replace the current functionality of RBDMS with a web-based solution.

Application Modernization

The KCC has a number of systems that are currently utilizing older technology and are in need of modernization.

The agency has begun the conversion of a number of applications that support divisional business processes and are built upon Oracle Forms and Reports, which is an old legacy client-server based front-end design that has reached its production end of life. The agency completed an extensive documentation and business workflow effort around the Oracle Forms and Reports applications. The modernization process of applications that have evolved over decades is a time and resource intensive process to unwind the business logic hard-coded into some of these systems. The Oracle Forms and Reports applications, Timesheets and Inventory, have been replaced at this point. The agency has chosen to adopt the State centralized SHARP Time and Labor and a third party software package for IT inventory tracking. The remaining applications have been converted into a Low-Code system that allow the agency to more efficiently patch, maintain and upgrade the code base and supporting databases. KCC transitioned to 0365 in the 4th quarter of FY2024 and 1st quarter of FY2025.

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Fiscal

OBJECTIVE #1:

Process all fiscal related transactions for the Agency. Provide support to the Divisions by ensuring purchases are cost effective and within budget. Maintain financial integrity of the KCC.

Strategies for Objective #1:

1. Develop and submit an annual budget on or before September 15.
2. Integrate DofA guidelines and circulars into Commission policies and procedures.
3. Provide guidance to implement federal grants and new programs/activities.
4. Monitor federal grants ensuring costs and activities are correctly coded and within budget.
5. Review, audit, and process all payment vouchers, interfunds, expense reports, daily deposits, and general journal entries.
6. Reconcile and pay over 140 agency credit cards monthly.
7. Process and distribute over 10,000 assessments per year including quarterly, annual, CURB, and gas pipeline assessments.
8. Deposit daily receivables including assessment payments, penalty and fine payments, and reimbursements.
9. Testify to budget committees and provide agency information to the DofA, Division of Budget, Kansas Legislative Research Department, Department of Energy and other federal agencies.
10. Maintain fiduciary compliance and participate in Federal, Legislative Post Audit and DofA audits.
11. Complete all Annual Comprehensive Financial Report (ACFR) reports and submit within the annual deadlines.
12. Prepare all supporting documentation for the Indirect Cost Rate analysis and coordinate with the contractor for completion and submission of analysis to the Department of Energy (DOE).

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EXPENDITURE JUSTIFICATION - Administration Services Division

Account Code 100: Salaries and Wages

Summary: The Office of the Commission consists of the three Commissioners, the Executive Director and an Executive Secretary. Administrative Services is comprised of the following sections: Litigation; Office of General Counsel; Public Affairs and Consumer Protection; Human Resources; Fiscal Services; Information Technology Services; and Docket Room/Legislative Support. The Division has 56 and as of June 30, 2024, 36 FTE positions were filled. The staff in Administrative Services work to provide support to strategic regulatory divisions, Conservation, Utilities and Transportation and Energy by assisting those divisions in carrying out their missions as part of the agency's overall regulatory mandate.

Current Year FY 2025: \$5,647,258 is requested. This is an increase of \$179,475 primarily due to across the board salary increase for state employees, effective July 1, 2024. Over the last several years it has become increasingly difficult for the Commission to attract quality applicants for several positions across the various divisions. The agency has received fewer than five applicants for many job postings. We have had some positions posted for more than a year and salary has proven to be a recruitment hurdle. We continue to explore options for recruiting and retaining qualified staff.

Allocated Budget Year FY 2026: \$5,651,030 is requested.

Account Codes 200-299: Contractual Services

Summary: Professional services, rents and out-of-state travel are the major operational costs of Administrative services. Other costs include communications, repairs and fees for other services.

The KCC's consulting fees include services for information technology support, technical and professional services for monitoring, representation, intervention and participation in proceedings at the federal level. Federal initiatives and mandates have a substantial impact on the State of Kansas. Counsel monitors the rulings and proceedings before FERC, FCC, and EPA where decisions can affect Kansas ratepayers,

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utilities, and economic development efforts. This information allows the KCC to decide when it is most cost-effective to use D.C. counsel or to send a KCC representative to a proceeding or meeting with Federal Agencies.

The KCC continues to participate in all phases of implementing the mandates set out in the Kansas Telecommunications Act of 1996 and the Federal Telecommunications Act of 1996. While the goal of the two Acts is to reduce regulation, the State is still in transition with carrying out the requirements of those Acts. The KCC will continue taking an active role in discussions and debates at the federal level when deemed necessary to ensure that Kansas interests are represented.

Rents include space for administrative staff at 1500 SW Arrowhead Road. The KCC is currently in a 5-year lease, which ends June 2026. Other rents include, document storage and rent of facilities for public hearings, video conferencing and seminars. It is sometimes necessary for the KCC to rent additional equipment when conducting hearings. Other costs include rental costs for copy machines within various Administration Sections.

Communication service costs include postage, central mail service, telephone service, cell phones, mifi's, Ipads, a 1-800 line allowing consumers to use the PACP toll-free number to voice a concern or to log a complaint and Enterprise Security Services (KISO).

Printing and advertising costs are included, which cover state printer services (various publications), recruitment advertisements, and advertising services for publishing of the KCC's toll-free phone numbers.

Repairing and Servicing includes funding for maintenance service for microfilm reader/printer maintenance, scanners, upgrades, repairing of miscellaneous equipment and computer software maintenance and service. The KCC migrated to the State 0365 tenant, and the annual cost is about \$120,000. Other expenses are associated with vehicle parts/repair for four vehicles used for in state and out-of-state travel by staff.

Fees for Other Services includes funding for court reporting services for cases heard by the Commission. The Docket Management System is in this account for FY2025 and FY2026 due to procurement delays the contract was not fully negotiated until FY2025. The KCC uses West Publishing Corporation that is on state-wide contract for on-line legal research. Included in this account code are the Department of Administration fees for the enterprise applications (accounting, payroll & budget Systems) FY2025 is \$1.590 per transaction and \$0.095 per accounting line. For FY2026 those amounts will be \$1.813 and \$0.124 respectively.

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The monumental fee applies to all agencies located within Shawnee County; cannot be funded with federal funds and is based on the rate per square foot of rentable space in state buildings or leased space. The fee is used to support the maintenance and operations of the State Capitol, Judicial Center, Cedar Crest, and Capitol Complex parking lots. The rate for FY2025 is \$3.30 and for FY2026 is \$4.50 based on approximately 36,000 square feet.

Travel is needed to obtain specialized educational training and to stay abreast of an ever-changing regulatory environment. Classroom style training is available yearly in Michigan, New Mexico and the District of Columbia. Hiring of new staff requires basic utility training. It is very challenging and extremely expensive to get new employees up to speed on telecommunications, electric and gas matters. Travel expenditures for in-state trips are primarily to Wichita, Chanute, Dodge City, and Hays Conservation offices, and to public hearings held throughout the state. Out-of-state travel costs include trips for SPP meetings, and Washington, D.C. for FERC and FCC hearings. Attendance at annual, semiannual and regional trainings of the National Association of Regulatory Utility Commission (NARUC), Interstate Oil and Gas Compact Commission (IOGCC), and the Mid America Regulatory Conference (MARC) are necessary for staff and commissioners to stay current with national/state issues. Commissioners and staff actively participate in various regulatory associations by serving on various committees and subcommittees, chairing committees, serving on and moderating panels and other educational forums. Such participation enables Kansas to timely react to federal initiatives.

Current Year FY 2025: \$6,041,079 is requested.

KCC continues to request appropriation proviso language for official hospitality of \$2,000.

Allocated Budget Year FY 2026: \$5,414,225 is requested. This amount gives the KCC flexibility to obtain professional services as needed to continue to monitor activities at the federal level, remain active at the FERC and FCC and handle Commission procedures and activities. The request also includes docket system upgrade costs of \$92,725 to include KITO and \$192,374 for IV&V consulting costs. The agency anticipates having third-party staff augmentation costs for implementation of the docket system and other consulting costs in the amount of \$3,271,153.

KCC continues to request appropriation proviso language for official hospitality of \$2,000.

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Account Code 300 - 390: Commodities

Summary: Requests within these account codes are for motor vehicle fuel for owned and leased vehicles, consumable supplies, materials, software upgrades and parts used in carrying out routine duties of the KCC. Supplies include stationery, office supplies, computer and printer supplies and repairs. The division purchases pamphlets, bulletins, subscriptions and books.

Current Year FY 2025: \$29,759 is requested.

Allocated Budget Year FY 2026: \$29,759 is requested.

Account Code 400: Capital Outlay

Summary: The majority of items purchased from this category are IT replacements and upgrades based on the KCC IT plan. Also included in this category are vehicle replacements that reach the mileage or repair threshold.

The Administration Division has three vehicles for courier services, hauling equipment to various locations and Topeka-based staff travel to trainings, meetings and audits performed across the state.

PROGRAM	TAG#	LAST NAME	DEPARTMENT	TYPE	YEAR	THRESHOLD	END ODO	ANNUAL MILES	MONTHLY MILEAGE AVERAGE	EXPENSES- REPAIRS	EXPENSE S - FUEL	TOTAL EXPENSES (Repairs & Fuels)	LIFE OF VEHICLE EXPENSES REPAIRS
ADMINISTRATION	16684	ADMIN	ADMIN	SUV	2015	150,000	74,434	4,553	414	\$1,635.35	\$578.55	\$2,213.90	\$4,965.30
ADMINISTRATION	17474	ADMIN	ADMIN	SUV	2017	150,000	64,395	5,401	540	\$1,255.68	\$814.48	\$2,070.16	\$3,048.55
ADMINISTRATION	24749	ADMIN	ADMIN	SUV	2020	150,000	17,198	4,289	477	\$4,394.27	\$482.69	\$4,876.96	\$4,538.57

To be replaced in FY2025

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Current Year FY 2025: \$1,958,862 is requested.

Allocated Budget Year FY 2026: \$1,958,862 is requested. The KCC IT plan includes replacement tablets, desktop PC's, printers, scanners, monitors, mobile phones and servers. Software, including Microsoft upgrades and Opentext (document management system). The new Docket Management System software is estimated at \$780,000. The KCC complaint system is antiquated and replacement is estimated at \$60,000.

Aid to Local Government: Pursuant to SB28, 2021 Legislative Session, Section 53(a), pg. 38, the KCC is to administer the municipal natural gas utility distribution grant. The Division of Budget reflected those funds under the Administration Division 406/410 report. This grant is administered by the Utilities Division.

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External/Internal Assessment:

With both traditional and non-traditional energy resources under the KCC's structure, the KCC is well positioned to respond to dynamic changes in multiple arenas. For example, public utility companies face challenges from initiatives relating to both variable renewable and firm dispatchable thermal generation, as well as conservation, demand-side management, distributed generation, cybersecurity, and environmental protection. The KCC continues to review initiatives and assess their impact on public utility companies, oil and gas development, investors, and the utility services provided to Kansas customers.

To protect the public interest and Kansas ratepayers, the KCC participates in matters within the original jurisdiction of Federal Energy Regulatory Commission (FERC), Federal Communications Commission (FCC) and the Southwest Power Pool (SPP). The KCC also monitors Environmental Protection Agency (EPA) rule making activity and, when necessary, works with Kansas Department of Health & Environment (KDHE) in an effort to gauge the impact of such rule making on the electric utilities and the oil and gas industry. FERC matters involve the transportation of natural gas, electric transmission and the development of wholesale electric markets. FCC matters pertain to the telecommunications industry, including how changes to the federal universal service fund affect the Kansas Universal Service Fund (KUSF) and Kansans. SPP matters pertain to transmission costs, reliability, regional grid infrastructure, and the Integrated Market. EPA environmental issues, arising primarily from the Clean Water Act and the Clean Air Act, continue to impact multiple industries the KCC regulates.

In addition to participating in federal agency dockets, the KCC has organized or agreed to participate in agency and inter-agency work groups. These work groups, which are comprised of technical staff and agency attorneys, allow the KCC to be proactive in responding to the federal, state and regional impacts of a constantly evolving regulatory landscape. The work groups are:

Southwest Power Pool Working Group (SPPWG)

The main purpose of the SPPWG is to provide an opportunity for Staff to meet bi-weekly to support the KCC's designated Regional State Committee member (Commissioner Andrew French) by sharing what is happening at SPP and specifically in the SPP committees such as workgroups, task forces, and other sub-committees. Due to the multitude of SPP committees, there are several Staff members assigned to participate in designated committees. The working group approach provides an efficient means for Staff members, especially those who regularly attend SPP committee meetings, to update all members of the workgroup and to discuss strategies, positions, and

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votes for upcoming committee meetings. Its secondary mission is to cross-train other members in the Utilities and Legal Division on SPP issues.

FERC Working Group

The primary mission of this working group is to track FERC jurisdictional issues that implicate the public interest of the State of Kansas. The group also facilitates communication on FERC issues to better support the KCC and its internal and external FERC counsel. This effort keeps litigation costs of external counsel to a minimum. Its secondary mission is to cross-train other members in the Utilities and Legal Division on FERC issues.

The groups not only provide coordination with other agencies to carry out significant state initiatives, but also function in an advisory capacity to inform the Commissioners on the best ways to respond to federal mandates or participate in federal dockets. The key federal arenas in which the KCC participates are the FERC and FCC. The KCC's activities in federal venues in pursuit of the public interest are outlined below:

FERC: The FERC regulates interstate transmission of electricity, natural gas, and oil. Interstate transmission and wholesale markets have a direct effect on the retail prices of KCC-regulated public utilities. For example, KCC-regulated natural gas companies purchase services from interstate natural gas pipelines and pass the costs through to their retail ratepayers. Additionally, KCC-regulated electric utilities purchase transmission service from FERC-regulated Regional Transmission Organizations (RTOs) and also pass the costs through to the retail ratepayers. Therefore, in order to protect the interests of Kansas and to maintain just and reasonable retail rates, the KCC is actively involved in proceedings at the FERC.

Electric:

Since 1996, the FERC has promoted open access, non-discriminatory transmission service by public utilities. This initiative has led to the development of Regional Transmission Organizations (RTOs), which ensure the reliable supply of power, adequate transmission infrastructure, and competitive wholesale prices of electricity. The State of Kansas is within the footprint of the Southwest Power Pool (SPP), an RTO with members in all or parts of fourteen states. All major Kansas electric utilities are members of SPP.

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Kansas' interests at SPP are represented by a KCC Commissioner appointed to sit on the board of the Regional State Committee (RSC). The RSC is made up of state commissioners and functions as an advisory board to the SPP Board of Directors. Much of the RSC's focus is the allocation of transmission costs. Decisions regarding cost allocation for constructing and maintaining the regional transmission grid can have profound impacts on Kansas. The KCC is actively engaged in multiple SPP committees and working groups. KCC technical staff works numerous hours advocating on behalf of Kansas' interests in SPP and RSC Committees dealing with cost allocation, resource adequacy, tariff language, integrated markets, and transmission planning. This committee work also serves to keep Staff apprised of matters involving the Commission's jurisdictional utilities, which allows Staff to be best situated to identify and understand issues that may come before the Commission.

On March 1, 2014, SPP launched its Integrated Marketplace, which includes the day-ahead market with transmission congestion rights, a reliability unit commitment process, a real-time balancing market, and an operating reserve market. SPP asserts that an efficient and competitive marketplace provides regional benefits to stakeholders and ultimately benefits consumers. The KCC has been monitoring, and will continue to closely monitor, the progress of the SPP Integrated Marketplace to track whether benefits are realized.

The KCC is involved in FERC filings by individual electric utilities regarding billions of dollars of assets and millions of dollars in annual rates paid by Kansas ratepayers. Under FERC rule-making, transmission projects are eligible for incentives designed to encourage investment in transmission infrastructure. These transmission projects impact both consumer rates and the marketing of Kansas power generation. Several Kansas electric utilities have received approval from FERC for incentive formula rates for the costs of constructing and maintaining transmission facilities. KCC staff has been, and continues to be, active in these dockets to protect the interests of Kansas ratepayers. Previous dockets have concluded with settlements that included corrections to the proposed formulas, protocols established to monitor the companies' activities, mechanisms for true-up of costs charged to customers, rates that were lower and/or more precise than the original proposals, in part due to the KCC's involvement. The KCC has intervened in several FERC electricity dockets pertaining specifically to depreciation rates, SPP exit fees and other SPP tariff provisions, transmission incentives, and transmission formula rates. The KCC regularly monitors and intervenes in FERC dockets where the issues significantly impact Kansas ratepayers.

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Natural Gas:

Natural gas utilities regulated by the KCC purchase services from interstate natural gas pipelines and pass the costs through to their retail ratepayers. The FERC regulates rates charged by interstate pipelines and the construction, conversion, expansion and abandonment of pipeline facilities, including natural gas storage fields. These activities affect the delivered cost of wholesale natural gas purchased by KCC-regulated utilities, as well as municipalities and other end users throughout Kansas. Therefore, the KCC monitors the FERC activities of interstate gas transmission companies, including Tallgrass Energy Partners, LP; KPC Pipeline, LLC; Southern Star Central Gas Pipeline, Inc; Northern Natural Gas; and Cheyenne Plains Gas Pipeline Company, LLC.

The KCC often intervenes in natural gas proceedings at FERC that have a significant impact on Kansas. The KCC's participation in gas pipeline rate cases and other FERC matters has yielded substantial results. KCC intervention brings focus to issues that otherwise would not receive adequate attention for lack of other intervention. The KCC also intervenes in and monitors matters involving the abandonment of pipeline facilities that could result in Kansas customers, primarily agricultural in nature, having their service discontinued. The KCC has been active in intervening in such matters at FERC and has been successful in securing continuity of service obligations for the benefit of Kansas consumers.

Migration of gas in underground storage in Kansas has been the subject of FERC dockets. The KCC previously intervened in several gas storage dockets to promote safety, prevent waste, and protect the rights of landowners. The KCC continues to monitor filings by Southern Star Central Gas Pipeline, Inc. and Northern Natural Gas to ensure that the companies are complying with containment and mitigation obligations as required by prior FERC orders.

Telecommunications/KUSF:

The KCC continues to monitor FCC changes and issues as the telecommunications industry and technology continue to evolve. KCC Staff continues to evaluate the effects on Kansas's telecommunications capabilities, which encompass balancing resources of urban versus rural needs. When Congress passed the Telecommunications Act of 1996, it required all incumbent local telephone companies, like Southwestern Bell Telephone Company d/b/a AT&T Kansas (AT&T), to allow competitive companies to lease parts of the incumbent's network to provide telephone service to the competitive companies' retail customers. Generally, the FCC has set the rules determining which facilities the incumbents must lease to competitors, including the incumbent's switches, loops providing service to individual customers, and transport

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facilities. These rules have been critical to promoting competition, because they have enabled competitors to enter Kansas markets without having to construct their own plants and facilities.

As the competitive market continues to develop, the KCC has been asked to play a larger role in dispute resolution. Numerous complaints and requests for mediation or arbitration have been filed with the KCC that require its staff to employ its technical and legal expertise to achieve resolution.

The KCC continues to implement the FCC's Order 2011 as well as subsequent orders reforming the inter-carrier compensation regime and the Federal Universal Service Fund. The FCC's intercarrier compensation reforms were phased-in over a multi-year period and the FUSF reforms have occurred over a similar timeframe. The FCC now channels high-cost support through a Connect America Fund and a Mobility Fund in exchange for carriers deploying broadband-capable infrastructure.

In addition to implementing and overlapping state and federal laws, the KCC is also responsible for overseeing the approximately \$40 million KUSF fund and the third-party administrator who controls the actual fund. The KUSF provides funding for high-cost universal service to qualified carriers, the Kansas Lifeline Service Program, the Telecommunications Access Program, and the dual-party Kansas Relay Service Program. Over the life of the fund, more than \$1.2 billion has flowed through these programs. The KCC requires an annual audit of the KUSF administrator's internal controls and statutory and contractual compliance and a financial audit of the Fund by an independent accounting firm after the close of each KUSF Fiscal Year.

The KCC's staff performed audits of all incumbent rate-of-return local exchange carriers to assure that the KUSF is a cost-based fund. This audit is consistent with the Kansas statutory requirement the KUSF be based on embedded costs. Sixty rate-of-return carrier audits have been completed, including second and third audits of some carriers.

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Agency Reporting Level: 01030

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Obj. Code	OBJECTS OF EXPENDITURE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
519990	Salaries and Wages SHRINKAGE	4,454,509 0	5,928,121 (280,863)	5,976,853 (325,823)	0 0	0 0	0 0
	TOTAL Salaries and Wages	4,454,509	5,647,258	5,651,030	0	0	0
52000	Communication	81,833	98,721	98,721	0	0	0
52100	Freight and Express	350	560	560	0	0	0
52200	Printing and Advertising	29	7,339	7,339	0	0	0
52300	Rents	558,196	845,431	845,431	0	0	0
52400	Reparing and Servicing	31,631	374,218	419,218	0	0	0
52500	Travel and Subsistence	17,240	20,434	20,434	0	0	0
52510	InState Travel and Subsistence	703	4,776	4,776	0	0	0
52520	Out of State Travel and Subsis	11,659	16,287	16,287	0	0	0
52600	Fees-other Services	519,628	3,347,950	2,277,950	0	0	0
52700	Fee-Professional Services	259,959	1,254,412	1,652,558	0	0	0
52800	Utilities	1,400	1,300	1,300	0	0	0
52900	Other Contractual Services	61,357	69,651	69,651	0	0	0
	TOTAL Contractual Services	1,543,985	6,041,079	5,414,225	0	0	0
53000	Clothing	0	700	700	0	0	0
53400	Maint Constr Material Supply	152	2,400	2,400	0	0	0
53500	Vehicle Part Supply Accessory	3,302	4,100	4,100	0	0	0
53600	Pro Science Supply Material	3,246	7,300	7,300	0	0	0
53700	Office and Data Supplies	3,453	9,900	9,900	0	0	0
53900	Other Supplies and Materials	2,117	5,359	5,359	0	0	0
	TOTAL Commodities	12,270	29,759	29,759	0	0	0
	TOTAL Capital Outlay	49,557	1,958,862	1,958,862	0	0	0
	SUBTOTAL State Operations	6,060,321	13,676,958	13,053,876	0	0	0
55100	State Aid Payments	0	4,000,000	4,000,000	0	0	0
	TOTAL Aid to Local Governments	0	4,000,000	4,000,000	0	0	0
	TOTAL REPORTABLE EXPENDITURES	6,060,321	17,676,958	17,053,876	0	0	0
	TOTAL EXPENDITURES	6,060,321	17,676,958	17,053,876	0	0	0

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dwietham / 2026A0400143

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Dept. Name: Administration
Agency Name: Kansas Corporation Commission
Agency Reporting Level: 01030
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Division of the Budget
 KANSAS

Series	Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
1	2019	0100 PUBLIC SERVICE REGULATION FD	1,767,447	4,123,460	4,155,968	0	0	0
1	2019	2019 SUBTOTAL for 2019's	1,767,447	4,123,460	4,155,968	0	0	0
1	2130	2000 CONSERVATION FF	1,353,779	977,831	987,218	0	0	0
1	2130	2130 SUBTOTAL for 2130's	1,353,779	977,831	987,218	0	0	0
1	2812	5500 MOTOR CARRIER LICENSE FF	1,294,500	826,830	833,667	0	0	0
1	2812	2812 SUBTOTAL for 2812's	1,294,500	826,830	833,667	0	0	0
1	3682	3500 ENERGY CONSERVATION PLAN FDF	38,783	0	0	0	0	0
1	3682	3682 SUBTOTAL for 3682's	38,783	0	0	0	0	0
		302 TOTAL Salaries and Wages	4,454,509	5,928,121	5,976,853	0	0	0
10	1000	9559 GENERAL FUND RECEIPT ONLY	0	0	0	0	0	0
10	1000	1000 SUBTOTAL for 1000's	0	0	0	0	0	0
10	2019	0100 PUBLIC SERVICE REGULATION FD	0	(280,863)	(325,823)	0	0	0
10	2019	2019 SUBTOTAL for 2019's	0	(280,863)	(325,823)	0	0	0
		322 TOTAL Shrinkage	0	(280,863)	(325,823)	0	0	0
2	2019	0100 PUBLIC SERVICE REGULATION FD	1,117,137	3,857,847	3,230,993	0	0	0
2	2019	2019 SUBTOTAL for 2019's	1,117,137	3,857,847	3,230,993	0	0	0
2	2130	2000 CONSERVATION FF	127,904	1,073,072	1,073,072	0	0	0
2	2130	2130 SUBTOTAL for 2130's	127,904	1,073,072	1,073,072	0	0	0
2	2143	2100 ABANDONED OIL & GAS WELL FD	0	29,300	29,300	0	0	0
2	2143	2143 SUBTOTAL for 2143's	0	29,300	29,300	0	0	0
2	2812	5500 MOTOR CARRIER LICENSE FF	298,944	1,080,860	1,080,860	0	0	0
2	2812	2812 SUBTOTAL for 2812's	298,944	1,080,860	1,080,860	0	0	0
		362 TOTAL Contractual Services	1,543,985	6,041,079	5,414,225	0	0	0
3	2019	0100 PUBLIC SERVICE REGULATION FD	13,401	13,421	13,421	0	0	0
3	2019	2019 SUBTOTAL for 2019's	13,401	13,421	13,421	0	0	0
3	2130	2000 CONSERVATION FF	(481)	8,669	8,669	0	0	0
3	2130	2130 SUBTOTAL for 2130's	(481)	8,669	8,669	0	0	0
3	2812	5500 MOTOR CARRIER LICENSE FF	(650)	7,669	7,669	0	0	0
3	2812	2812 SUBTOTAL for 2812's	(650)	7,669	7,669	0	0	0
		392 TOTAL Commodities	12,270	29,759	29,759	0	0	0
4	2019	0100 PUBLIC SERVICE REGULATION FD	24,087	860,100	860,100	0	0	0
4	2019	2019 SUBTOTAL for 2019's	24,087	860,100	860,100	0	0	0
4	2130	2000 CONSERVATION FF	13,161	549,313	549,313	0	0	0
4	2130	2130 SUBTOTAL for 2130's	13,161	549,313	549,313	0	0	0
4	2812	5500 MOTOR CARRIER LICENSE FF	12,309	549,449	549,449	0	0	0
4	2812	2812 SUBTOTAL for 2812's	12,309	549,449	549,449	0	0	0
		422 TOTAL Capital Outlay	49,557	1,958,862	1,958,862	0	0	0
8	3756	3536 AMER RESCUE PLAN STATE RELIEF	0	4,000,000	4,000,000	0	0	0
8	3756	3756 SUBTOTAL for 3756's	0	4,000,000	4,000,000	0	0	0
		432 TOTAL Aid to Locals	0	4,000,000	4,000,000	0	0	0
		432 TOTAL All Funds	6,060,321	17,676,958	17,053,876	0	0	0

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Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
9559	GENERAL FUND RECEIPT ONLY	0	0	0	0	0	0
1000	SUBTOTAL STATE GENERAL FUND	0	0	0	0	0	0
0100	PUBLIC SERVICE REGULATION FD	2,922,072	8,573,965	7,934,659	0	0	0
2019	SUBTOTAL PUBLIC SERVICE REGULATION FD	2,922,072	8,573,965	7,934,659	0	0	0
2000	CONSERVATION FF	1,494,363	2,608,885	2,618,272	0	0	0
2130	SUBTOTAL CONSERVATION FF	1,494,363	2,608,885	2,618,272	0	0	0
2100	ABANDONED OIL & GAS WELL FD	0	29,300	29,300	0	0	0
2143	SUBTOTAL ABANDONED OIL & GAS WELL FD	0	29,300	29,300	0	0	0
5500	MOTOR CARRIER LICENSE FF	1,605,103	2,464,808	2,471,645	0	0	0
2812	SUBTOTAL MOTOR CARRIER LICENSE FF	1,605,103	2,464,808	2,471,645	0	0	0
3500	ENERGY CONSERVATION PLAN FDF	38,783	0	0	0	0	0
3682	SUBTOTAL 81.041-ST ENGY PRG	38,783	0	0	0	0	0
3536	AMER RESCUE PLAN STATE RELIEF	0	4,000,000	4,000,000	0	0	0
3756	SUBTOTAL AMER RESCUE PLAN STATE RELIEF	0	4,000,000	4,000,000	0	0	0
550	TOTAL MEANS OF FUNDING	6,060,321	17,676,958	17,053,876	0	0	0

KANSAS

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dwietharn / 2026A0400143

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Division of the Budget

State of Kansas

Agency

Kansas Corporation Commission

Program

Utilities Division

UTILITIES DIVISION

The Utilities Division is responsible for administering the laws and regulations applicable to jurisdictional electric, natural gas, telecommunication, and water utilities. The Utilities Division staff is comprised of four sections that are responsible for providing recommendations and advice to the Commission to promote and assure sufficient, efficient, and safe utility services at reasonable and non-discriminatory rates to consumers.

The four sections within the Utilities Division are Accounting and Financial Analysis, Economics and Rates, Energy Operations and Pipeline Safety, and Telecommunications. These sections are responsible for the following:

1. The Accounting and Financial Analysis section is responsible for investigating, analyzing and making recommendations to the Commission on accounting and financial issues relating to the electric, natural gas, telecommunication, and water industries. In rate cases, this section is responsible for analyzing and developing the overall revenue requirement calculation and class cost of service. In addition, this section reviews all surcharges and riders that come before the Commission and participates in the annual review of Transmission Formula Rates before the Federal Energy Regulatory Commission.
2. The Economics and Rates section is responsible for investigating and making recommendations on economic issues relating to the natural gas, electric, telecommunication, and water industries to the Commission, as well as the Kansas Legislature and other State Agencies. In rate cases, this section is also responsible for developing a rate design.
3. The Energy Operations and Pipeline Safety section provides technical expertise relating to electric utility operations, reliability, safety, electric transmission siting, and electric and gas consumer service, as well as analyzing requested changes to natural gas and electric certificates. Pipeline Safety's primary responsibility is to ensure safe operation of all gas utilities through enforcement of federal and state regulations.
4. The Telecommunications section is responsible for researching, investigating, analyzing, and making recommendations on courses of action for all telecommunications matters that come before the Commission.

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Division of the Budget
State of Kansas

Agency Kansas Corporation Commission
Program Utilities Division

PROGRAM GOAL FOR ELECTRIC, LIQUID PIPELINE, NATURAL GAS, WATER, AND KANSAS UNIVERSAL SERVICE RATES:

The Commission is mandated to establish just and reasonable rates per K.S.A. 66-101b, which states in relevant part “... The commission shall have the power, after notice and hearing in accordance with the provisions of the Kansas administrative procedure act, to require all electric public utilities governed by this act to establish and maintain just and reasonable rates when the same are reasonably necessary in order to maintain reasonably sufficient and efficient service from such electric public utilities.”

In establishing just and reasonable rates, the courts have mandated the Commission consider certain interests. These interests include the goal that rates should be fixed within a zone of reasonableness after the application of a balancing test in which the interests of all concerned parties are considered. This effectively means that the KCC is required to balance the public need for adequate, efficient, and affordable service with a public utility's need for sufficient revenue to meet the cost of furnishing service and the opportunity to earn a reasonable profit. There is also a constitutional relevance for the just and reasonable standard. If the Commission were to set rates that specifically favor customers over investors by ignoring legitimate utility costs and investments, then the Commission will most likely have violated the Takings Clause of the Fifth Amendment, as well as the Due Process Clause of the Fourteenth Amendment. Therefore, the program goal is to balance the public interest through impartial, efficient, and transparent resolution of jurisdictional issues through the regulation of rates for jurisdictional electric, natural gas, water, and the KUSF subsidies for Rural Local Exchange public utilities through rate cases.

The Utilities Division is reactive to rate cases because utilities are entitled by statute to file applications to increase rates when their internal analysis of capital expenditures, depreciation, operating and maintenance costs, and taxes indicate they are earning below their KCC authorized returns on their investments. Once a utility files an application to increase rates, the Utilities Division Staff assigned to the docket assess their time to the utility. Due to the complexities of the ratemaking process, accomplishing a complete and thorough review of a rate case generally takes a great deal of Staff time. On average, Utilities Division Staff issue approximately 300 discovery requests in a rate case to gather the facts and evidence necessary to complete their review and determine the amount of revenue needed, as well as the rates to assign to each customer class.

OBJECTIVE #1:

Ensure that electric, gas and water utility rates, as well as Kansas Universal Service Fund (KUSF) subsidies, are just, reasonable, and nondiscriminatory by reviewing utility costs and investment for reasonableness and need (e.g. whether utility assets used and required to be used) and by reviewing the design of rate tariffs and special customer contracts for proper cost recovery, consistent with statutes, rules and regulations, and Commission policy or decisions.

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Strategies for Objective #1:

1. Recruit, train and retain staff with the technical and communication skills, experience, and knowledge necessary for the regulation of utilities. Retain consultants when necessary for special expertise or extra workload.
2. Review, audit, and investigate rate change filings affecting rates. Staff will be assigned to each filing or proposal based on content of filing, staff expertise, and workload.
3. Propose accounting and financial adjustments to rate change applications based on sound regulatory theory and established Commission policy and/or practice, while balancing the interests of the utility and all classes of ratepayers.
4. Provide Commissioners with information, advice, and recommendations through written and live testimony and by developing a full and complete record so that decisions are fully informed and supported.

OUTPUT MEASURES:

	Actual <u>FY 2024</u>	Current Year <u>FY 2025</u>	Allocated <u>FY 2026</u>
Number of rate case applications filed and reviewed	4	3	3
Percentage of filed applications reviewed within 240 day statutory deadline	100%	100%	100%

Explanation of Output Measures:

As noted above, the KCC is generally reactive to utility's filing rate cases when they believe financial circumstances warrant a rate increase. The Utilities Division also can and does request the Commission issue show cause Orders to utilities who may be overearning (prompting a rate case).

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OUTCOME MEASURES:

	<u>Actual FY 2024</u>	<u>Current Year FY 2025</u>	<u>Allocated FY 2026</u>
<u>Average Rate Ranking by State (Lowest Price No. 1)</u>			
Electricity (All Customers)*	24 ^{th1}	25 th	25 th
Natural Gas (Residential)*	25 ^{th2}	25 th	25 th
Percentage of Investor-Owned Utilities Ranked as Investment Grade by S&P, Fitch, and Moody's (e.g. 6/6 = 100%)	100%	100%	100%
Average amount of rate increase granted as a percentage of requested amount **	42.30%	50%	50%

* Source: Energy Information Administration

** FY 2024 consisted of four rate cases including Evergy's first rate case since the merger (18-KCPE-095-MER) five years ago. Evergy requested a revenue increase of \$304,043,333. The result of this case was settled with an increase in revenues of \$126,800,000, which is 41.7% of the amount requested. The Commission approved the settlement on November 21, 2023.

Explanation of Outcome Measures:

As noted previously, the KCC is required to balance the public need for adequate, efficient, and reasonable service with a public utility's need for sufficient revenue to meet the cost of furnishing service and to earn a reasonable profit. The rate case process is also a legal process with due process rights for all intervening parties. Given these underlying circumstances, it would be inappropriate for Staff to have a predetermined desired outcome of where rates should be set. Therefore, it is difficult to derive relevant outcome measures for Staff's performance-based budgeting purposes since rate case outcomes are dependent on the merit of utilities' applications, other intervenors' positions, and what the Commission

¹ The Electricity ranking is based on 2023 EIA data for all customer classes.

² The Natural Gas Residential ranking is based on 2022 EIA data. EIA has not received natural gas data from all States for 2023.

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ultimately decides through its Order based upon the weight of the evidence presented. We have, therefore, selected benchmarks that demonstrate what the impact of rate case decisions have on both ratepayers and shareholders.

EFFICIENCY MEASURE:

	<u>Actuals</u> <u>FY 2024</u>	<u>Current Year</u> <u>FY 2025</u>	<u>Allocated</u> <u>FY 2026</u>
Rolling three-year average hours spent per rate case for investor-owned utilities	2,947	5,000	4,000
Highest number of hours for rate case(s) during Fiscal year	6,051	6,000	5,400
Rolling three-year average Staff cost per rate case for investor-owned utilities	\$256,111	\$200,000	\$175,000
Highest cost for a rate case(s) during the Fiscal year *	\$595,210	\$500,000	\$350,000
Ratio of highest cost for a rate case during the Fiscal year to the rolling three-year average Staff cost per rate case *	2.32	2.5	2.0

* FY 2024 consisted of four rate cases including Evergy's first rate case since the merger (18-KCPE-095-MER) five years ago. Evergy requested a revenue increase of \$304,043,333. The result of this case was settled with an increase in revenues of \$126,800,000, which is 41.7% of the amount requested, and was approved on November 21, 2023. Due to the complexity and contentiousness of this rate case, Staff hours and Staff costs are abnormally high for FY2024. FY2025 is forecasted to be higher than average as well due to the number of anticipated rate cases to be filed.

Explanation of Efficiency Measures:

As stated previously, the Commission is required to issue an Order within 240 days and, to meet this deadline, the Utilities Division must complete its review within twelve to sixteen weeks for every rate case. Rate cases vary by complexity with some cases involving many unique and complex issues that require more assigned Staff and consultants and many more hours of Staff time. Other cases are less complex and require fewer assigned Staff and fewer overall hours of work. A three-year rolling average of hours spent per rate case, along with the total Staff cost, should capture both

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highly complex cases and less complex cases, which should provide a valid benchmark of how efficient Staff is in reviewing rate cases. By comparing the three-year average to the rate case(s) with the highest number of hours and costs in a given fiscal year, Staff's efficiency in reviewing a rate case can be measured. Staff will also evaluate the use of the three-year rolling average over time to determine if the number of years used in the average should be changed based on the frequency of rate case filings. Each actual fiscal year will also be footnoted to note the number of complex rate cases that raise the number of hours and cost.

PROGRAM GOAL FOR ELECTRIC, NATURAL GAS, AND WATER NON-RATE CASE APPLICATIONS:

Protect the public interest through impartial, efficient, and transparent resolution of non-rate case jurisdictional issues through regulation or oversight of rates, services, and safety of jurisdictional electric, natural gas, and water public utilities by ensuring that utility companies are providing safe and reliable services for all classes of customers in a reasonable and non-discriminatory manner.

OBJECTIVE #1:

Ensure that non-rate case filings for electric, natural gas, and water utilities meet applicable statutory requirements, are non-discriminatory, and provide adequate safety and reliability protections. Examples include, but are not limited to, tariff filings, certificate filings, transmission line siting applications, accounting authority orders, review of fuel clauses, energy efficiency filings, informal and formal customer complaints, and quality of service filings.

As was noted previously in the rate case program goal section, the majority of the non-rate case filings balance the needs of the ratepayer with those of the shareholder. However, unlike rate cases, the majority of the non-rate case filings are less complicated, less time consuming, and generally do not have an immediate impact on rates. The statutory deadlines for these dockets vary, but most are between 180 days and 240 days. The Utilities Division Staff's goal is to complete all non-rate case filings within 180 days, regardless of whether the statutory deadline exceeds 180 days. While the Division's goal is to complete the filings within 180 days, there are dockets that take longer because a few are complicated or there is procedural or data issues. Just like in a rate case, the Utilities Division Staff assigned to the docket assess their time to the utility.

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Strategies for Objective #1:

1. Recruit, train and retain staff with the technical and communication skills, experience, and knowledge necessary for the regulation of utilities. Retain consultants when necessary for special expertise or extra workload.
2. Review tariff filings and conduct inspections and investigations to determine company compliance with applicable KCC and statutory requirements regarding safety, reliability, quality of service, billing practices, and other service-related matters.
3. Coordinate with consumer protection staff to track and resolve customer complaints and investigate significant instances of safety and service concerns.
4. Review and/or propose and implement additional requirements or incentives for utility actions that will have beneficial effects on the provision of services through investigations or collaborative efforts with utilities.
5. Provide Commissioners with information, advice and recommendations through written or oral recommendations, testimony and other appropriate means so that decisions are fully informed and supported.

OUTPUT MEASURES:

	<u>Actuals</u> <u>FY 2024</u>	<u>Current Year</u> <u>FY 2025</u>	<u>Allocated</u> <u>FY 2026</u>
Number of applications filed and reviewed	106	200	200
Percentage of applications completed within statutory deadline	100%	100%	100%

Explanation of Output Measures:

As noted previously, the KCC is generally reactive to utilities filing applications. With non-rate case applications, some applications are statutorily required. Others are based upon specific circumstances of the filing utility. The Utilities Division averages over 100 open non-rate case applications at any one specific time.

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OUTCOME MEASURES:

	Actuals <u>FY 2024</u>	Current Year <u>FY 2025</u>	Allocated <u>FY 2026</u>
Percentage of applications granted by Commission	96.97%	90%	90%
Percentage of applications denied by Commission	3.03%	10%	10%

Explanation of Outcome Measures:

As noted previously, the KCC is required to perform a balancing test between a utility's shareholders and its customers. The non-rate case process is a legal proceeding with due process rights for all intervening parties. As such, it would be inappropriate for Staff to have a predetermined desired outcome for the various types of filings under this program goal. Therefore, it is difficult to derive relevant outcome measures for performance-based budgeting purposes since our outcomes are dependent on the merit of utilities' applications, what other intervenor's positions are, and what the Commission ultimately decides through its Orders. Having stated such, Staff has selected percentage of applications granted and percentage of applications denied as outcome measures because of the process Staff uses to review applications in this program. More specifically, Staff frequently meets with utilities, either in pre-filing meetings and/or meetings post-application. During these meetings, Staff strives to be transparent by outlining the issues and concerns we have with the applications. By doing so, Staff is attempting to work with the utilities to make any modifications or compromises necessary to meet either standards set by statutes, regulations, or regulatory theory and to be consistent with prior Commission decisions. In a few cases, the application has fatal flaws that need to be cured. This may lead the utility to withdraw the application and refile once the deficiencies are cured. The result is that Staff recommends most of the applications for approval.

EFFICIENCY MEASURE:

	Actuals <u>FY 2024</u>	Current Year <u>FY 2025</u>	Allocated <u>FY 2026</u>
Average number of days to complete applications	98	75	75
Number of applications completed in less than 180 days	94	180	180
Percentage of applications completed in less than 180 days	88.68%	90%	90%

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Explanation of Efficiency Measures:

As noted above, the statutory deadlines for these dockets vary, but most are between 180 days and 240 days. The Utilities Division Staff's goal is to complete all non-rate case filings within 180 days, regardless of whether the statutory deadline exceeds 180 days. While the Division's goal is to complete the filings within 180 days, there are dockets that take longer, primarily because a few are complicated or there are procedural or data issues. As an efficiency measure, Staff believes its focus on completing these generally less complicated applications in as timely a manner as possible is an appropriate gauge of our efficiency.

PROGRAM GOAL FOR PIPELINE SAFETY:

Minimize the safety risk of natural gas pipeline operations throughout the State by assuring safe operation through compliance with pipeline safety regulations. Initiate action to educate operators on current requirements, modify current law, or recommend alternative enforcement/ratemaking treatment to lower safety risk of the natural gas system.

OBJECTIVE #1:

Minimize the safety risk of natural gas intrastate pipeline operations.

Strategies for Objective #1:

1. Recruit, train, and retain staff with the technical and communication skills, experience, and knowledge necessary to inspect natural gas pipelines.
2. Inspect all jurisdictional pipeline operators at least every two years to ensure compliance with pipeline safety regulations.
3. Provide and assist small operators with training opportunities to maximize their understanding of pipeline safety regulations and the latest federal initiatives.
4. Maximize funding opportunities through federal grants with the Pipeline and Hazardous Materials Administration of the U.S. Department of Transportation (USDOT).

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OUTPUT MEASURES:

	Actuals <u>FY 2024</u>	Current Year <u>FY 2025</u>	Allocated <u>FY 2026</u>
Complete 520 person-days of field inspections throughout the state	506	549	549

Explanation of Output Measures:

Kansas has 169 inspection units that are inspected for compliance with pipeline safety regulations. The minimum number of person-days for conducting inspections is derived from a formula developed through a methodology approved by the U.S. DOT Pipeline and Hazardous Materials Administration. For the most recent data available, the PHMSA-derived formula indicates Kansas inspectors are expected to conduct 527 person-days/year of field inspections. Historically, the program averages over 600 person-days per year of field inspections. FY 2024 actual numbers are based on calendar year 2023 data, which aligns with the latest federal reporting period.

OUTCOME MEASURES:

	Actuals <u>FY 2024</u>	Current Year <u>FY 2025</u>	Allocated <u>FY 2026</u>
Number of leaks per 100 miles of pipe	14.2	16	16
Number of Inspection units inspected	106	120	120

Explanation of Outcome Measures:

All numbers are based on calendar year data, which aligns with federal reporting requirements. Data is derived from federal reporting requirements. A fundamental aspect of pipeline safety involves maintaining the integrity of the pipelines through which the natural gas is transported and consumed. The number of leaks in a piping system is an indication of the integrity of a pipeline. Kansas has 33,000 miles of natural gas piping that is jurisdictional to the KCC. The number of leaks per mile of jurisdictional pipeline provides a snapshot of the overall safety of piping system as a means of gas transportation. Low leakage rates demonstrate the performance of all stakeholders (pipeline operators, customers, and KCC regulators) in achieving a safe operating environment. The number of inspection units inspected per year demonstrates the performance of the KCC program at ensuring compliance with regulations and establishing a statewide presence. Inspection units are typically related to onsite field inspections.

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EFFICIENCY MEASURES:

	Actuals <u>FY 2024</u>	Current Year <u>FY 2025</u>	Allocated <u>FY 2026</u>
Average number of field person-days per inspector	105	125	130
Percentage of field inspection cases closed per calendar year	94	95	95
Kansas share of Program cost per operator inspected	\$3,051	\$3,000	\$3,000

Explanation of Efficiency Measures:

All numbers are based on calendar year data, which aligns with federal reporting requirements. Number of field person-days per inspector represents the productivity of KCC staff in conducting field inspections. Of the 245 available person-days in a calendar year, the inspector spends 59% of his time in the field. The remaining time is spent doing casework and training. The percentage of cases closed represents the cases found and completed each year. The Kansas share of program costs per operator inspected demonstrates the cost to Kansas for the pipeline safety program after deducting reimbursements from federal grant funds. The amount of available federal funding depends on the program's ability to meet federal expectations and the availability of federal grant funds for a given year.

OBJECTIVE #2:

Lower the risk to public safety by reducing excavator damages to pipelines.

Strategies for Objective #2:

1. Provide on-site investigation of damages reported to KCC.
2. Conduct outreach program to educate excavators and keep all stakeholders involved in best management practices.
3. Mediate communications between excavators and utility operators to resolve complaints.

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OUTPUT MEASURES:

	Actuals <u>FY 2024</u>	Current Year <u>FY 2025</u>	Allocated <u>FY 2026</u>
Number of compliance actions taken from damage investigations	363	300	300

Explanation of Output Measures:

KCC has two inspectors dedicated to investigating damages to underground utilities that are caused by excavators. Over 95% of the damages investigated occur on natural gas pipelines. The output measure reflects the number of enforcement actions taken as a result of the inspectors' investigations. Staff also investigates damages that occur outside of normal business hours where the inspector was not able to observe the excavated damage.

OUTCOME MEASURES:

	Actuals <u>FY 2024</u>	Current Year <u>FY 2025</u>	Allocated <u>FY 2026</u>
Number of gas damages per 1,000 locate tickets	2.5	2.0	2.0
Number of damages from all utilities per 1,000 tickets statewide	7.4	4.0	4.0

Explanation of Outcome Measures:

All numbers are based on calendar year data, which aligns with federal reporting requirements. A locate ticket is industry jargon that describes an excavator's request to have the utility operator provide an indication of the location of buried facilities in the vicinity of the planned excavation site. The number of damages per locate request provides insight into how effective the industry stakeholders (excavators, utilities, and state regulators) are at preventing damage to existing underground facilities.

EFFICIENCY MEASURES:

	Actuals <u>FY 2024</u>	Current Year <u>FY 2025</u>	Allocated <u>FY 2026</u>
Compliance Actions taken per number of incidents of utility damage that are investigated by Staff	66%	75%	75%

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Explanation of Efficiency Measures:

All numbers are based on calendar year data, which aligns with federal reporting requirements. Compliance actions represent notices of violation of the Kansas Underground Utility Damage Prevention Act that were issued by the inspector to the party determined to be at fault for the damage. The number of damages investigated represents the combination of number of damages investigated by the inspector and the number of complaints investigated/mediated by the inspector. The metric demonstrates consistency in enforcement on a year over year basis.

PROGRAM GOAL FOR TELECOMMUNICATIONS:

Protect the public interest through impartial, efficient, and transparent resolution of all jurisdictional issues through regulation or oversight of rates, services, and quality of service of jurisdictional telecommunications public utilities.

OBJECTIVE #1:

Pursuant to K.S.A. 66-2001, every Kansan will have access to a first-class telecommunications infrastructure that provides excellent services at an affordable price and consumers should realize the benefits of competition through increased services and improved telecommunications facilities and infrastructure at reduced rates. In addition, the Utilities Division seeks to protect consumers of telecommunications services from fraudulent business practices and practices that are inconsistent with the public interest, convenience and necessity.

KCC Staff is responsible for the economic regulation, including but not limited to: (1) processing incumbent local exchange carrier tariff filings and switched access rate filings; (2) analyzing tariffs for compliance with KCC rules and regulations; (3) administering consumer and carrier complaints; (4) processing certificate filings, service cessations, and name changes; (5) reviewing carrier-to-carrier interconnection agreements and providing mediation when necessary; (6) ensuring the quality of services provided by incumbent local exchange carriers; (7) processing video service applications; and (8) processing eligible telecommunications carriers filings. The statutory deadlines for these filings vary, but most are between 180 days and 240 days. The Division's goal is to complete all telecommunications filings within 180 days, regardless of whether the statutory deadline exceeds 180 days. While the Division's goal is to complete the filings within 180 days, there are dockets that take longer because a few are complicated or there are procedural or data issues. The Utilities Division Staff assigned to the docket assess their time to the utility.

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Strategies for Objective #1:

1. Recruit, train and retain staff with the technical and communication skills, experience, and knowledge necessary for the regulation of utilities. Retain consultants when necessary for special expertise or extra workload.
2. Review and investigate proposed changes to rates or other issues affecting rates and ensure such proposals are consistent with state and federal requirements. Staff will be assigned to each filing or proposal based on content of filing, staff expertise and workload.
3. Require the filing of annual Eligible Telecommunications Carrier (ETC) certifications regarding the state and federal support monies and use of such monies for investment, maintenance, and operations of telecommunications plant and assets in accordance with state and federal requirements.
4. Review and investigate certificate, ETC, reduced regulation, cease applications, and other proposals or filings affecting competition. Staff will be assigned to each filing or proposal based on content of filing, staff expertise and workload.
5. Review quality of service reports, and follow-up, when necessary, to ensure quality services are provided to Kansans.
6. Assist PACP with informal complaints and review and investigate formal complaint filings. Staff will be assigned to each filing or proposal based on content of filing, staff expertise and workload.
7. Initiate show cause proceedings when necessary to ensure telecommunications carriers are abiding by state statutes and KCC rules.
8. Provide the Commissioners with information, advice, and recommendations through written or oral recommendations, testimony, and other appropriate means so that decisions are fully informed and supported.

OUTPUT MEASURES:

	Actuals <u>FY 2024</u>	Current Year <u>FY 2025</u>	Allocated <u>FY 2026</u>
Number of applications filed and reviewed	129	130	130
Percentage of filed applications reviewed within statutory deadline	100%	100%	100%

Explanation of Output Measures:

As noted previously, the KCC is generally reactive to utilities filing applications. Some applications are statutorily required, while others are based upon specific circumstances of the filing utility. The Utilities Division averages over 40 applications related to this category at any one specific point in time.

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OUTCOME MEASURES:

	<u>Actuals</u> <u>FY 2024</u>	<u>Current Year</u> <u>FY 2025</u>	<u>Allocated</u> <u>FY 2026</u>
Percentage of applications granted	100%	99%	99%
Percentage of applications denied	0%	1%	1%
Number of show cause proceedings initiated by Staff to enforce statutory or regulatory compliance	1	5	5
Percentage of show cause proceedings resulting in compliance by the carrier or resulting in revocation of the carrier's certificate	100%	100%	100%

Explanation of Outcome Measures:

As noted previously, the KCC is required to perform a balancing test between a utility's shareholders and its customers. The non-rate case process is a legal proceeding with due process rights for all intervening parties. As such, it would be inappropriate for Staff to have a predetermined desired outcome for the various types of filings under this program goal. Therefore, it is difficult to derive relevant outcome measures for performance-based budgeting purposes since the outcomes are dependent on the merit of utilities' applications, what other interveners' positions are, and what the Commission ultimately decides through its Orders based upon the weight of the evidence presented. Having stated such, Staff has selected percentage of applications granted and percentage of applications denied as outcome measures because of the process Staff uses to review applications in this program. More specifically, Staff frequently meets with utilities, in pre-filing meetings and/or meetings post-application. During these meetings, Staff strives to be transparent by outlining the issues and concerns Staff has with the applications. By doing so, Staff is attempting to work with the utilities to make any modifications or compromises necessary to meet either standards set by statutes, regulations, or regulatory theory and to be consistent with prior Commission decisions. In a few cases, the application has fatal flaws that need to be cured. This may lead the utility to withdraw the application and refile once the deficiencies are cured. The result is that Staff recommends most of the applications for approval.

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EFFICIENCY MEASURES:

	Actuals <u>FY 2024</u>	Current Year <u>FY 2025</u>	Allocated <u>FY 2026</u>
Average number of days to complete applications	84	85	85
Number of applications completed in less than 180 days	86	90	90
Percentage of applications completed in less than 180 days	82.7%	85%	85%

Explanation of Efficiency Measures:

As noted above, the statutory deadlines for these dockets vary, but most are between 180 days and 240 days. The Utilities Division Staff's goal is to complete telecommunications case filings within 180 days, regardless of whether the statutory deadline exceeds 180 days. While the Division's goal is to complete the filings within 180 days, there are dockets that take longer, primarily because a few are complicated or there are procedural or data issues. As an efficiency measure, Staff believes focusing on completing these applications in as timely a manner as possible is an appropriate gauge of efficiency.

PROGRAM GOAL FOR THE ADMINISTRATION OF THE KANSAS UNIVERSAL SERVICE FUND:

The KCC shall: (1) ensure distributions from the KUSF are made in a competitively neutral manner to qualified telecommunications public utilities, telecommunications carriers, and wireless telecommunications providers that are deemed eligible both under subsection (e)(1) of section 214 of the federal act and by the KCC; (2) ensure carriers are contributing to the KUSF; (3) periodically review the KUSF to determine if the costs of qualified telecommunications public utilities, telecommunications carriers and wireless telecommunications service providers to provide local service justify modification of the KUSF (K.S.A. 66-2008); and (4) effectively administer the fund through a third-party administrator (K.S.A. 66-2010).

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OBJECTIVE #1:

Ensure that contributions to the KUSF are made on an equitable and nondiscriminatory basis and KUSF support distributed to companies is reasonable, nondiscriminatory, and consistent with Federal and State statutory and regulatory requirements. The Commission ensures that KUSF recipients are eligible to receive such support and that the support received was expended appropriately through its annual certification process. Staff, in conjunction with the KUSF third-party administrator, oversees the KUSF to ensure that providers are reporting and remitting appropriate revenues and assessments to the KUSF. KUSF funds are distributed to local telephone companies and designated eligible telecommunication carriers to offset the costs of network enhancements and upgrades in rural areas to provide quality services. KUSF funds also support low-income individuals through Lifeline support, provide telephone accessibility to people who are deaf, deaf-blind, or hard of hearing, and provide terminal equipment for disabled individuals.

Strategies for Objective #1:

1. Recruit, train, and retain staff with the technical and communication skills, experience, and knowledge necessary for the regulation of utilities. Retain consultants when necessary for special expertise or extra workload.
2. Review price cap carriers' annual KUSF support filings to ensure only eligible lines receive KUSF support.
3. Contract with a bonded, neutral, third-party administrator to perform the day-to-day operations of the KUSF.
4. Contract with the third-party administrator to perform carrier audits to ensure contributions are made on an equitable and nondiscriminatory basis and consistent with federal and state statutory and regulatory requirements.
5. Obtain an annual independent audit of the third-party administrator's KUSF financial statements and internal controls through an Agreed Upon Procedures Audit (AUP).
6. Provide the Commission with information, advice and recommendations through written or oral recommendations, testimony and other appropriate means so that Commission decisions are fully informed and supported.

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OUTPUT MEASURES:

	<u>Actuals</u> <u>FY 2024</u>	<u>Current Year</u> <u>FY 2025</u>	<u>Allocated</u> <u>FY 2026</u>
Achieve an unqualified opinion from independent auditor on KUSF financial statements & AUP Audit	Yes	Yes	Yes
Percentage of KUSF recipients reviewed to determine compliance with KUSF reporting requirements on a monthly basis	100%	100%	100%
Percentage of identified contributing carriers reviewed to determine compliance with submitting KUSF contribution requirements on a quarterly basis	100%	100%	100%

Explanation of Output Measures:

Staff reviews the monthly reports submitted by the KUSF third-party administrator to verify each KUSF recipient has filed its report and paid the assessment due. Staff maintains a master file of all KUSF contributors, updated to include each new company identified as a KUSF contributor and to remove companies no longer identified as a KUSF contributor. The master file is provided to the KUSF administrator after the end of each Fiscal Year quarter to ensure all KUSF contributors are identified. Furthermore, the master file prepared for the fourth quarter of each year is also compared to the KCC's databases to ensure the KCC's database and KUSF master file reflect all companies identified as KUSF contributors.

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OUTCOME MEASURES:

	<u>Actuals</u> <u>FY 2024</u>	<u>Current Year</u> <u>FY 2025</u>	<u>Allocated</u> <u>FY 2026</u>
Number of show cause proceedings initiated by Staff to enforce compliance with KUSF obligations	1	3	3
Percentage of show cause proceedings resulting in compliance by the carrier or resulting in revocation of the carriers' certificate	100%	100%	100%

Explanation of Outcome Measures:

Regarding show cause proceedings, Staff does have a desired outcome to ensure all telecommunications carriers subject to statutory KUSF assessment and reporting responsibilities are in compliance with such obligations. Staff and the third-party administrator work diligently with carriers on compliance issues on an informal basis prior to initiating a show cause proceeding. Typically, a show cause proceeding is initiated after all other avenues to comply have been exhausted.

EFFICIENCY MEASURES:

	<u>Actuals</u> <u>FY 2024</u>	<u>Current Year</u> <u>FY 2025</u>	<u>Allocated</u> <u>FY 2026</u>
Rolling three-year average of hours spent per KUSF show cause proceeding	20	25	25
Average hours spent per show cause proceeding for Fiscal year	1	5	5
Highest number of hours spent for show cause proceeding during Fiscal year	1	5	5
Rolling three-year average of dollars spent per KUSF show cause proceeding	\$1,895	\$2,000	\$2,100

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Average dollars spent per show cause proceeding for Fiscal year	\$1,700	\$1,000	\$1,100
Highest cost for a show cause proceeding during Fiscal year	\$1,700	\$1,500	\$1,575

EXTERNAL/INTERNAL ASSESSMENT:

Kansas Regulatory Environment:

The KCC continues to adopt new procedures and practices as the public utility industries change and evolve. Both federal and state efforts to introduce or further promote changes in various aspects of utility services create changes in the way the Utilities Division performs its duties and/or affects the costs for utilities to provide services. Consequently, the Division must monitor and respond to changes, as well as evaluate what regulatory actions are appropriate and necessary. To accomplish this, the Division actively participates in the Kansas legislative process and in regional and national forums where Kansas' interests are at stake. Current and future broad areas of high priority are: (1) the Kansas legislative process; (2) participating in electric transmission, resource adequacy and integrated market issues addressed through the Southwest Power Pool (SPP) planning and stakeholder processes; (3) monitoring and responding to Federal Energy Regulatory Commission (FERC) and Federal Communications Commission (FCC) initiatives; (4) monitoring any new Environmental Protection Agency (EPA) rules, and reviewing the major utility construction projects required to meet such rules; and (5) monitoring national and regional discussions on issues such as renewable energy, energy storage, early retirement of fossil fuel generating units, distributed generation, demand-side management, cybersecurity, grid resiliency and distribution automation, and alternative ratemaking issues.

Electric, Natural Gas, and Water Issues:

The KCC continues to see significant rate case activity and formula rate applications by the largest investor-owned utilities. For natural gas utilities, these rate cases are driven primarily by a continuing emphasis on accelerating the replacement of aging natural gas distribution infrastructure across the country. With electric utilities having already completed many large-scale generation environmental retrofits, utilities are now focusing on hardening and replacing the aging transmission and distribution system in the state, as well as responding to the growing needs for additional generating capacity to serve load growth and new economic development. Additionally, electric utilities are continuing to evaluate the early retirement of existing fossil fuel-fired generation for environmental and economic reasons. Any early retirement of these generating units coupled

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with replacement of these units with renewable energy generation, alternative dispatchable energy, or natural gas-fired generation will require the Commission to process predetermination proceedings and rate cases to review the prudence and reasonableness of the new investments and to address the rate treatment of stranded asset costs created by these requirements. In the 2021 legislative session, a securitization bill (Senate Sub. for HB 2072) was passed that will enable early retirements of generation assets to be securitized with lower-cost bonds, which will lower costs of the energy transition for ratepayers. These trends are expected to continue for the foreseeable future. The KCC also typically has several rate cases filed by electric cooperatives (transmission formula rates), water companies, and KUSF audits.

Another pressing issue is the development of residential, commercial, and industrial distributed generation. The number of residential customers adding distributed generation has increased in the past several years. In addition, the low subsidized price of large-scale renewable energy, has created demand for special programs to make cheap, renewable energy available to commercial and industrial firms. The KCC has worked with utilities to develop programs that benefit commercial and industrial customers without adding additional cost burdens to residential customers.

The KCC is continuing to address various aspects of demand-side management programs of natural gas and electric utilities. The Utilities Division will continue to evaluate utilities' current and future energy efficiency and demand response programs, as well as the related cost recovery mechanisms to ensure that such proposals are in the public interest. Demand response programs in particular are receiving a closer review after the winter weather event of February 2021 given the increasingly slim reserve margins of electric utilities due to load growth and economic development.

FERC and SPP Related Activities:

Because of past FERC initiatives to encourage formation of Regional Transmission Organizations (RTOs), the SPP filed for and obtained FERC certification as an RTO in 2004. As part of this initiative, a Regional State Committee (RSC) was formed to provide regulators of SPP utilities a role in determining resource adequacy, regional planning (including whether transmission upgrades for remote resources will be included in the regional planning process), transmission access pricing, and cost allocation of transmission services. The KCC participates in the RSC's quarterly meetings. In addition, the KCC is actively involved in the RSC's Cost Allocation Working Group, the Regional Tariff Working Group, the Market Working Group, the Markets and Operations Policy Committee, the Network Resource Interconnection Service, the Energy Resource Interconnection Service and Deliverability Task Force, the Regional Allocation Review Task Force, and in monitoring other groups and committees by participating in discussions and policy initiatives. In 2022, SPP and its stakeholders examined both resource adequacy and availability throughout the SPP region in response to Winter Storm Uri and Winter Storm Elliot, resulting in changes to SPP's Planning Reserve Margin (PRM). Following the SPP stakeholder process and FERC approval, SPP adopted a PRM of 15% in 2023 to deal with SPP's shrinking capacity reserve margin. At their August 5-6, 2024 meetings, the SPP approved increases to the PRM. The new minimum requirements for PRM are 36% during the winter season and 16% during the summer season, effective beginning summer of 2026 and winter 2026/2027.

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In addition to supporting the SPP stakeholder processes, the KCC may also intervene directly and participate in FERC proceedings that involve SPP operations to issue the Commission's supporting or opposing viewpoints to various SPP proposals that impact Kansas ratepayers. During 2023 and 2024, Staff participated in the following list of FERC Dockets directly related to SPP's operations.

FERC Order No. 2222 – Docket No. ER22-1697

The KCC participated in the SPP stakeholder process to address and comply with FERC Order No. 2222 (Order 2222): Market Participation for Distributed Energy Resources. FERC Order 2222 allows distributed energy resources to more easily join and participate in the wholesale energy markets to sell energy directly into the RTO and ISO marketplaces. On April 28, 2022, SPP issued its initial compliance filing with Order 2222 in Docket No. ER22-1697. In response, FERC requested additional supporting documentation to help evaluate SPP's filing. On March 1, 2024, FERC issued an Order accepting the April 2022 filing; however, FERC determined SPP's compliance filing only partially complied with Order 2222. FERC requested that SPP issue an additional compliance filing to be submitted by April 30, 2024. In the Order, the Commission directed SPP to file a proposed effective date in the third quarter of 2025. SPP filed two requested time extensions to conduct stakeholder discussions with an anticipated deadline of December 26, 2024. The KCC continues to monitor the docket activity and participate in discussions in various working groups to achieve SPP compliance with Order 2222.

Docket Nos. ER22-1846 & ER24-1583

Though not formally consolidated, these proceedings both involve SPP's proposed waiver to allow the costs of certain Byway Facilities to be allocated on a region-wide basis. SPP's original proposal in Docket No. ER22-1846 (ER22-1846 Docket) has a history wherein FERC approved the proposal, but subsequently reversed its decision and rejected the proposal. With FERC's decision in the ER22-1846 Docket on appeal to the DC Circuit, SPP developed a revised proposal that it submitted in Docket No. ER24-1583 (ER24-1583 Docket) on March 20, 2024. The KCC intervened in the ER24-1583 Docket on April 10, 2024, and submitted pleadings in support of SPP's proposed waiver process. FERC approved SPP's revised proposal on May 31, 2024. It denied rehearing by operation of law on August 1, 2024. Parties that ultimately prevailed in the ER22-1846 Docket appealed FERC's ruling in Docket No. ER24-1583 to the DC Circuit. All appeals to both dockets have been consolidated.³ The KCC is a party to the consolidated proceeding.

Docket Nos. ER24-1317 and EL24-96

Though not formally consolidated, these proceeding address the accreditation methodologies SPP uses to value the resources that load-serving entities rely on to meet their resource adequacy obligations. On February 23, 2024, SPP submitted a proposal to FERC to: (1) measure the effective load carrying capacity (ELCC) of wind and solar resources in the footprint; and (2) implement a performance-based accreditation methodology for thermal and conventional resources in Docket ER24-1317. SPP requested an effective date of October 1, 2025, so that the new methodologies could be implemented by the summer of 2026. The KCC intervened and sponsored comments in support of SPP's proposal. The Sierra Club and

³ See DC Circuit Case Nos. 23-1264, *et al.*

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the Natural Resources Defense Council protested SPP's proposal on the grounds it discriminates in favor of conventional thermal generation resources and fails to appropriately value the capacity contributions of renewable resources.

On March 29, 2024, the Sierra Club and National Defense Council submitted a Section 206 complaint in Docket No. EL24-96 that essentially makes the same arguments because their complaints in the above proceeding exceeded the scope of SPP's proposal. The KCC intervened in the complaint proceeding on April 9, 2024, given the overlap with the proceedings. FERC has yet to act on SPP's proposal or the complaint. FERC must act on SPP's proposal by October 1, 2025. Though FERC has no obligation to act on the 206 Complaint within a set period, we expect FERC will address SPP's proposal and the complaint concurrently.

The Utilities Division remains active in the review of Transmission Formula Rate filings at FERC to examine Kansas utilities transmission investment in facilities that are paid for by Kansas ratepayers. Over the past decade, the SPP region has invested billions of dollars in transmission projects that flow through the Transmission Formula Rates of regional utilities. Most of this transmission investment has been from projects approved through SPP's transmission planning processes. SPP is currently conducting its Triennial Integrated Transmission Planning Assessment (ITP) in 2024 with minor modifications in its underlying assumptions discussed in its 2024 ITP Scope document. SPP has provided a target date for the completed Assessment Report by October of 2024.

At the beginning of the SPP Integrated Marketplace (IM) in March of 2014, the KCC implemented a monthly review process to monitor the marketplace activity of the three largest vertically integrated electric utilities in the state of Kansas. Evergy Kansas Metro, Evergy Kansas Central, and Empire District submit monthly activity reports to the KCC's Utilities Division that track each company's operations in the SPP IM. The KCC examines the companies' hedging activities within the market and receives reports on individual financial transactions made on behalf of Kansas ratepayers. Additionally, the KCC is actively involved in monthly meetings with SPP's Market Working Group, which is responsible for the development and coordination of the changes necessary to support any SPP-administered wholesale markets for energy, congestion management, and market monitoring, and the Regional Tariff Working Group, which is responsible for development, recommendation, overall implementation and oversight of SPP's Open Access Transmission Tariff.

As a result of FERC Order No. 1000 (Order 1000), SPP implemented a competitive bidding process to determine the company that will build certain transmission projects. This has resulted in several entities within SPP, including Kansas utilities, forming new competitive transmission-only companies whose sole focus is to compete for the right to build transmission projects. These new entities filed requests at FERC for Transmission Formula Rates (TFRs) that offer the flexibility to submit bids that deviate from the actual cost of constructing and maintaining these transmission assets. Generally, Order 1000 sought to promote more efficient or cost-effective transmission development by opening opportunities for non-incumbent transmission developers to propose and develop regional transmission facilities through a competitive process. The competitive-bidding process was meant to drive investment in cost-effective regional and interregional transmission projects. Eight years later, the list of regionally developed projects have been limited with Next Era Energy winning a bid in 2022 to build a \$55 million transmission project in Oklahoma, marking the fourth time the grid operator has used the competitive solicitation in its transmission planning process.

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In recent years, FERC Commissioners have begun to recognize publicly that the Order 1000 process is not working as intended and the solutions to overcome existing obstacles that limit the development of competitive transmission projects are challenging given the general complexity of the Order 1000 process. RTOs and Independent System Operators (ISOs) have developed a wide-range of project eligibility requirements, regional planning criteria, and time-based project restrictions set forth by the regional stakeholders, which precludes the development of the vast majority of transmission from the competitive-bidding process. Transmission studies from industry groups, such as the Brattle Group, continue to illustrate the cost-saving benefits of competitive transmission development. These groups have called on federal and state policymakers to re-examine Order 1000 or expand the scope of competitive transmission development by removing restrictive regional planning criteria and/or expanding the project eligibility requirements.

Each year, the KCC participates in a small number of ratemaking dockets that are initiated by FERC and/or as part of other FERC Dockets, such as a Notice of Proposed Rulemaking or a Notice of Inquiry (NOI). The KCC remains active in the following FERC Dockets for Proposed Public Rulemaking.

Docket No. RM 21-17

In Docket No. RM21-17, FERC issued an Advanced Notice of Proposed Rulemaking on long-term transmission scenario planning on July 15, 2021. The KCC intervened on October 12, 2021, and submitted multiple sets of comments over the course of the proceeding. Commissioner Keen submitted comments in response to the proposal on August 18, 2022, discussing some of the problematic aspects of the proposal. On August 23, 2022, the KCC filed comments that (1) expressed disappointment with FERC's decision not to pursue reforms relating to interregional transmission planning, and (2) provide input on several discrete questions and topics implicated by the scenario-planning proposal. FERC issued its final rule Order No. 1920 on May 31, 2024, adopting requirements for transmission providers to engage in long-term scenario planning. Requests for rehearing have been denied by operation of law on July 15, 2024, and petitions for review have been submitted to nine different circuits. The United States panel on Multi-District Litigation has yet to complete the lottery that will determine, at random, which circuit will hear the appeals. We anticipate that assignment will be made on or around September 11, 2024.

Docket No. RM22-17

In Docket No. RM 22-17, FERC issued its Notice of Proposed Rulemaking on December 15, 2022, concerning potential reforms to FERC's regulations and policies governing applications for permits to site electric transmission facilities to comply with the Infrastructure Investment and Jobs Act of 2021's amendments to Section 216 of the Federal Power Act. On May 17, 2023, the KCC filed comments in response to the proposal. The KCC's principal argument involved problems that FERC may not have considered when developing its proposal to allow the simultaneous review of state and federal siting applications. In addition, the KCC comments: (1) provided an overview of Kansas' statutory framework for siting applications and the KCC's history of adjudicating such applications; (2) identified issues FERC should have considered if it reviews siting applications; and (3) addressed several discrete issues regarding proposed additions to reporting requirements. On May 15, 2024, FERC issued a final rule that declined to adopt the proposal that was at the heart of the KCC's comments – i.e., the proposal to allow simultaneous review of state

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and federal siting applications. Requests for rehearing were denied by operation of law on July 15, 2024. Parties that sought rehearing have until September 13, 2024, to file a petition for review.

Each year, the KCC participates in several transmission formula rate or generation formula rate dockets that are initiated by Kansas Electric Utilities. Often, these FERC Dockets have ratemaking implications on the rates charged to Kansas retail ratepayers and/or other Kansas generation or transmission customers through various surcharges, such as the Purchase Gas Adjustment or Transmission Delivery Charge. The KCC intervenes in these filings to support the general Kansas ratepayer interests in these filings. The KCC has participated or is active in the following FERC filings initiated by Kansas Electric Utilities:

Docket Nos. ER22-1657, ER23-1762, ER23-1764, and ER23-1820

The Dockets listed above were formally consolidated by FERC. The KCC intervened and participated in Evergy Kansas Central (Evergy Central) filing to seek FERC approval to recover certain regulatory assets that were removed from rate recovery pursuant to a FERC Order in Docket No EL21-18, as the result of an issue raised by Kansas Electric Power Cooperative (KEPCo) regarding the calculations of Evergy Central's annual update filings to its Generation Formula Rate and Transmission Formula Rate. Evergy Central's original proceeding to recover these regulatory assets commenced in May of 2022. Subsequently, Evergy submitted related proposals in May of 2023 that addressed the regulatory asset recovery for its 2023 annual updates. FERC ultimately consolidated the proceedings on June 30, 2023. The KCC Staff participated in settlement discussions that resulted in the filing of a Settlement Agreement on January 26, 2024, which resolved the outstanding issues between the parties. The Settlement Agreement allowed Evergy to recover a "black box" settlement amount of \$1 million in generation and transmission revenue over a six-year recovery period. FERC approved the settlement agreement on April 4, 2024.

FERC Gas Activities:

Gas service provided by KCC-regulated utilities is also affected by FERC actions. While the cost of gas at the wellhead has been deregulated, the cost of transporting natural gas from the wellhead to local distribution companies, municipalities, and large industrial customers remains jurisdictional to the FERC. Because the cost of transporting gas is typically a pass-through for local distribution companies, the KCC closely monitors these costs at FERC.

The KCC's primary involvement in natural gas activities at the FERC is in pipeline rate dockets. These dockets directly affect the gas transportation costs of the local utilities within the KCC's Kansas jurisdiction, as well as municipalities and industrial users throughout the state. The KCC also monitors and intervenes in interstate pipeline gas storage dockets that affect gas storage facilities located in Kansas.

In addition, the KCC intervenes in a variety of other filings by interstate gas transmission companies including annual fuel and lost and unaccounted for gas filings (FL&U), construction and abandonment filings, tariff change filings, gas quality specifications filings, as well as rulemaking and policy dockets that affect the cost of gas transportation.

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In 2024, the KCC remained active in the annual fuel and Capital Cost Recovery Mechanism (CRM) surcharge filing submitted by Southern Star Central Gas Pipeline (Southern Star), a gas transportation and storage docket with Northern Natural Gas (Northern), and a pre-settlement of transportation and storage rates requested by Tallgrass Interstate Gas Transmission, LLC.

In Docket No. RP24-163, the KCC was an active participant in FERC’s review of Tallgrass Interstate Gas Transportation Pipeline’s (Tallgrass) transportation rates in light of the effectiveness of the Tax Cut and Jobs Act that began in Docket No. RP19-423. That proceeding was resolved by a unanimous settlement. The settlement required Tallgrass to submit a new Section 4 rate filing by June 1, 2023. The filing in Docket No. RP24-163 satisfies that requirement. In mid-2023, Tallgrass engaged in pre-filing settlement negotiations with shippers and interested parties in advance of its June 1, 2023, filing deadline. KCC Staff actively participated in those discussions, which led to a unanimous settlement that was filed on November 11, 2023, as the June 1, 2023, filing deadline was extended to provide additional time for settlement negotiations. The “black box” Settlement Agreement included \$31 million revenue requirement increase with a total cost of service of \$121 million. Under the settlement agreement new rates would be in effect from June 1, 2024, through at least May 31, 2027. The settlement also required Tallgrass to submit a new Section 4 filing to restate its rates by no later than January 1, 2029. FERC approved the settlement on May 3, 2024.

In compliance with the Order and Opinion approving the Settlement Agreement filed on May 25, 2022, Southern Star filed its second annual modernization surcharge rate (CRM) filing on January 31, 2024, in FERC Docket RP24-368. Southern Star’s filing included \$55.3 million in capital investment that it completed and placed into service during 2023. Southern Star’s filing was adjusted for certain issues and the final CRM Surcharge rates were based on the billing determinants for the maximum daily transport quantity (MDTQ) of usage for transportation rates and maximum daily withdrawal quantity (MDWQ) for storage rates, resulting in a surcharge of \$0.0113 per MDTQ for the transportation production area, \$0.0113 per MDTQ for the transportation market area, and \$0.0140 per MDWQ for storage. The KCC continues to audit and participate in the Modernization project review process with Southern Star.

On July 1, 2022, Northern filed its Section 4 rate case in Docket RP22-1033. Northern’s last rate case was filed July 1, 2019, in FERC Docket No. RP19-1353 and was settled on September 28, 2020. Northern stated its rate case was driven by an estimated \$1.6 billion in asset modernization and maintenance capital that was not recovered in rates, adding approximately \$1.1 billion to rate base or a 37% increase from its last rate case. Northern rate case includes a cost of service \$1.338 billion or an increase of \$477.9 million, roughly a 55.6% increase over its existing cost of service of \$860 million. Northern’s requested rate of return is 10.61%, which includes an ROE of 14.31% and a capital structure is 36.4% debt and 63.6% equity. The KCC participated in the review of Northern’s rate case and settlement negotiations. On June 23, 2023, Northern submitted a Stipulation and Agreement (S&A) that included a black box settlement that provided stated transportation and storage rates. The increase in Northern’s transportation and storage reservation rates include: a 32.5% increase in the reservation rates for transportation in the Market Area, a 20.5% increase in the reservation rates for transportation in the Field Area, and a 13% increase in the reservation and commodity rates for Storage. Based on the KCC calculation of settlement rates, the S&A provided Northern with a cost of service of approximately \$1.01 billion, which equates to approximately a \$150 million increase over its previously approved revenue requirement of \$860 million. The KCC’s cost of service calculation included a return on equity of 11.5%, a cost of debt of 4.15% and Northern’s actual capital structure consisting of 63.39% equity and 36.39% debt.

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The KCC would note that Northern's return on equity and capital structure was in line with FERC's decision included in Opinion No. 885 and Order on Panhandle Eastern's most recently litigated return on equity of 11.25% and capital structure (63% equity and 37% debt) issued on December 22, 2022. The KCC is listed as a Settling Party indicating the Commission's non-opposition to the filed S&A. While other parties to the S&A have all indicated their support for or non-opposition to the settlement, Trial Staff and the Canadian Association of Petroleum Producers have filed Comments in Support of the Agreement, without any comments filed by parties objecting to the terms of the settlement. On September 7, 2023, FERC issued an Order approving the S&A in the RP22-1033 Docket. Northern submitted its refund filing on October 31, 2023 that provided customer refunds for the difference between interim rates that were established on January 25, 2023, with an effective date of January 1, 2023. FERC accepted Northern's final refund report on November 27, 2023.

Pipeline Safety:

Pipeline safety regulations originate with the federal Natural Gas Pipeline Safety Act. This Act provides for regulation of intrastate natural gas pipelines and gas storage facilities by a state authority if the state obtains a certification from the USDOT to adopt and enforce applicable federal regulations. Upon certification, USDOT will provide up to 80% of the state's costs for its pipeline safety program. Under the jurisdiction provided by the Kansas legislature, the KCC has maintained this certification with the USDOT since the 1970s by adopting federal regulations into Kansas pipeline safety regulations and implementing a statewide pipeline safety inspection program. Beginning in CY2020, the Utilities Division incorporated inspection of the four intrastate natural gas storage operations into its pipeline safety program.

The KCC pipeline safety program provides regulatory oversight to 117 operators of natural gas pipelines, 13 gas gathering companies, and four gas storage fields in Kansas. Over 50% of Kansas operators are small companies or are distribution systems owned by a municipality. The KCC pipeline safety staff has a very good rapport with Kansas pipeline operators and, for the smaller operator, serves a role as an educator, as well as providing regulatory oversight. The Pipeline Safety Section is currently fully staffed with six full time pipeline safety inspectors but, because of employee attrition over the last few years, only two inspectors have more than five years of regulatory experience. Using the approach of on-the-job training coupled with more formal training offered by PHMSA, the pipeline safety program is able to provide quality inspections with less experienced staff. Because pipeline operations are located throughout Kansas, field inspections require extensive travel using state issued vehicles.

Telecommunications Issues:

The Division completed the initial round of cost-based audits of the incumbent rate-of-return providers to determine eligibility for support from the KUSF. Subsequent audits are performed for incumbent rate-of-return carriers when, based on its annual eligible telecommunications carrier certification analyses, the Division believes a carrier is over earning and recommends its KUSF support be reviewed to determine whether it is appropriate and cost-based. Incumbent rate-of-return carrier audits also occur when a carrier files a request for additional KUSF support.

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The KCC continues to implement the FCC's reform of Federal Universal Service Fund (FUSF) and Intercarrier Compensation (ICC). The Division continues to monitor the FCC's reforms related to broadband, mobility funding, the Lifeline program, telephone relay service, competition and universal service issues.

Since the enactment of Senate Bill 449, the Video Competition Act found in K.S.A 2010 Supp. 12-2021 through 12-2026, during the 2006 Legislative session, the KCC has issued statewide franchises for video/cable service. SB 449 created statewide franchising for cable operators and other video service providers other than those using wireless technology.

Recent FCC Action:

In April 2015, the FCC announced the offers of model-based Phase II CAF support to be provided to price cap carriers to fund the deployment of voice and broadband-capable networks in their service territories. The total amount of the model-based support was \$1.675 billion annually (2015-2020) for six calendar years. Due to the COVID 19 Pandemic, the FCC extended deployment obligations for a year. Of the \$1.675 billion in annual CAF Phase II support offered, \$35.8 million was offered to price cap carriers in Kansas. The carriers were given until August 27, 2015, to notify the FCC whether they elected to accept or decline support on a state-by-state basis. The United Telephone Companies of Kansas d/b/a CenturyLink (CenturyLink) accepted the \$16.5 million offered to fund the deployment of voice and broadband-capable services of at least 10 megabits per second (Mbps) downstream and 1 Mbps upstream to 29,018 eligible households in Kansas. Southwestern Bell Telephone Company d/b/a AT&T accepted the \$18.9 million offered to provide voice and broadband-capable services of at least 10 Mbps/1 Mbps to 35,375 eligible households in Kansas. Fairpoint Communications declined the \$336,236 offered to provide voice and broadband-capable services to 497 eligible households in Kansas. The FCC required the carriers to fully deploy broadband by the end of 2020, but allowed shortfalls to be cured in 2021. AT&T Kansas and CenturyLink have completed their voice and broadband build-out obligations and will no longer receive CAF Phase II support.

The FCC held a competitive auction in 2018 for those areas in which the price cap carrier did not accept CAF Phase II model support. On August 28, 2018, the FCC announced the winning bidders, of which seven were awarded \$46.8 million in total for 13,817 locations in Kansas. Nationwide, the FCC awarded \$1.49 billion over ten years to 103 winning bidders to provide fixed broadband and voice services each with varying speed (10 Mbps to 1 Gbps) and usage allowances to over 700,000 locations in 45 states. Winning bidders were required to apply for and receive eligible telecommunications carrier status for the designated areas, file a long-form application, and submit an irrevocable letter of credit to the FCC. Five of the seven award winners for Kansas filed ETC applications, which the Commission approved. The five carriers were awarded a total of \$46.4 million in funding to deploy fixed broadband to 13,697 locations in Kansas.

For the rate-of-return regulated carriers, the FCC proposed a transition framework for rate-of-return carriers to voluntarily elect to receive model-based support based on an adjusted Connect America Cost Model. The Alternative Connect America Cost Model (A-CAM) calculates the forward-looking economic costs of deploying and operating a fiber-to-the-premise (FTTP) network in rate-of-return areas of the country. In 2016, the FCC released an Order in which it adopted a voluntary path under which rate-of-return carriers may elect A-CAM support for a term of ten years in

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exchange for meeting defined broadband build-out obligations. Six Kansas rate-of-return carriers elected the initial A-CAM support: Haviland; JBN; Moundridge; S&A; Zenda; and Totah.

In 2016, the FCC, as part of the Connect America Fund, established the CAF Broadband Loop Support (BLS) program to support voice and broadband service, including stand-alone broadband. BLS replaced a former Interstate support program to help rate-of-return carriers recover the difference between loop (line) costs associated with providing voice and/or broadband service and consumer loop revenues. In 2018, the FCC set a budget of \$1.42 billion for CAF BLS, which is adjusted for inflation. Carriers accepting BLS support must expand deployment of broadband at speeds of 25/3 Mbps before 2024. Since carriers are required to remove all associated costs from the intrastate jurisdiction, the KUSF may be impacted if more subscribers switch to broadband-only services. Twenty-seven rural carriers received BLS support in 2022.

In December 2018, the FCC offered additional funding to carriers that currently receive A-CAM support if they expand the broadband availability to 25/3 Mbps, while deploying at least 10/1 Mbps to new locations in their service areas. The FCC has also provided an opportunity for the carriers that did not initially elect A-CAM support to transition to A-CAM II support in return for specifically tailored obligations to deploy 25/3 Mbps broadband and voice service. Five Kansas rate-of return carriers elected A-CAM II support: H&B, LaHarpe, Rural, MoKan Dial, and Twin Valley.

On January 30, 2020, the FCC adopted the Rural Digital Opportunity Fund (RDOF) Report and Order, which establishes the framework for the Rural Digital Opportunity Fund to continue the build-out of voice and broadband services in census blocks in which the price cap carrier did not accept CAF Phase II support and was not the winning bidder for RDOF, Phase I support. AT&T Kansas, CenturyLink, and FairPoint did not submit bids and/or were not the winning bidders in the census blocks that qualified for the RDOF auction. The RDOF auction budget is \$20.4 billion for a ten-year period to support areas that lack both voice and broadband services of 25 Megabits per second down (Mbps) and 3 Mbps up (25/3). The RDOF program also funds an increase in the minimum, supported broadband service speed from 10/1 Mbps to 25/3 Mbps in areas where no unsubsidized company provides 25/3 Mbps broadband service, prioritizing faster broadband speeds of up to one Gigabit per second (Gbps). The RDOF builds on the success of the CAF Phase II auction by using reverse auctions in two phases. The Phase I auction, opened October 29, 2020, and ended on November 25, 2020. On December 7, 2020, the FCC announced the Auction 904 winners, awarding \$9.23 billion to 180 companies for a ten-year period to deploy service to 5,295,771 locations in 61,766 census blocks in 49 states and one territory. Eleven companies were awarded a total of \$62.1 million to deploy service to 46,827 Kansas locations. The Commission granted Eligible Telecommunications Carrier designation to ten companies, allowing them to be eligible to receive, in total, \$58.9 million of RDOF support. One company withdrew its application before the Commission since the Company filed an extension waiver with the FCC that was denied. The FCC determined that once an RDOF recipient is authorized to receive support, it must begin to offer and provision voice services to customers within its awarded census blocks and the price cap carrier is relieved of its the federal high-cost ETC obligation to offer voice telephony on the first day of the month after a new Rural Digital Opportunity Fund support recipient is authorized to receive support. As of December 2022, the ten companies awarded RDOF support have started to receive that support.

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RDOF Phase II support will cover locations in census blocks that are partially served, as well as locations not funded in Phase I. The Rural Digital Opportunity Fund will ensure that networks stand the test of time by prioritizing higher network speeds and lower latency, so that those benefitting from these networks will be able to use tomorrow's Internet applications as well as today's.

On July 23, 2023, the FCC adopted the Enhanced Alternative Connect America Cost Model (A-CAM) for rate-of-return carriers currently receiving A-CAM support and those receiving legacy federal high-cost support. A carrier may voluntarily elect to receive Enhanced A-CAM to deploy 100/20 Mbps broadband service throughout its study area. The Enhanced A-CAM program furthers the goal of promoting the availability of voice and broadband networks, while taking measures to minimize the burden on the nation's ratepayers. The FCC adopted requirements for the Enhanced A-CAM program to complement existing federal, state, and local funding programs to ensure broadband funding is used efficiently to maximize the deployment of high-quality broadband service across the United States. The Enhanced A-CAM program extends the current A-CAM program an additional 10 years, for a total of 15 years, the term of support for electing carriers, and set a methodology for determining support amounts for locations without 100/20 Mbps broadband service. The potential budget will be no more than \$1.27 billion annually, or no more than \$1.33 billion annually if certain conditions are met, using an updated version of the A-CAM. Each Enhanced A-CAM recipient will be required to deploy, by the end of 2028, 100/20 Mbps or faster broadband service, with latency of 100 milliseconds or less, to all Enhanced A-CAM required locations in their service areas.

Lastly, the FCC authorized additional support for those carriers that elect to remain on rate-of-return legacy support in exchange for build out of 25/3 Mbps broadband and voice services. Because the amount of high-cost KUSF support received by a carrier is dependent upon the amount of federal high-cost support the carrier receives, any change in federal support may affect the KUSF.

The FCC is further examining how it should modify the universal service contribution methodology. Any change the FCC ultimately makes to the federal universal service contribution methodology will affect the KUSF because current statutes require the KUSF contribution methodology to be the same as the contribution methodology for the federal universal service fund.

The FCC has also been considering how it can transition from a Public Switched Telephone Network world to an Internet Protocol (IP)-based world. One of the primary issues being examined by the FCC is IP interconnection. All of these proceedings will potentially affect state regulatory authority and Kansas carriers. Staff will continue to monitor any action taken by the FCC and will evaluate impacts to Kansas.

On January 11, 2024, due to a lack of additional funding from Congress, the FCC released an Order announcing steps to wind down the Affordable Connectivity Program (ACP). As required by the Commission's delegation to the Wireline Competition Bureau in the ACP Order, the Bureau issued an order that lays out wind-down procedures for the ACP. The resulting impact to the KCC is increased Lifeline only ETC filings. Staff continue to monitor any action taken by the FCC and Congress.

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The FCC's Net Neutrality Order adopted this year re-categorizing broadband internet access service as Title II telecommunications is on hold. The U.S. Court of Appeals for the Sixth Circuit has granted a long-term stay of the Order pending resolution of its appeal on merits. The Order was initially scheduled to take effect July 22, 2024, later pushed back two weeks to August 5th with the court granting a temporary stay. Now, the Order may not take effect for several months because oral arguments are currently scheduled for October 28 – November 1, 2024. Regardless of the Sixth Circuit outcome, the Order is expected to be appealed by the losing party to the Supreme Court. Staff will continue to monitor the situation and will evaluate impacts to Kansas if a decision to re-categorize broadband internet access service as Title II telecommunications.

EXPENDITURES JUSTIFICATION – Utilities Division

Account Code 100: Salaries and Wages

Summary: The Utilities Division has 38.5 authorized FTE positions of which 35.5 were filled as of June 30, 2024.

Two-permanent FTE positions continue to be funded by USDOT grant for conducting KUUDPA compliance investigations in the Kansas City and Wichita metropolitan areas. KUUDPA enforcement presence in these two population centers has shown a reduction in excavator damage to natural gas and telecommunications infrastructure. We continue to have difficulties filling technical and professional positions within the division.

Current Year FY 2025: \$4,170,196 is requested. This is an increase of \$254,993 primarily due to the legislative state-wide salary increase for employees and filling a couple of vacant positions.

Over the last several years it has become increasingly difficult for the Commission to attract quality applicants in the Utilities Division. The technical positions require college degrees, and we receive fewer than five applicants for most job postings. Additionally, the division has had applicants reject job offers for employment due to higher starting salary offers elsewhere. Finally, we continue to struggle with retention of our current technical and professional staff, especially in the past two years, as they move to the private sector for higher salaries. The Commission continues to review retention and recruitment options including salary comparison and flexible work arrangements. In FY2025, the Utility Division will have a couple of long-term employees retire, leaving a gap in critical positions.

Allocated Budget Year FY 2026: \$4,203,646 is requested.

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Account Codes 200 - 290: Contractual Services

Summary: The majority of contractual expenditures are committed to professional services and rent for floor space occupied by the Division. Obligations include phone and mail services, computer software maintenance and service, travel and subsistence, rental vehicle expense, and ongoing education and training activities for professional staff. Given the dynamics of the various regulatory sectors, it is imperative that the Division has the flexibility to obtain specialized consultants as needs arise, and that there are sufficient travel and training resources. Funding for consultant services makes it possible for staff to effectively meet legal deadlines and protect stakeholder interests that may be affected by federal courts or agencies. Travel and training is critical to participating in various proceedings and activities, and to maintain necessary skills and knowledge.

Consultant expenditures are incurred when internal resources are insufficient. The main drivers are workload volume, staff turnover, and complex issues requiring specialized knowledge. Expenditures fluctuate from year to year, depending on the number of cases that are initiated and the nature of the issues presented. The KCC frequently needs consultants well versed in environmental issues, cost analyses, depreciation studies, rate-base and rate-of-return comparisons, field audits, rate structures, cost-of-service, capital structure, cost allocation manuals, revenue requirements, affiliate transactions, and other subjects. Although the budget for consultants is contained in the account code for "accountants and auditors," other expertise is also needed

Current Year FY 2025: \$3,643,255 is requested.

Allocated Budget Year FY 2026: \$3,643,255 is requested.

Account Code 300 - 390: Commodities

Summary: The major portion of this request is allocated to motor vehicle fuel and vehicle parts. The Pipeline Safety staff has eight permanently assigned KCC vehicles for inspections and emergencies. Other costs are for routine operating necessities, such as office and computer-related supplies; steel-toed boots for the Pipeline Safety Inspectors; building maintenance materials; professional materials, and supplies and services. While these expenses are minimal, they are necessary to maintain effective operation of the division.

NOTE: The In-service Workshop Revolving Fund was established for in-service workshops and conferences conducted by the Commission. The Commission has authorization to fix, charge, and collect fees for such in-service workshops and conferences. Registration fees are assessed to recover the costs of conducting workshops and conferences. This fund is used for the annual Pipeline Safety Conference.

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Current Year FY 2025: \$30,664 is requested.

Allocated Budget Year FY 2026: \$30,664 is requested.

Account Code 400: Capital Outlay

Summary: The majority of items purchased from this category are IT replacements and upgrades based on the KCC IT plan. Vehicle replacements that have reached the mileage threshold are included within this category. In addition to meeting the mileage threshold, the KCC reviews the usage of vehicles and cost of repairs on vehicles before targeting a vehicle replacement. As a matter of safety for employees and the public, the agency believes it is imperative to replace the vehicles timely meeting the replacement criteria. The Pipeline Safety Section has eight vehicles for use in their daily operations.

Field staff travel across the state to regulate and inspect natural gas utilities and gas pipelines. Staff are called out on emergencies and provide follow-up investigations after accidents occur.

PROGRAM	TAG#	LAST NAME	DEPT.	TYPE	YEAR	THRESHOLD	END ODO	ANNUAL MILES	MONTHLY MILEAGE AVERAGE	EXPENSES-REPAIRS	EXPENSES - FUEL	TOTAL EXPENSES (Repairs & Fuels)	LIFE OF VEHICLE EXPENSES REPAIRS
UTILITIES	14199	JAUREGUI	PIPELINE	CAR	2010	150,000	144,266	16,033	1,336	\$ 6,337.01	\$ 1,969.14	\$8,306.15	\$ 10,351.03
UTILITIES	16685	SPARE	PIPELINE	CAR	2015	150,000	99,932	13,994	1,272	\$ 1,612.22	\$ 1,553.31	\$3,165.53	\$ 3,613.51
UTILITIES	18241	WILLIAMS	SDP	SUV	2018	150,000	157,461	24,476	2,040	\$ 767.53	\$ 2,878.34	\$3,645.87	\$ 2,743.52
UTILITIES	17518	BOLINDER	PIPELINE	TRUCK	2017	150,000	139,037	17,837	1,486	\$ 1,175.12	\$ 2,854.23	\$4,029.35	\$ 9,387.79
UTILITIES	17494	RAK	ONE CALL	SUV	2017	150,000	95,044	6,764	564	\$ 606.53	\$ 896.42	\$1,502.95	\$ 2,794.73
UTILITIES	18242	HERTLEIN	PIPELINE	SUV	2018	150,000	91,519	19,066	1,589	\$ 254.61	\$ 2,203.27	\$2,457.88	\$ 4,439.02
UTILITIES	23741	MCCURRY	PIPELINE	SUV	2019	150,000	86,180	19,795	1,650	\$ 1,186.93	\$ 2,401.65	\$3,588.58	\$ 2,277.29
UTILITIES	23740	SCHUMACHER	PIPELINE	SUV	2019	150,000	57,416	13,798	1,150	\$ 1,239.35	\$ 1,780.78	\$3,020.13	\$ 2,841.52
UTILITIES	27375	POWERS	PIPELINE	SUV	2024	150,000	0	0	0	\$ -	\$ -	\$ -	\$ -

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Current Year FY 2025: \$661,444 is requested. Two vehicles will be replaced due to mileage and/or vehicles not being conducive to use in type of driving for inspections.

Allocated Budget Year FY 2026: \$561,444 is requested. Per the KCC IT plan mobile phones and accessories, printers, information processing equipment, hardware, and software

Account Code 700: Non Expense

Summary: The KCC has indirect expenses related to the federal Gas Pipeline Safety grant and the State Damage Prevention grant. The indirect funds are transferred to the 2019 Public Service Regulation fund where Administrative Services staff expenses are incurred.

Current Year FY 2025: The estimated indirect amount is budgeted at \$100,000.

Allocated Budget Year FY 2026: The estimated indirect amount is budgeted at \$100,000.

Aid to Local Government: Pursuant to SB28, 2021 Legislative Session, Section 53(a), pg. 389, the KCC is to administer the municipal natural gas utility distribution grant. The Division of Budget reflected these funds under the Administration Division 406/410 report. This grant is administered by the Utilities Division.

406/410 series report

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Obj. Code	OBJECTS OF EXPENDITURE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
519990	Salaries and Wages SHRINKAGE	3,572,639 0	4,205,235 (35,039)	4,239,409 (35,763)	0 0	0 0	0 0
	TOTAL Salaries and Wages	3,572,639	4,170,196	4,203,646	0	0	0
52000	Communication	50,158	57,320	57,320	0	0	0
52100	Freight and Express	0	108	108	0	0	0
52200	Printing and Advertising	91	1,076	1,076	0	0	0
52300	Rents	203,092	218,616	218,616	0	0	0
52400	Reparing and Servicing	31,611	166,340	166,340	0	0	0
52500	Travel and Subsistence	26,709	24,089	24,089	0	0	0
52510	InState Travel and Subsistence	37,084	38,149	38,149	0	0	0
52520	Out of State Travel and Subsis	16,268	17,514	17,514	0	0	0
52600	Fees-other Services	27,540	786,593	786,593	0	0	0
52700	Fee-Professional Services	410,577	2,091,944	2,091,944	0	0	0
52900	Other Contractual Services	39,576	241,506	241,506	0	0	0
	TOTAL Contractual Services	842,706	3,643,255	3,643,255	0	0	0
53000	Clothing	911	534	534	0	0	0
53200	Food for Human Consumption	15,172	8,987	8,987	0	0	0
53400	Maint Constr Material Supply	89	1,162	1,162	0	0	0
53500	Vehicle Part Supply Accessory	20,411	13,043	13,043	0	0	0
53600	Pro Science Supply Material	0	989	989	0	0	0
53700	Office and Data Supplies	2,837	5,175	5,175	0	0	0
53900	Other Supplies and Materials	663	774	774	0	0	0
	TOTAL Commodities	40,083	30,664	30,664	0	0	0
	TOTAL Capital Outlay	55,444	661,444	561,444	0	0	0
	TOTAL REPORTABLE EXPENDITURES	4,510,872	8,505,559	8,439,009	0	0	0
	SUBTOTAL State Operations	4,510,872	8,505,559	8,439,009	0	0	0
77300	Transfers	118,133	234,185	234,185	0	0	0
	TOTAL Non-Expense Items	118,133	234,185	234,185	0	0	0
	TOTAL EXPENDITURES	4,629,005	8,739,744	8,673,194	0	0	0

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406/410S - 406/410 series report

dwietharn / 2026A0400143

406/410 series report

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Series	Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
1	2019	0100 PUBLIC SERVICE REGULATION FD	2,945,499	3,352,029	3,378,834	0	0	0
1	2019	2019 SUBTOTAL for 2019's	2,945,499	3,352,029	3,378,834	0	0	0
1	2181	2120 NATURAL GAS UNDRGD STORAGE FF	168	0	0	0	0	0
1	2181	2181 SUBTOTAL for 2181's	168	0	0	0	0	0
1	3477	3477 GAS PIPELN SFTY PRG-SPEC 1 CAL	93,809	89,180	90,295	0	0	0
1	3477	3477 SUBTOTAL for 3477's	93,809	89,180	90,295	0	0	0
1	3632	3000 GAS PIPELINE SAFETY PRG	471,138	671,331	676,777	0	0	0
1	3632	3632 SUBTOTAL for 3632's	471,138	671,331	676,777	0	0	0
1	3633	3120 PIPELN DMG PREVNT GRNT PRG	48,126	92,695	93,503	0	0	0
1	3633	3633 SUBTOTAL for 3633's	48,126	92,695	93,503	0	0	0
1	3639	3641 UNDRGD NT GAS STRG	9,819	0	0	0	0	0
1	3639	3639 SUBTOTAL for 3639's	9,819	0	0	0	0	0
1	3682	3500 ENERGY CONSERVATION PLAN FDF	4,080	0	0	0	0	0
1	3682	3682 SUBTOTAL for 3682's	4,080	0	0	0	0	0
		1342 TOTAL Salaries and Wages	3,572,639	4,205,235	4,239,409	0	0	0
10	2019	0100 PUBLIC SERVICE REGULATION FD	0	(35,039)	(35,763)	0	0	0
10	2019	2019 SUBTOTAL for 2019's	0	(35,039)	(35,763)	0	0	0
		1352 TOTAL Shrinkage	0	(35,039)	(35,763)	0	0	0
2	2019	0100 PUBLIC SERVICE REGULATION FD	728,305	3,294,624	3,294,624	0	0	0
2	2019	2019 SUBTOTAL for 2019's	728,305	3,294,624	3,294,624	0	0	0
2	2023	1100 GAS PIPELINE INSPECTION FF	2,383	1,958	1,958	0	0	0
2	2023	2023 SUBTOTAL for 2023's	2,383	1,958	1,958	0	0	0
2	2316	2300 INSERVICE EDU WORKSHOP FF	1,855	5,771	5,771	0	0	0
2	2316	2316 SUBTOTAL for 2316's	1,855	5,771	5,771	0	0	0
2	2812	5500 MOTOR CARRIER LICENSE FF	133	0	0	0	0	0
2	2812	2812 SUBTOTAL for 2812's	133	0	0	0	0	0
2	3477	3477 GAS PIPELN SFTY PRG-SPEC 1 CAL	2,368	4,683	4,683	0	0	0
2	3477	3477 SUBTOTAL for 3477's	2,368	4,683	4,683	0	0	0
2	3632	3000 GAS PIPELINE SAFETY PRG	106,431	98,692	98,692	0	0	0
2	3632	3632 SUBTOTAL for 3632's	106,431	98,692	98,692	0	0	0
2	3639	3641 UNDRGD NT GAS STRG	1,231	3,644	3,644	0	0	0
2	3639	3639 SUBTOTAL for 3639's	1,231	3,644	3,644	0	0	0
2	3682	3500 ENERGY CONSERVATION PLAN FDF	0	233,883	233,883	0	0	0
2	3682	3682 SUBTOTAL for 3682's	0	233,883	233,883	0	0	0
		1432 TOTAL Contractual Services	842,706	3,643,255	3,643,255	0	0	0
3	2019	0100 PUBLIC SERVICE REGULATION FD	4,318	5,742	5,742	0	0	0
3	2019	2019 SUBTOTAL for 2019's	4,318	5,742	5,742	0	0	0
3	2023	1100 GAS PIPELINE INSPECTION FF	0	884	884	0	0	0
3	2023	2023 SUBTOTAL for 2023's	0	884	884	0	0	0
3	2316	2300 INSERVICE EDU WORKSHOP FF	15,172	212	212	0	0	0
3	2316	2316 SUBTOTAL for 2316's	15,172	212	212	0	0	0
3	3477	3477 GAS PIPELN SFTY PRG-SPEC 1 CAL	1,778	10,652	10,652	0	0	0
3	3477	3477 SUBTOTAL for 3477's	1,778	10,652	10,652	0	0	0
3	3632	3000 GAS PIPELINE SAFETY PRG	18,057	12,879	12,879	0	0	0
3	3632	3632 SUBTOTAL for 3632's	18,057	12,879	12,879	0	0	0

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Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
0100	PUBLIC SERVICE REGULATION FD	3,703,831	7,360,696	7,286,777	0	0	0
2019	SUBTOTAL PUBLIC SERVICE REGULATION FD	3,703,831	7,360,696	7,286,777	0	0	0
1100	GAS PIPELINE INSPECTION FF	2,383	2,842	2,842	0	0	0
2023	SUBTOTAL GAS PIPELINE INSPECTION FF	2,383	2,842	2,842	0	0	0
2120	NATURAL GAS UNDRGD STORAGE FF	168	0	0	0	0	0
2181	SUBTOTAL NATURAL GAS UNDRGD STORAGE FF	168	0	0	0	0	0
2300	INSERVICE EDU WORKSHOP FF	17,027	5,983	5,983	0	0	0
2316	SUBTOTAL INSERVICE EDU WORKSHOP FF	17,027	5,983	5,983	0	0	0
5500	MOTOR CARRIER LICENSE FF	133	0	0	0	0	0
2812	SUBTOTAL MOTOR CARRIER LICENSE FF	133	0	0	0	0	0
3477	GAS PIPELN SFTY PRG-SPEC 1 CAL	125,788	128,593	129,708	0	0	0
3477	SUBTOTAL ST DMG PRVTN PRG	125,788	128,593	129,708	0	0	0
3000	GAS PIPELINE SAFETY PRG	712,975	906,564	912,010	0	0	0
3632	SUBTOTAL 20.700-PUB SFTY PRG BASE GRNT	712,975	906,564	912,010	0	0	0
3120	PIPELN DMG PREVNT GRNT PRG	48,126	92,695	93,503	0	0	0
3633	SUBTOTAL 20.700-PUB SFTY PRG BASE GRNT	48,126	92,695	93,503	0	0	0
3641	UNDRGD NT GAS STRG	14,494	8,488	8,488	0	0	0
3639	SUBTOTAL UNDRGD NT GAS STRG	14,494	8,488	8,488	0	0	0
3500	ENERGY CONSERVATION PLAN FDF	4,080	233,883	233,883	0	0	0
3682	SUBTOTAL 81.041-ST ENGY PRG	4,080	233,883	233,883	0	0	0
1734	TOTAL MEANS OF FUNDING	4,629,005	8,739,744	8,673,194	0	0	0

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Series	Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
3	3639	3641 UNDRGD NT GAS STRG	758	295	295	0	0	0
3	3639	3639 SUBTOTAL for 3639's	758	295	295	0	0	0
	1492	TOTAL Commodities	40,083	30,664	30,664	0	0	0
4	2019	0100 PUBLIC SERVICE REGULATION FD	25,709	643,340	543,340	0	0	0
4	2019	2019 SUBTOTAL for 2019's	25,709	643,340	543,340	0	0	0
4	3632	3000 GAS PIPELINE SAFETY PRG	29,735	18,104	18,104	0	0	0
4	3632	3632 SUBTOTAL for 3632's	29,735	18,104	18,104	0	0	0
	1512	TOTAL Capital Outlay	55,444	661,444	561,444	0	0	0
92	2019	0100 PUBLIC SERVICE REGULATION FD	0	100,000	100,000	0	0	0
92	2019	2019 SUBTOTAL for 2019's	0	100,000	100,000	0	0	0
92	3477	3477 3477 GAS PIPELN SFTY PRG-SPEC 1 CAL	27,833	24,078	24,078	0	0	0
92	3477	3477 SUBTOTAL for 3477's	27,833	24,078	24,078	0	0	0
92	3632	3000 GAS PIPELINE SAFETY PRG	87,614	105,558	105,558	0	0	0
92	3632	3632 SUBTOTAL for 3632's	87,614	105,558	105,558	0	0	0
92	3639	3641 UNDRGD NT GAS STRG	2,686	4,549	4,549	0	0	0
92	3639	3639 SUBTOTAL for 3639's	2,686	4,549	4,549	0	0	0
92	3682	3500 ENERGY CONSERVATION PLAN FDF	0	0	0	0	0	0
92	3682	3682 SUBTOTAL for 3682's	0	0	0	0	0	0
	1562	TOTAL Non-Expense Items	118,133	234,185	234,185	0	0	0
	1562	TOTAL All Funds	4,629,005	8,739,744	8,673,194	0	0	0

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Program Conservation Division

CONSERVATION DIVISION

PROGRAM GOAL:

The Conservation Division is a fee funded division of the Kansas Corporation Commission that regulates, enforces laws, and supervises activities associated with the exploration and production of oil and gas to prevent degradation of land and water resources, prevent the waste in the production of crude oil and natural gas resources, and protect correlative rights of mineral owners and royalty interest holders. The Division timely reclaims and remediates land and water resources using allocated funds. In addition, the Division strives to provide efficient and transparent regulatory information to the oil and gas industry by maintaining a web-based electronic filing system. This same service is provided to the citizens of the state by furnishing all information filed electronically to the Kansas Geological Survey (KGS) for publication on its website.

Outlined above is a synopsis of the depth and breadth of activities under the purview of the Conservation Division. However, for performance based budgeting purposes, the Conservation Division staff applies this program goal to three specific objectives aimed at protecting usable water: 1) Abandoned Well Plugging and Site Remediation, 2) Underground Injection Control (UIC), and 3) District Regulatory Enforcement Activities.

OBJECTIVE #1: Abandoned Well Plugging and Site Remediation

The Conservation Division oversees the plugging of abandoned oil and gas wells to protect usable waters from pollution and protect the public from safety hazards posed by abandoned wells. When the state well plugging funds assume responsibility for plugging abandoned wells, such wells are plugged based on the prioritization outlined in greater detail below. To further protect usable water, the Conservation Division engages in operations and monitoring at remediation sites throughout the state.

Priority I Wells: Action Levels

Level A, Surface Water – This category of abandoned wells includes those wells actively discharging oil, brine or other fluids into surface waters and presenting significant ongoing impacts to surface water. These wells may be located inside a sensitive groundwater area and include wells with moderate to high volumes of discharge impacting public water supplies or sole source water supplies.

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Level A, Groundwater - This category of abandoned wells creates a significant ongoing or potential impact to groundwater supplies through water quality degradation or loss of water supplies through downward drainage. These wells may be located inside a sensitive groundwater area. The Conservation Division places an emphasis upon plugging abandoned wells that may affect groundwater used for public water supplies or sole source supplies, and on cases of active subsidence caused by downward drainage.

Level A, Public Safety – This category of abandoned wells creates an ongoing or current threat to public safety. These wells may have active gas flows, with danger of ignition or open large diameter wellbores or casings in urban or suburban settings.

Level B, Surface Water – This category of abandoned wells includes intermittently or actively discharging oil or brine into surface waters with ongoing impacts to surface water. These wells may be located inside a sensitive groundwater area. Surface Water Level B wells include wells with low to moderate volumes of discharge impacting water resources outside of public water supplies when alternative water supplies are available.

Level B, Groundwater – This category of abandoned wells creates ongoing or potential impacts to groundwater supplies through water quality degradation or loss of water supplies through downward drainage. These wells may be located inside of a sensitive groundwater area. Groundwater Level B wells includes those with impacts to groundwater supplies outside of public water supply areas and cases of strong potential for subsidence.

Level B, Public Safety - This category of abandoned wells creates a current or ongoing threat or potential danger to public safety. These wells may have active gas flows with danger of ignition and/or open large diameter wellbores or casings located in rural, low population areas.

Level C, Surface Water – This category of abandoned wells contains wells located outside of sensitive groundwater areas, which are intermittently discharging oil and/or brine, or have potential for discharge into surface waters.

Level C, Groundwater – This category of abandoned wells contains wells located outside of sensitive groundwater areas which have potential impacts to groundwater supplies or loss of water resources through downward drainage.

Level C, Public Safety – This category of wells contains wells creating a potential danger to public safety. These wells are secured gas wells in populated areas.

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Priority II Wells: Action Level

Priority II wells were generally drilled using modern techniques and in accordance with modern regulatory well construction requirements. Therefore, these types of wells do not pose either an ongoing or potential threat to the public safety or the environment. These wells have adequate surface pipe to protect shallow freshwater aquifers and are generally located in environmentally non-sensitive areas. Accordingly, these wells fall within the lowest priority ranking for authorization of plugging with Abandoned Oil and Gas Well / Remediation Fund monies. Priority II wells are entered into the abandoned well inventory and periodically inspected to determine if well conditions have changed to warrant upgrading to Priority I status.

Strategies for Objective #1:

1. Use State plugging funds to plug abandoned oil and gas wells and remediate pollution sites associated with oil and gas operations where there is no responsible party.
2. Utilize the Request for Proposal bid procurement procedure through the Division of Purchasing to contract plugging/remediation services.
3. Meet with potential plugging contractors to answer questions regarding the processes involved in becoming an approved vendor and to make improvements to the processes and forms used by the KCC encouraging competition among vendors.
4. Review abandoned well inventory requiring action based on location and the potential threats unique to those locations regarding pollution and safety.
5. Plug Priority 1A abandoned wells is a primary strategy.

Output Measure:

	Actuals	Current Year	Allocated
	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
Number of Priority 1A wells plugged annually	16	tbd*	tbd*

(* “tbd” - the Division strives to plug 1A wells within the fiscal year they are identified and does not estimate the number from year to year.)

Outcome Measure:

	Actuals	Current Year	Allocated
	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
Median response time in days to single well project Priority 1A abandoned wells	31	N/A	30

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External/Internal Assessment: Abandoned Well Plugging and Site Remediation

K.S.A. 55-192 provides for the plugging of abandoned wells and the remediation of contamination sites incidental to pre-July 1, 1996 oil and gas activities for which no responsible party exists. There are approximately 5,285 abandoned wells recorded as requiring action as of June 1, 2023, in part due to several hundred abandoned wells which continue to be discovered and those being added to the inventory each year. The estimated total dollars available for this activity for FY 2025 is \$ \$4,337,195.21.

Since the inception of the Abandoned Well Plugging/Site Remediation program on July 1, 1996, the KCC has plugged in excess of 11,383 abandoned wells that had no responsible party. The KCC focuses on plugging as many of the higher ranked wells as possible each year. As a rule, the lower ranked wells are only plugged when incidental to the completion of a project consisting of primarily higher ranked wells.

The KCC is in the process of reviewing the remaining wells requiring action in the abandoned well inventory and re-evaluating those wells regarding the current or possible threat posed to usable water or safety. This review and evaluation will almost certainly result in more wells being plugged in central and western Kansas. Plugging these deeper wells will increase the cost to plug and reduce the total number of wells plugged during the year. The KCC currently oversees the remaining 47 sites and 37 have no responsible party. To date, 81 of the original 109 sites have been resolved.

Bidding for KCC abandoned well plugging and remediation projects is administered by the Department of Administration, Division of Purchases (DOP). During FY2023 KCC staff once again committed to recruiting qualified well plugging contractors. Staff had three meetings across the state and rebid the Abandoned Well Plugging contract for the state during FY2023. This time, instead of having one contract per KCC District Office Area totaling four well plugging contracts, KCC staff work with DOP to bid out one statewide well plugging contract. This reduced the amount of applications necessary for contractors to bid in order to plug wells in Kansas. As a result of this simplified process and staff's recruitment efforts, there are now 23 qualified well plugging contractors for the state of Kansas.

The KCC abandoned well plugging efforts using currently available funds will focus primarily on high-priority wells due to the introduction of federal monies available to plug abandoned wells. From January 16, 2023 through July 30, 2024, the KCC was able to contract, oversee, and pay for the plugging of more than 2,350 wells across six separate projects in Kansas using Federal Initial Grant well plugging funds. Kansas was awarded a \$25 million Initial Grant to address abandoned well plugging and provide quality oilfield jobs. Through July 30, 2024, at least \$23.8

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million of Initial Grant has been paid to Kansas plugging contractors. The KCC has amended its original application to plug at least 200 more abandoned wells using a combination of unencumbered Initial Grant funds and the proceeds from the sale of salvage materials recovered while plugging wells using the Initial Grant. The KCC applied for approximately \$33.6 million in Formula Grant funding to plug approximately 1,879 additional abandoned wells in December of 2023. To date, that application has not been processed.

OBJECTIVE #2: Underground Injection Control Program

The Class II Underground Injection Control (UIC) program protects the quality of the fresh and usable groundwater by contamination through underground oil and natural gas industry injection activities in conformance with section 1425 of Title XIV of The Public Health Service Act: Safety of Public Water Systems (Safe Drinking Water Act). Satisfying important UIC objectives requires close communication between the Conservation field staff and the Environmental Protection Agency (EPA) in order to effectively manage more than 16,500 injection wells. Every Class II injection well is tested for well mechanical integrity (MIT) at least once every five years. The KCC is required to witness at least 25% of those tests each year in order to receive grant funding from the EPA. KCC regulations require injection wells failing MITs be repaired or plugged within 90 days of the test failure. Wells that fail MITs are required to be shut-in and disconnected immediately until they are repaired or plugged.

Strategies for Objective #2:

1. The UIC Department and Conservation District Offices monitor industry operations through inspections and injection well testing to ensure compliance with state regulations. UIC staff tracks and records the monthly injection volumes of each Class II well and is responsible for the transfer of injection authority among operators.
2. The UIC Department maintains eligibility for \$300,000 (at least 25% matching from the Conservation Fee Fund) of annual EPA funding by effectively managing the program. This management includes witnessing in excess of the 25% of mechanical integrity tests required by the EPA and requiring well integrity failure remediation or plugging within the 90-day timeframe required in K.A.R. 82-3-407.

Output Measure:

	Actuals	Current Year ¹	Allocated		
	FFY 2023	FFY 2024	FFY 2024	FFY 2025	FFY 2026
MIT Failures	290	218	250	250	250

¹ The UIC program measures are tracked based on the Federal Fiscal Year which runs from October 1 through September 30 and the information for FFY 2023 is current through July 1, 2023. Allocated FFY2023 column represents the number projected for the federal fiscal year.

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Outcome Measure

	Actuals FFY 2023	Current Year FFY 2024	Allocated FFY 2024	FFY 2025	FFY 2026
Percentage of MIT failures (wells) remediated within 90 days	90%	90%	90%	90%	90%

Operators not achieving compliance by repairing or plugging injection wells that fail MITs within a proscribed 90-day window are subject to formal Commission enforcement action. This action includes monetary penalties and in even more severe circumstances can result in operator license suspension if compliance is not achieved.

External/Internal Assessment: Underground Injection Control

Staff is utilizing technology to become more efficient in the administration of the UIC program. The technological improvements are focused primarily on increasing the number of forms available on the Kansas On-Line Automated Reporting (KOLAR) system. In prior fiscal years, the Annual Report of Pressure Monitoring, Fluid Injection and Enhanced Recovery (U3-C) form was added to KOLAR and injection information is now required to be filed electronically. This electronic filing process has reduced the need for staff to manually review and enter the data on more than 16,000 forms filed annually. The ability to have this data filed electronically is crucial for monitoring possible Class II injection related induced seismicity. The initial version of the U-7 form is finalized and available on KOLAR. The U-7 form is used by Conservation staff and the operator to memorialize the results of MITs. The electronic version of this form has reduced data entry errors as information on well construction is pre-populated from the KCC well database. This will also expedite the notification of MIT passage or failure more efficiently as the field staff utilize their laptop computers to send notifications from the field.

OBJECTIVE C: District Regulatory Enforcement Activities

The KCC Conservation Division consists of five offices - a central administrative office and four district offices located in Dodge City, Wichita, Chanute, and Hays. The District Offices are responsible for enforcing the KCC's regulations in the field. The district staff routinely conducts more than 4,000 inspections annually to verify compliance with the KCC's regulations.

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Output Measure	<u>Actuals</u> <u>FY 2023</u>	<u>FY 2024</u>	<u>Allocated</u> <u>FY 2025</u>	<u>FY 2026</u>
Number of oil and gas facility inspections performed	5,316	3,911	4,000	4,000
Outcome Measure	<u>Actuals</u> <u>FY 2023</u>	<u>FY 2024</u>	<u>Allocated</u> <u>FY 2025</u>	<u>FY 2026</u>
Wells plugged in the course of regulatory enforcement	760	840	600	600

External/Internal Assessment: District Regulatory Enforcement Activities

The KCC’s four district offices have approximately 40 Environmental Compliance and Regulatory Specialists to perform field inspection and regulatory duties of the Conservation Division. As a part of their duties, district staff members discover potential regulatory violations and wells requiring immediate remedial activities. If the wells or violations cannot be remediated in a manner that complies with the KCC regulations and thereby protect usable water, the wells are plugged. These activities not only protect the state’s usable water, but also prevent problem wells from ending up in the abandoned well inventory. Enforcement of state regulations through district compliance activities prevented the state from becoming liable for \$ 10,004,830 in plugging expenses for FY 2023² and \$13,812,985.20 for FY 2024³.

² The per well plugging cost used in this figure was \$13,164.25 based on actual statewide plugging cost per well for FY 2023.

³ The per well plugging cost used in this figure was \$16,444.03 based pm actual statewide plugging cost per well for FY 2024.

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Expenditure Justification – Conservation Division

Account Code 100: Salaries and Wages

Summary: The Conservation Division has 86.0 FTE positions with 15 FTE vacant positions as of June 30, 2024.

Current Year FY 2025: \$7,223,756 is requested. This is an increase of \$198,410 primarily due to the legislative statewide employee salary increase.

Allocated Budget Year FY 2026: \$7,298,311 is requested

Account Code 200-290: Contractual Services

Well Plugging and Remediation

Costs for plugging wells are allocated in account code 52400 Repairs and Services. The estimated cost is to plug abandoned wells in accordance with the established prioritization schedule. The estimate below is dependent upon multiple factors and actual costs can significantly deviate from the amounts provided below. It is important to note that these funds do not actually come out of the Conservation Fee Fund, but instead come from the dedicated Abandoned Well Plugging Fund.

Further, KCC staff anticipates the opportunity to increase funds available for plugging abandoned wells by supplementing current statutory funds with federal funds from the Orphaned Well Site Plugging, Remediation, and Restoration program (Orphaned Well Program) established by Section 40601 of the Infrastructure Investment and Jobs Act (IIJA) which was established to create good-paying jobs and address the environmental harms caused by orphaned wells. The KCC was awarded \$25 million in Initial Grant funding to plug more than 2,300 wells. Since January 16, 2023, the KCC has plugged more than 2,330 wells. The KCC has been awarded \$33.6 million in Formula Grant funding to spend over the course of five years following the Initial Grant plugging efforts. KCC staff submitted an application to receive the Formula Grant funding in December of 2023 but the application has not been processed by the Department of Interior (DOI). The delay is due to the DOI adding requirements to the grant that are not required in the congressional legislation. Continued delay by DOI will push more funds into FY2026.

Travel is essential for the Environmental Compliance and Regulatory Specialists (ECRS) and Professional Geologists to carry out their statutorily mandated programs in the field. These technicians and geologists travel an average of 1,500 to 3,000 miles per month, enforcing rules and regulations, responding to complaints, investigating spills and oilfield pollution, performing mechanical integrity tests and lease inspections, witnessing well plugging, investigating and inventorying abandoned wells, and checking pits and ponds for contamination. Training of staff is ongoing and essential.

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Out-of-state travel is required for certain types of training as well as keeping informed of national trends and issues. Other costs incurred are registrations, mileage or rental vehicles for central office and per diem associated with overnight travel.

Communication costs include but are not limited to: cell phones, mifi's for laptop use in the field, telephones and postage. Each field technician and geologist has a vehicle equipped with “technology hardware” which maximizes the time spent in the field. They can receive additional assignments without returning to the district office.

Rent for the Conservation Division includes the central office in Wichita, and the four district offices in Dodge City, Wichita, Chanute, and Hays. Rents also provide for costs for three copiers in the Wichita main office and one copier at each of the four district offices. Other rents include some off-site storage of large equipment, janitorial and lab expenses related to district offices, and OSHA required clothing.

Contracts costs include Westlaw, court reporters, and temporary services for clerical support. The KOLAR project will continue in FY 2025 with the KGS. Funding is also requested to support and integrate the Risk-Based Database Management System (RBDMS) into KOLAR for sharing data information and to update the RBDMS to a modern platform. This request also includes payments for freight and express, utilities, postage scales, folding machine and inserter, mailing machine, computer software maintenance and service, repairing and servicing of equipment, publishing legal notices, annual dues, and other Department of Administration fees.

Current Year FY 2025: \$22,599,533 is requested.

Allocated Budget Year FY 2026: \$22,599,533 is requested. \$18,000,000 is requested to plug abandoned wells in accordance with the established prioritization schedule and approved plugging plans and based on approved federal funding. This amount is an estimate dependent on the number of wells plugged and as noted above, actual costs will be dependent upon conditions at each wellbore. Other costs include communications, rents, travel and contractual services.

Account Codes 300-390: Commodities

Summary: The commodities request is primarily for fuel, service, and vehicle parts. Other items include stationery and office supplies used in day-to-day operations, software updates, computer supplies, safety clothing (boots, hard hats, safety gloves) and costs associated with vehicle rentals. The Division purchases gasoline and diesel fuel for field trucks used in monitoring oil and gas wells. The Division purchases Hydrogen Sulfide meters as safety equipment for field staff. Meters purchased are used for 2 years then replaced. \$2,500 will be used to replace meters that expire annually.

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Fuel and vehicle parts

The Division currently has 48 agency owned vehicles (44 -½ ton 4X4 pick-up trucks, 1 - 4X4 compact ext. cab truck, 2- 4X4 Chevy Blazers, and 1 – 1 ton 4X4 pick-up truck) field staff spend most of the day traveling the state to oil well production and exploration sites. Each vehicle averages approximately 1,500 to 3,000 miles per month.

Current Year FY 2025: \$244,411 is requested. The majority of travel expenses will be associated with fuel and vehicle parts for 48 KCC owned vehicles. Other costs include all weather protective clothing, office supplies, professional supplies and materials.

Allocated Budget Year FY 2026: \$244,411 is requested. The majority of travel expenses will be associated with fuel and vehicle parts for 48 KCC owned vehicles. Other costs include all weather protective clothing, office supplies, professional supplies and materials.

Account Code 400: Capital Outlay

Summary: By using computer technology in the field, the Division can eliminate duplication of work effort and increase efficiencies for the technical field staff, thereby benefiting the industry. Field forms such as lease inspections, activity reports, MIT forms, travel/vehicle logs, and well plugging agent report forms are in electronic format. Field staff is able to use laptops while on the lease to obtain information from RBDMS.

Global Positioning System units (GPS) and metal detectors are now used to permanently log the locations of these sites so that plugging crews and equipment can return at a later date. The majority of items purchased from this category are IT replacements and upgrades based on the KCC IT Plan. Also included in this category are vehicle replacements that reach the mileage threshold as well as estimated usage and cost to repair considerations. The Conservation Division has 48 vehicles. Vehicles meeting the mileage standards will be replaced only as fund availability allows. For FY2025, seven vehicles are budgeted for replacement.

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PROGRAM	TAG#	LAST NAME	DEPARTMENT	TYPE	YEAR	THRESHOLD	END ODO	ANNUAL MILES	MONTHLY MILEAGE AVERAGE	EXPENSES- REPAIRS	EXPENSES- FUEL	TOTAL EXPENSES (Repairs & Fuels)	LIFE OF VEHICLE EXPENSES REPAIRS
CONSERVATION	17124	TBR-Going To Surplus	DODGE	TRUCK	2016	150,000	188,922	0	0	\$ -	\$ -	\$ -	\$11,123.81
CONSERVATION	23859	TBR-Going To Surplus	DODGE	TRUCK	2019	150,000	170,685	29,642	2,470	\$2,586.95	\$5,581.99	\$ 8,168.94	\$11,135.49
CONSERVATION	17522	TBR-Going To Surplus	HAYS	TRUCK	2017	150,000	165,450	21,165	1,764	\$2,052.14	\$3,959.66	\$ 6,011.80	\$ 6,810.66
CONSERVATION	11846	TBR-Going To Surplus	HAYS	TRUCK	2007	150,000	165,028	7,323	666	\$1,757.13	\$1,539.18	\$ 3,296.31	\$11,219.26
CONSERVATION	17123	TBR-Going To Surplus	HAYS	TRUCK	2016	150,000	164,458	17,484	1,457	\$2,520.41	\$3,179.22	\$ 5,699.63	\$ 9,699.30
CONSERVATION	17130	KEPLEY	CHANUTE	TRUCK	2016	150,000	205,403	20,441	1,703	\$3,650.69	\$4,072.20	\$ 7,722.89	\$12,962.83
CONSERVATION	23721	BOHRER	CHANUTE	TRUCK	2019	150,000	158,746	19,316	1,610	\$1,697.86	\$4,548.45	\$ 6,246.31	\$ 7,016.46
CONSERVATION	17129	WEBSTER	CHANUTE	TRUCK	2016	150,000	150,769	17,942	1,631	\$1,309.48	\$3,448.92	\$ 4,758.40	\$ 7,646.18
CONSERVATION	17128	KRUEGER	W2	TRUCK	2016	150,000	150,462	17,527	1,461	\$ 720.57	\$3,038.97	\$ 3,759.54	\$ 4,573.74
CONSERVATION	23718	SCOFIELD	DODGE	TRUCK	2019	150,000	147,893	17,176	1,431	\$ 868.55	\$3,025.11	\$ 3,893.66	\$ 8,973.38
CONSERVATION	17521	SHAFFER	CHANUTE	TRUCK	2017	150,000	141,693	20,225	1,685	\$1,903.05	\$3,363.28	\$ 5,266.33	\$ 5,552.09
CONSERVATION	17520	SPARE	DODGE	TRUCK	2017	150,000	136,885	3,902	434	\$1,560.25	\$ 692.33	\$ 2,252.58	\$ 6,838.12
CONSERVATION	23857	SPARE	DODGE	TRUCK	2019	150,000	136,627	24,058	2,005	\$2,751.52	\$3,571.57	\$ 6,323.09	\$ 4,657.74
CONSERVATION	17523	BURNETT	CHANUTE	TRUCK	2017	150,000	133,522	27,718	2,310	\$3,461.00	\$5,850.35	\$ 9,311.35	\$ 6,517.74
CONSERVATION	16852	HARRIS	DODGE	TRUCK	2015	150,000	126,092	962	160	\$ 52.30	\$ 248.28	\$ 300.58	\$ 4,595.04
CONSERVATION	15391	NEELEY	HAYS	TRUCK	2013	150,000	124,225	7,542	686	\$ 288.08	\$1,360.72	\$ 1,648.80	\$ 5,218.47
CONSERVATION	24999	ALVARADO	DODGE	TRUCK	2021	150,000	122,358	35,721	2,977	\$1,794.92	\$6,194.28	\$ 7,989.20	\$ 3,298.36
CONSERVATION	16993	SPARE	CHANUTE	TRUCK	2016	150,000	115,574	2,460	273	\$ 76.10	\$ 617.59	\$ 693.69	\$ 8,297.06
CONSERVATION	23860	DIPMAN	HAYS	TRUCK	2019	150,000	110,799	17,204	1,434	\$1,721.87	\$3,499.35	\$ 5,221.22	\$ 7,563.63
CONSERVATION	24669	HERMRECK	CHANUTE	TRUCK	2020	150,000	106,623	20,018	1,668	\$ 803.02	\$3,689.66	\$ 4,492.68	\$ 4,450.82
CONSERVATION	24672	SPARLING	W2	TRUCK	2020	150,000	105,950	27,360	2,280	\$ 509.28	\$4,418.73	\$ 4,928.01	\$ 2,498.04
CONSERVATION	23858	BEDORE	HAYS	TRUCK	2019	150,000	105,333	19,050	1,588	\$ 305.68	\$3,757.69	\$ 4,063.37	\$ 4,711.23
CONSERVATION	23719	STAAB	HAYS	TRUCK	2019	150,000	102,681	18,305	1,525	\$1,686.14	\$3,377.64	\$ 5,063.78	\$ 5,991.82
CONSERVATION	17519	MORRIS	HAYS	TRUCK	2017	150,000	99,973	16,207	1,351	\$ 354.51	\$2,904.86	\$ 3,259.37	\$ 2,686.88
CONSERVATION	24997	RING	DODGE	TRUCK	2021	150,000	97,886	29,958	2,497	\$9,174.40	\$5,496.33	\$14,670.73	\$11,610.82
CONSERVATION	24995	LOGAN	CHANUTE	TRUCK	2021	150,000	94,634	35,500	2,958	\$1,882.33	\$6,246.17	\$ 8,128.50	\$ 3,502.28
CONSERVATION	17127	FOX	W2	TRUCK	2016	150,000	94,482	9,725	810	\$ 231.29	\$1,829.72	\$ 2,061.01	\$ 6,312.77

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CONSERVATION	24671	CLOTHIER	W2	SUV	2020	150,000	92,390	21,065	1,755	\$ 3,230.19	\$ 3,821.53	\$ 7,051.72	\$ 9,388.65
CONSERVATION	24670	BEFORT	HAYS	TRUCK	2020	150,000	81,965	13,682	1,140	\$ 392.92	\$ 2,320.29	\$ 2,713.21	\$ 3,347.83
CONSERVATION	24993	HOPE	W2	TRUCK	2021	150,000	72,240	19,660	1,638	\$ 1,391.98	\$ 3,376.08	\$ 4,768.06	\$ 3,463.90
CONSERVATION	24426	RUNNELLS	WC	TRUCK	2020	150,000	69,809	18,371	1,531	\$ 303.76	\$ 2,426.74	\$ 2,730.50	\$ 614.95
CONSERVATION	24994	WORCHESTER	HAYS	TRUCK	2021	150,000	69,015	22,405	1,867	\$ 2,013.90	\$ 5,060.14	\$ 7,074.04	\$ 3,581.76
CONSERVATION	23720	TRIBOULET	CHANUTE	TRUCK	2019	150,000	66,550	17,425	1,452	\$ 2,674.66	\$ 3,727.42	\$ 6,402.08	\$ 8,134.70
CONSERVATION	26126	JONES	HAYS	TRUCK	2023	150,000	59,490	37,470	3,123	\$ 2,355.75	\$ 6,746.82	\$ 9,102.57	\$ 2,907.25
CONSERVATION	24998	RUPP	W2	TRUCK	2021	150,000	57,663	11,846	987	\$ 2,014.70	\$ 2,149.58	\$ 4,164.28	\$ 4,262.35
CONSERVATION	24996	DULING	CHANUTE	TRUCK	2021	150,000	57,335	13,432	1,119	\$ 1,638.29	\$ 2,399.73	\$ 4,038.02	\$ 2,955.53
CONSERVATION	26124	KARLIN	W2	TRUCK	2023	150,000	52,215	32,652	2,721	\$ 2,011.60	\$ 5,424.86	\$ 7,436.46	\$ 2,246.74
CONSERVATION	23739	KLOCK	W2	TRUCK	2019	150,000	49,356	10,303	1,030	\$ 193.87	\$ 1,878.82	\$ 2,072.69	\$ 1,921.24
CONSERVATION	26478	SIMS	CHANUTE	TRUCK	2023	150,000	38,380	36,047	3,004	\$ 624.15	\$ 5,208.89	\$ 5,833.04	\$ 624.15
CONSERVATION	26127	JEHLIK	DODGE	TRUCK	2023	150,000	38,102	23,311	1,943	\$ 776.30	\$ 5,013.83	\$ 5,790.13	\$ 2,011.68
CONSERVATION	26122	BALL	DODGE	TRUCK	2023	150,000	34,313	23,004	1,917	\$ 2,097.50	\$ 3,700.74	\$ 5,798.24	\$ 2,197.22
CONSERVATION	26121	CARSWELL	CHANUTE	TRUCK	2023	150,000	34,251	21,138	1,762	\$ 1,850.02	\$ 3,698.25	\$ 5,548.27	\$ 1,947.76
CONSERVATION	26125	HINE	CHANUTE	TRUCK	2023	150,000	29,083	17,772	1,481	\$ 585.43	\$ 2,607.28	\$ 3,192.71	\$ 726.68
CONSERVATION	26123	FELDKAMP	DODGE	TRUCK	2023	150,000	28,074	20,138	1,678	\$ 1,728.90	\$ 3,534.90	\$ 5,263.80	\$ 1,787.92
CONSERVATION	26480	SHORT	CHANUTE	TRUCK	2023	150,000	26,568	24,328	2,027	\$ 1,852.11	\$ 4,400.81	\$ 6,252.92	\$ 1,852.11
CONSERVATION	26344	MACLAREN	DODGE	TRUCK	2023	150,000	25,830	16,142	1,614	\$ 1,524.46	\$ 2,727.24	\$ 4,251.70	\$ 1,524.46
CONSERVATION	26479	TROMSNESS	CHANUTE	TRUCK	2023	150,000	24,085	21,764	1,979	\$ 1,324.12	\$ 3,707.35	\$ 5,031.47	\$ 1,324.12
CONSERVATION	26163	BOLLENBACK	W2	TRUCK	2023	150,000	23,087	14,920	1,243	\$ 400.45	\$ 3,361.93	\$ 3,762.38	\$ 498.68
CONSERVATION	26481	RUSSELL	CHANUTE	TRUCK	2023	150,000	18,069	16,463	1,372	\$ 408.15	\$ 2,559.05	\$ 2,967.20	\$ 408.15
CONSERVATION	26280	LAKE	W2	TRUCK	2023	150,000	15,654	11,772	981	\$ 253.80	\$ 1,798.98	\$ 2,052.78	\$ 253.80
CONSERVATION	27220	MAIER	DODGE	TRUCK	2024	150,000	0	0	0	\$ -	\$ -	\$ -	\$ -
CONSERVATION	27221	SULLIVAN	DODGE	TRUCK	2024	150,000	0	0	0	\$ -	\$ -	\$ -	\$ -
CONSERVATION	27222	SCHUMACHER	HAYS	TRUCK	2024	150,000	0	0	0	\$ -	\$ -	\$ -	\$ -
CONSERVATION	27223	WILLIAMS	HAYS	TRUCK	2024	150,000	0	0	0	\$ -	\$ -	\$ -	\$ -
CONSERVATION	27224	DINKEL	HAYS	TRUCK	2024	150,000	0	0	0	\$ -	\$ -	\$ -	\$ -

On KCC lot ready to go to Surplus

Replace in FY 2025

Replace in FY 2026

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Current Year FY 2025: \$909,619 is requested. This includes vehicle purchases and with the increased federal funds to plug abandoned wells, we are adding field staff and will need to expand the fleet, additional increases are due to IT related costs. The KCC's IT plan, includes PCs, laptops, monitors, printers, mobile phones, Garmin's and Servers, information processing equipment, software and RBDMS migration. Replacement of 7 trucks as identified in the table above.

Allocated Budget Year FY 2026: \$909,619 is requested. The KCC's IT plan, includes PCs, laptops, monitors, printers, mobile phones, Garmin's (GPS), servers, information processing equipment, software and continued migration and update to RBDMS and internal antiquated databases. The replacement of 7 trucks based on a rotation taking mileage, along with repair costs and use of the vehicle.

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Obj. Code	OBJECTS OF EXPENDITURE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
519990	Salaries and Wages SHRINKAGE	5,819,822 0	7,447,821 (224,065)	7,525,391 (227,080)	0 0	0 0	0 0
	TOTAL Salaries and Wages	5,819,822	7,223,756	7,298,311	0	0	0
52000	Communication	221,206	325,085	325,085	0	0	0
52100	Freight and Express	75	1,466	1,466	0	0	0
52200	Printing and Advertising	919	1,696	1,696	0	0	0
52300	Rents	488,316	506,611	506,611	0	0	0
52400	Reparing and Servicing	3,692,672	20,651,167	20,651,167	0	0	0
52500	Travel and Subsistence	13,940	10,150	10,150	0	0	0
52510	InState Travel and Subsistence	6,653	8,900	8,900	0	0	0
52520	Out of State Travel and Subsis	28,914	10,115	10,115	0	0	0
52600	Fees-other Services	216,433	790,531	790,531	0	0	0
52700	Fee-Professional Services	21,441	211,640	211,640	0	0	0
52800	Utilities	20,841	19,405	19,405	0	0	0
52900	Other Contractual Services	57,386	62,767	62,767	0	0	0
	TOTAL Contractual Services	4,768,796	22,599,533	22,599,533	0	0	0
53000	Clothing	2,389	5,346	5,346	0	0	0
53200	Food for Human Consumption	249	0	0	0	0	0
53400	Maint Constr Material Supply	1,146	6,003	6,003	0	0	0
53500	Vehicle Part Supply Accessory	195,411	189,377	189,377	0	0	0
53600	Pro Science Supply Material	13,585	15,754	15,754	0	0	0
53700	Office and Data Supplies	11,042	20,004	20,004	0	0	0
53900	Other Supplies and Materials	2,927	7,927	7,927	0	0	0
	TOTAL Commodities	226,749	244,411	244,411	0	0	0
	TOTAL Capital Outlay	468,109	909,619	909,619	0	0	0
	TOTAL REPORTABLE EXPENDITURES	11,283,476	30,977,319	31,051,874	0	0	0
	SUBTOTAL State Operations	11,283,476	30,977,319	31,051,874	0	0	0
	TOTAL EXPENDITURES	11,283,476	30,977,319	31,051,874	0	0	0

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Series	Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
1	2130	2000 CONSERVATION FF	5,421,822	7,447,821	7,525,391	0	0	0
1	2130	2130 SUBTOTAL for 2130's	5,421,822	7,447,821	7,525,391	0	0	0
1	3768	3700 UNDRD INJCTN CTRL CLS II FDF	398,000	0	0	0	0	0
1	3768	3768 SUBTOTAL for 3768's	398,000	0	0	0	0	0
		282 TOTAL Salaries and Wages	5,819,822	7,447,821	7,525,391	0	0	0
10	2130	2000 CONSERVATION FF	0	(224,065)	(227,080)	0	0	0
10	2130	2130 SUBTOTAL for 2130's	0	(224,065)	(227,080)	0	0	0
		292 TOTAL Shrinkage	0	(224,065)	(227,080)	0	0	0
2	2019	0100 PUBLIC SERVICE REGULATION FD	1,204	0	0	0	0	0
2	2019	2019 SUBTOTAL for 2019's	1,204	0	0	0	0	0
2	2130	2000 CONSERVATION FF	1,188,924	2,451,641	2,451,641	0	0	0
2	2130	2130 SUBTOTAL for 2130's	1,188,924	2,451,641	2,451,641	0	0	0
2	2143	2100 ABANDONED OIL & GAS WELL FD	2,023,865	2,147,892	2,147,892	0	0	0
2	2143	2143 SUBTOTAL for 2143's	2,023,865	2,147,892	2,147,892	0	0	0
2	2812	5500 MOTOR CARRIER LICENSE FF	2,794	0	0	0	0	0
2	2812	2812 SUBTOTAL for 2812's	2,794	0	0	0	0	0
2	3656	3656 3656 Energy Community Revitalization Grant	1,552,009	18,000,000	18,000,000	0	0	0
2	3656	3656 SUBTOTAL for 3656's	1,552,009	18,000,000	18,000,000	0	0	0
		342 TOTAL Contractual Services	4,768,796	22,599,533	22,599,533	0	0	0
3	2130	2000 CONSERVATION FF	226,727	244,411	244,411	0	0	0
3	2130	2130 SUBTOTAL for 2130's	226,727	244,411	244,411	0	0	0
3	2143	2100 ABANDONED OIL & GAS WELL FD	22	0	0	0	0	0
3	2143	2143 SUBTOTAL for 2143's	22	0	0	0	0	0
		362 TOTAL Commodities	226,749	244,411	244,411	0	0	0
4	2130	2000 CONSERVATION FF	465,745	909,619	909,619	0	0	0
4	2130	2130 SUBTOTAL for 2130's	465,745	909,619	909,619	0	0	0
4	2143	2100 ABANDONED OIL & GAS WELL FD	2,364	0	0	0	0	0
4	2143	2143 SUBTOTAL for 2143's	2,364	0	0	0	0	0
		382 TOTAL Capital Outlay	468,109	909,619	909,619	0	0	0
		382 TOTAL All Funds	11,283,476	30,977,319	31,051,874	0	0	0

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Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
0100	PUBLIC SERVICE REGULATION FD	1,204	0	0	0	0	0
2019	SUBTOTAL PUBLIC SERVICE REGULATION FD	1,204	0	0	0	0	0
2000	CONSERVATION FF	7,303,218	10,829,427	10,903,982	0	0	0
2130	SUBTOTAL CONSERVATION FF	7,303,218	10,829,427	10,903,982	0	0	0
2100	ABANDONED OIL & GAS WELL FD	2,026,251	2,147,892	2,147,892	0	0	0
2143	SUBTOTAL ABANDONED OIL & GAS WELL FD	2,026,251	2,147,892	2,147,892	0	0	0
5500	MOTOR CARRIER LICENSE FF	2,794	0	0	0	0	0
2812	SUBTOTAL MOTOR CARRIER LICENSE FF	2,794	0	0	0	0	0
3656	Energy Community Revitalization Grant	1,552,009	18,000,000	18,000,000	0	0	0
3656	SUBTOTAL Energy Community Revitalization Grant	1,552,009	18,000,000	18,000,000	0	0	0
3700	UNDGRD INJCTN CTRL CLS II FDF	398,000	0	0	0	0	0
3768	SUBTOTAL 66.433-ST UNDGRD WTR SRC PROT	398,000	0	0	0	0	0
478	TOTAL MEANS OF FUNDING	11,283,476	30,977,319	31,051,874	0	0	0

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Program

Transportation Division

TRANSPORTATION DIVISION: MOTOR CARRIERS

PROGRAM GOAL:

To ensure balanced and effective regulation/oversight of motor carriers that promotes public safety and protects the public interest through comprehensive planning, licensing, inspection and other administrative procedures in order to achieve effective and efficient operations and to ease the burden of regulation while ensuring protection of the public interest and safety.

In order to demonstrate our success at achieving our program goal, we have selected three performance measures that illustrate the Transportation Division's success in minimizing the burden yet maximizing public safety.

PERFORMANCE MEASURES:

1. Reduce the number of accidents involving Kansas based carriers in comparison to carriers based in Midwest States, as well as the national average.
2. Reduce the number of Conditional and Unsatisfactory-rated Kansas based carriers compared to carriers based in Midwest States, as well as the national average.
3. Maintain high rate of compliance of Kansas based carriers with Unified Carrier Registration (UCR) requirements.

Performance Measure #1- Crash Data Comparison

The clearest indicator of the effectiveness of the Division's safety efforts is the crash data of the state of Kansas compared to other Midwest states. The Motor Carrier Management Information Systems (MCMIS) provides a snapshot of all crashes from US-domiciled motor carriers (MC) operating in both intrastate and interstate commerce. This direct comparison demonstrates the Division's effectiveness in reducing crashes compared to similarly situated states in the Midwest region.

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	% Commercial Motor Vehicles Involved in Crashes		
	CY2021	CY2022	CY2023
Midwest	2.60	2.50	2.30
KS	2.26	2.05	1.86
IA	2.89	2.68	2.54
IL	3.24	3.17	2.91
IN	2.60	2.52	2.36
MI	3.21	3.15	2.88
MN	1.91	1.98	1.89
MO	2.68	2.63	2.11
OH	2.37	2.10	2.16
WI	2.39	2.34	2.00
NE	2.46	2.42	2.31

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State	% Motor Carriers Involved in Crashes		
	CY2021	CY2022	CY2023
Midwest	8.61	8.25	7.96
KS	8.09	7.85	7.09
IA	8.25	8.15	7.45
IL	10.61	10.21	10.08
IN	9.71	9.44	8.95
MI	10.46	9.88	9.67
MN	6.77	7.26	6.75
MO	9.51	9.16	9.10
OH	8.81	7.46	7.95
WI	8.34	7.71	7.19
NE	5.56	5.42	5.38

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For perspective, this chart shows the number of power units and motor carriers per State:

State	Number of Carriers			Number of Power Units		
	CY2022	CY2023	CY2024	CY2022	CY2023	CY2024
Midwest	406474	411070	412457	1949894	2014293	2050534
KS	18308	18229	18187	97505	98326	97977
IA	25630	25868	25877	127837	127259	127909
IL	48212	48908	48968	321941	334842	347124
IN	43425	43768	43685	206756	207105	210937
MI	72539	72913	73270	272057	280042	283538
MN	68569	69640	70452	229497	232964	235827
MO	24525	24538	24422	153511	178250	182973
OH	45376	46458	46336	304635	313490	318559
WI	68569	69640	70452	229497	232964	235827

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Performance Measure #2 -- Compliance Review (CR) Performance Measures:

The Safety Management Systems (SMS) provides a calendar year snapshot of the 10 Midwest States domiciled MC operating in interstate commerce. This data compares Kansas based MC conditional and unsatisfactory rated CR data to the surrounding Midwest States MC data.

State	Year	CR total	Conditional	Unsatisfactory	Conditional Rate	Unsat Rate	Cond/Unsat Rate
Iowa	2021	32	15	3	47%	9%	56%
Illinois	2021	136	81	31	59%	22%	81%
Indiana	2021	66	39	20	59%	30%	89%
Kansas	2021	127	26	11	20%	9%	29%
Michigan	2021	97	47	13	48%	13%	61%
Minnesota	2021	48	25	18	52%	37%	89%
Missouri	2021	72	33	8	46%	11%	57%
Nebraska	2021	67	31	12	46%	18%	64%
Ohio	2021	291	143	52	49%	18%	67%
Wisconsin	2021	65	29	10	44%	15%	59%

State	Year	CR total	Conditional	Unsatisfactory	Conditional Rate	Unsat Rate	Cond/Unsat Rate
Iowa	2022	39	20	5	51%	12%	63%
Illinois	2022	138	81	35	58%	25%	83%
Indiana	2022	68	37	13	54%	19%	73%
Kansas	2022	143	27	8	19%	6%	25%
Michigan	2022	120	51	19	42%	16%	58%
Minnesota	2022	78	26	22	33%	28%	61%
Missouri	2022	83	38	11	45%	13%	58%
Nebraska	2022	42	18	14	43%	33%	76%
Ohio	2022	290	140	59	48%	20%	68%
Wisconsin	2022	54	26	8	48%	14%	62%

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State	Year	CR total	Conditional	Unsatisfactory	Conditional Rate	Unsat Rate	Cond/Unsat Rate
Iowa	2023	21	15	2	71%	9%	79%
Illinois	2023	129	79	29	61%	22%	83%
Indiana	2023	98	53	26	54%	26%	80%
Kansas	2023	118	19	18	16%	15%	31%
Michigan	2023	142	53	17	37%	12%	49%
Minnesota	2023	87	38	26	43%	30%	73%
Missouri	2023	69	28	5	40%	7%	47%
Nebraska	2023	28	14	8	50%	28%	78%
Ohio	2023	250	136	57	44%	18%	62%
Wisconsin	2023	99	39	8	39%	8%	47%

Conditional Rating: A Conditional Rating is defined as: a motor carrier does not have adequate Safety Management Controls in place to ensure compliance with the Safety Fitness Standard that could result in occurrences listed in Federal Motor Carrier Safety Regulations, Rules and Notices (FMCSRs) § 385.5 (a) through (k).

Unsatisfactory Rating: Unsatisfactory Safety Rating means a motor carrier does not have adequate Safety Management Controls in place to ensure compliance with the Safety Fitness Standard which has resulted in occurrences listed in FMCSRs § 385.5 (a) through (k).

This data demonstrates the Division’s effectiveness in reducing the number of conditional and unsatisfactory rated Kansas based carriers when compared to the surrounding Midwest States data.

- CY 2023, Kansas had the lowest percent of Conditional/Unsatisfactory Rated CRs, out of the 10 Midwest States.
- CY 2022, Kansas had the lowest percent of Conditional/Unsatisfactory Rated CRs, out of the 10 Midwest States.
- CY 2021, Kansas had the lowest percent of Conditional/Unsatisfactory Rated CRs, out of the 10 Midwest States.

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Performance Measure #2 -- Compliance Review (CR) Performance Measures:

Strategies to Achieve Performance Measures #1 & #2 include:

1. Develop regulations for the implementation of legislative changes and to deal effectively with federal law.
2. Provide compliance information through seminars, mailings, industry meetings and partnerships with County Treasurers.
3. Conduct comprehensive investigations and Compliance Reviews (CRs) on high risk, existing and new motor carriers; take appropriate action when unsafe conditions are found.
4. Continue as active collaborative partners with the KHP and the Federal Motor Carrier Safety Administration (FMCSA) in pursuing the reduction of accidents involving motor carriers by promulgating regulations, enforcing those regulations, and educating the industry, as well as the motoring public.

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Performance Measure #3 – Unified Carrier Registration (UCR) Performance

The Transportation Division’s comprehensive efforts to educate and communicate with Kansas based motor carriers leads to a higher percentage of UCR registrants when directly compared with surrounding states.

Percent Compliance by Year			
State	CY2022	CY2023	CY2024
Nationwide	93.81%	93.96%	89.15%
Midwest States	95.53%	95.99%	92.38%
Kansas	99.26%	99.17%	97.95%
Iowa	92.64%	94.38%	91.25%
Illinois	97.07%	97.00%	92.90%
Indiana	96.52%	96.98%	93.14%
Michigan	95.37%	95.88%	91.99%
Minnesota	93.11%	93.65%	89.92%
Missouri	97.04%	97.49%	93.59%
Nebraska	95.21%	95.71%	92.88%
Ohio	95.80%	95.57%	89.97%
Wisconsin	93.37%	94.08%	90.30%

The UCR requires all interstate "for-hire" motor carriers who transport property or passengers and those interstate "private" motor carriers transporting property to register with the United States Department of Transportation (USDOT) and to pay UCR fees. Brokers, freight forwarders, and leasing companies (collectively referred to as UCR registrants) are also required to register and to pay UCR fees.

In order to achieve the Program Goal and provide the results illustrated by the performance measures, the Transportation Division has implemented several strategies that combine education, regulation and enforcement. The combination of these three approaches helps achieve the results demonstrated above.

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Strategies for Achieving Performance Measure #3 include:

1. Develop regulations for the implementation of legislative changes and to deal effectively with federal law.
2. Provide compliance information through seminars, mailings, industry meetings, and through the Kansas Trucking Regulatory Assistance Network (KTRAN).
3. Continue as active collaborative partners with Kansas county treasurers, Kansas Department of Revenue (KDOR) and the Kansas Department of Transportation (KDOT) Permit Section.
4. Continue as active collaborative partners with the KHP and the FMCSA in pursuing the education and enforcement of motor carriers subject to the UCR Act.

Core Program Performance Measures:

As the agency that regulates motor carriers and businesses that operate commercial motor vehicles in the state, the performance measures identified above are a product of the core programs listed below and the ability to communicate with our partners. In pursuit of its goals, the Division strives to be professional, adaptable, and committed to customer service and safety. To be most effective, the Division has developed strong relationships with state, federal and local authorities, as well as the regulated community.

The Division conducts free, half-day compliance seminars throughout the state for thousands of motor carriers annually. The seminars cover all safety and operating authority regulations, federal new entrant requirements and hazardous materials regulations, and the unified carrier registration, among other things. The Division's goal is to emphasize education before regulation and to encourage compliance and prevent accidents by commercial motor vehicles.

The Division also manages and maintains Kansas's Administrative Regulations and Statutes applicable to motor carriers. Motor carrier regulations are developed by adopting the federal motor carrier safety regulations for state law. The Division meets annually with representatives from the KHP to review the motor carrier regulations (K.A.R. 82-4-1 *et. seq.*). There is a three-year window to adopt the federal rules as state law.

The compliance program continues to provide the checks and balances necessary to achieve the goal of reducing accidents and protecting the motoring public. The adoption of the federal Comprehensive Safety Analysis (CSA) program has improved enforcement efforts and refined the ability to identify

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high-risk carriers and drivers. As a result, the program makes it possible for the Division to apply a wider range of intervention tactics aimed at correcting high-risk behavior.

In developing KTRAN, the Division created a modernized motor carrier one-stop-shop to serve both the agency and public users. The program enhances the ability to serve customers by providing a compliance wizard, personalized customer account, interactive dashboards, electronic applications, and the UCR Portal.

Educational Program:

<u>PERFORMANCE MEASURES:</u>	<u>Actuals</u> <u>FY 2023</u>	<u>Actuals</u> <u>FY 2024</u>	<u>Current</u> <u>FY 2025</u>	<u>Allocated</u> <u>FY 2026</u>
Educational seminars, classes or programs given:	85	93	95	95
Attendees at seminars, classes or programs:	1,025	920	1,000	1,000
New Entrant letters mailed to intrastate MC's:	277	300	300	300
New Entrant letters mailed to interstate MC's:	932	1,000	1,000	1,000

In FY 2022, the Division began mailing letters to all new intrastate and interstate MC's that applied for a USDOT number. The letters invited the MC's to create a KTRAN account to receive regulatory alerts, informed them of potential operating authority and interstate UCR requirements, and invites them to answer a questionnaire to determine both economic and safety applicability to ensure they start up in compliance.

As the motor carrier industry continues to expand, it is necessary for the Division to establish an effective and efficient infrastructure that focuses on sound safety training and enforcement programs aimed at identifying and minimizing unsafe conditions potentially harmful to the motor carrier and the traveling public. The Division continues to focus on training and maintains a full safety training program schedule available for all public and private motor carriers in Kansas.

KCC's Special Investigators (SIs) are involved in conducting educational safety seminars to help educate new carriers, and out of compliance motor carriers, about current rules and regulations. Up until 2020, these classes were held six times a month in person throughout the state. Due to the pandemic and COVID-19 restrictions, the Transportation Division made the decision to switch to a virtual format when conducting safety seminars.

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The Zoom Seminars are presented by the Divisions SIs. Anyone interested in attending may sign up on the Transportation website and select a class that fits their schedule.

Conducting the safety seminars virtually has allowed the Division to conduct more seminars and has allowed motor carriers easier access to these seminars. Motor Carriers no longer have to travel and take time off work. These seminars can be accessed by anyone with access to a computer or smart phone. The SIs also conduct individual "refresher" safety programs when specifically requested by a motor carrier. Motor carriers are notified of seminar dates at the time they apply for KCC authority. Safety seminar information is also located on the KCC website. Safety training information is forwarded to various transportation associations for inclusion in their newsletters and websites.

The KCC has put an emphasis on serving rural motor carriers and ensured that those in our rural areas do not have far to go to attend class. Additionally, rural motor carriers have access to motor carrier inspectors assigned to regions all over the state. Our inspectors serve as a local resource to carriers that can respond to specific questions that come up in the field.

Human Trafficking Awareness Training was added to the Education Program. In 2016, the KCC partnered with the Attorney General's Office, Kansas Highway Patrol (KHP), Kansas Motor Carriers Association (KMCA) and Truckers Against Trafficking (TAT) to include training in identifying and reporting suspected human trafficking as part of the motor carrier safety seminars which take place throughout the state. The Truckers Against Trafficking training is part of a focus aimed at reducing human trafficking by enlisting the help of motor carriers to report suspicious activity they encounter as they travel the nation's highways.

The number of motor carriers attending the safety compliance seminars remains relatively consistent. There has been a downward trend in violations cited during routine compliance reviews over the past three fiscal years due to increased public awareness of the safety program. The new entrants receive notices through the KTRAN. The safety seminars aide the Division in meeting all three major objectives. The more knowledge Kansas based carriers have about their requirements and responsibilities regarding compliance, the more likely they are to succeed.

Kansas Administrative Regulation Update Performance Measures:

The development and implementation of motor carrier regulations and adoption of federal motor carrier safety regulations is a core function of the Division. The Division meets with representatives from the KHP to annually review the motor carrier regulations (K.A.R. 82-4-1 *et. seq.*), and draft proposed updates, amendments, additions and/or deletions.

External Assessment:

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The KCC completes its review and drafts proposed regulations, which are then submitted to the Division of Budget for a review of the economic impacts of any changes. After approval by the Office of Budget, the regulations are sent to the Department of Administration for a review of grammar and form. The Attorney General's office then performs a legal review. These external reviews can add uncertainty to the overall completion time of the motor carrier regulation review and update.

Developing a regulation strategy that meets federal regulations and is calibrated for Kansas based carriers helps set a level of regulation that takes into account the types of carriers operating in Kansas, and how enforcement of the applicable regulations best apply. Setting unrealistic expectations without evaluating the realities facing Kansas based carriers would hinder program goals and negatively affect performance measures.

New - Automated Driving System (ADS) Equipped Vehicles:

The 2022 Legislature passed SB 313, which allows the operation of driverless-capable vehicles and On-demand Driverless-capable Vehicle Networks without a human driver under certain circumstances. Provisions added by the bill will be added to the Uniform Act Regulating Traffic on Highways. The bill created an Autonomous Vehicle Advisory Committee (AV Advisory Committee). The membership of the AV Advisory Committee includes legislators, other appointees, and organization representatives. The Chair of the Commission will appoint two members to the AV Committee.

Concerns with the Bill:

- Section #2, the bill attempts to limit the weight/size of the ADS equipped vehicles to 34,000 pounds, however, the language used only limits the tandem axles to 34,000 pounds not the commercial motor vehicle (CMV).
- Section #2, provides exemptions for requiring a conventional human driver in the ADS engaged vehicles if they meet certain criteria.
- Section #3, Financial Responsibility, the bill references minimum limits under K.S.A. 40-3104 and K.S.A. 40-3107.
- Section #4, Duties if an injury or fatality crash occurs, there is no provision to require the company to cease operations pending official review.
- Section #6, Authority for Regulation, the bill requires KHP to promulgate rules and regulations; these are the duties of the KCC to regulate motor carriers in Kansas.

The Transportation Division participated with stakeholders on a trailer bill to supplement these and other deficiencies prior to the 2023 legislature. The Division also met with the Senate Transportation Chair to clarify and emphasize our concerns with the initial bill. Neither the legislature nor the Governor's Office acted on suggestions from the stakeholders to improve and/or clarify the roles for the various State Agencies involved and identified in the initial ADS Bill. To date, there has been no further discussion by the stakeholders and the KHP has not received an application to operate an ADS Equipped Vehicle.

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Compliance Reviews

K.S.A 66-1,114(c) and 66-1,114b (d) require the KCC to verify motor carrier compliance with the KCC's safety rules and regulations within 18 months of receiving intrastate public motor carrier operating authority. Also, within 18 months of requesting and obtaining either an intrastate or interstate USDOT number from the FMCSA, staff verifies that motor carriers are compliant with the KCC's safety rules and regulations. This verification is accomplished through either a safety audit or CR.

Comprehensive Safety Analysis (CSA) Program:

In 2009, the FMCSA implemented a new operational model through its CSA initiative. The model uses the FMCSA's resources to identify those drivers and operators whose records indicate they are a high safety risk. Spotlighting the driver or carrier in this manner allows for immediate intervention. The goal of CSA program is to develop and implement more effective and efficient ways for the FMCSA, its state partners and industry to reduce commercial motor vehicle accidents, fatalities, and injuries.

The CSA program has proven effective in contacting more carriers and drivers and in providing improved data, which better identifies high risk carriers and drivers. As a result, the program makes it possible for the FMCSA and state enforcement agencies to apply a wider range of intervention tactics aimed at correcting high-risk behavior.

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COMPLIANCE PROGRAM STATISTICS:

	<u>Actuals</u> <u>FY 2023</u>	<u>Allocated</u> <u>FY 2024</u>	<u>Current</u> <u>FY 2025</u>	<u>Allocated</u> <u>FY 2026</u>
CRs that result in zero violations:	7%	20%	15%	15%
CRs that identify safety violations:	93%	80%	85%	85%
CRs that result in Penalty Orders:	67%	70%	70%	70%
Average number of violations per CR:	19	11	23	23
MCs assessed civil fines:	145	137	125	125
MCs requesting a hearing:	4	5	1	1
Actual hearings held:	0	1	0	0
Complaints that result in zero violations:	0%	5%	5%	5%
Complaints that result in violations:	100%	95%	95%	95%
Complaints that result in Penalty Orders (PO):	100%	95%	80%	80%
Total number of active Kansas based USDOT numbers:	18,229	18,187	18,500	18,500
Kansas based MCs registered for KCC authority:	5,777	5,777	6,000	6,000
MCs reviewed and audited for safety:	196	190	220	220
MC complaints received:	61	46	45	45

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COMPLIANCE REVIEWS AND COMPLAINTS:

In FY 2024, the Division conducted 198 Compliance Reviews resulting in civil assessment penalties against 137 motor carriers for violations of the KCC's safety and operating authority rules and regulations. The following is a summary of the violations identified during this fiscal year:

<u># of Violations</u>	<u>49 C.F.R Part</u>	<u>Description of Violation</u>
16	172	HAZMAT
0	383	COMMERCIAL DRIVERS LICENSE STDS
885	395	RECORDS OF DUTY VIOLATIONS
0	180	CARGO TANK VIOLATIONS
211	396	MAINTENANCE VIOLATIONS
1	107	HAZMAT
292	382	SUBSTANCE/ALCOHOL TESTING VIOLATIONS
4	387	INSURANCE VIOLATIONS
329	391	DRIVER QUALIFICATION VIOLATIONS
0	380	SPECIAL TRAINING REQUIREMENTS
25	390	GENERAL VIOLATIONS
<u>404</u>	<u>392</u>	<u>RULES OF THE ROAD VIOLATIONS</u>
2,214 Total		

Civil Assessment Performance Measures:

The KCC and KHP partnered to enhance the Kansas Safety Compliance Program with the goal of reducing the number of injury/fatality accidents involving Commercial Motor Vehicles. The Civil Assessment Program was designed and implemented for the purpose of distinguishing the responsibilities of drivers from those of the motor carriers under the Federal Motor Carrier Safety Regulations (FMCSRs) regarding "Out-Of-Service" violations. Out-of-Service (OOS) violations are those violations designated as serious by the Commercial Vehicle Safety Alliance (CVSA) and require that a driver or vehicle be removed from service until the violations are corrected. CVSA is a non-profit organization consisting of federal and state regulatory agencies, motor carrier industry, and representatives dedicated to improving motor carrier safety.

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The program focuses on the safety of the driver, equipment and the traveling public. The KCC and KHP work to enforce/educate OOS violations of the FMCSRs discovered during roadside inspections. The KCC will only issue one civil penalty for each OOS violation per category. For example, if the truck-tractor of a combination vehicle is placed OOS for brakes and the trailer is also placed OOS for brakes, the company will be documented for both OOS violations, but only fined for one. The KHP and KCC will allow the civil assessment to be waived for OOS violations that are outside the obvious normal method of company operations. The KHP trooper or local enforcement officer will have the ability to provide information to recommend that no civil assessment be issued. If the carrier has demonstrated, at the roadside inspection, that the violation was 1) potentially unavoidable; 2) the carrier has processes in place to prevent the violation; and 3) the carrier clearly has the means to correct the violation, the trooper/officer may recommend no civil assessment be issued. In all cases, the field decision may be superseded after the inspection is reviewed.

The Civil Assessment Program allows for enforcement of the responsibilities taught to carriers at their safety seminars. Without roadside enforcement, Kansas based carriers have no incentive to achieve compliance. However, the routine enforcement of the motor carrier regulations at roadside pushes carriers toward compliance.

Calculating the effectiveness of the roadside inspection program is based on information provided by the FMCSA's Analysis and Information (A&I) database. The Kansas roadside inspections include both Kansas based and foreign based motor carriers, which includes both intrastate and interstate commerce.

For CY 2023, A & I information indicates the inspections performed in Kansas have a slightly lower driver OOS rate of 6.59% compared to the national driver OOS rate of 6.72%. Kansas vehicle inspections continue to experience a lower OOS rate of 15.01% compared to the national vehicle OOS rate of 22.70% for CY 2023. When comparing inspection for hazardous materials (HM) OOS, Kansas maintains a slightly higher OOS rate of 5.48% compared to the national HM OOS rate of 4.06%. These numbers reflect a stable trend in driver and vehicle OOS rates both nationally and statewide.

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ROADSIDE INSPECTION OUT-OF-SERVICE RATES:

Out-of-Service Rate:

	Actual <u>CY 2023</u>	Current <u>CY 2024</u>	Allocated <u>CY 2025</u>	Allocated <u>CY 2026</u>
KS Driver Inspections:	35,851	16,737	35,000	35,000
KS Driver Inspections with OOS Violations:	2,363	1,083	2,000	2,000
KS Driver OOS Rate:	6.59%	6.47%	5%	5%
National Driver OOS Rate:	6.72%	6.47%	5%	5%
KS Vehicle Inspections:	26,485	12,223	30,000	30,000
KS Vehicle Inspections with OOS Violations:	3,990	1,946	4,000	4,000
KS Vehicle OOS Rate:	15.01%	16.51%	15%	15%
National Vehicle OOS Rate:	22.70%	23.45%	20%	20%
KS Hazardous Material (HM) Inspections:	2,719	1,333	3,000	3,000
KS HM Inspections with OOS:	149	64	175	175
KS HM OOS Rate:	5.48%	4.80%	5%	5%
National HM OOS Rate:	4.06%	2.55%	4%	4%
Civil invoices issued:	4,303	5148	6,000	6,000
Motor carriers requesting a hearing:	1	1	5	5
Actual hearings held:	0	0	3	3
Civil invoices processed by staff:	5047	3630	4,000	4,000

Physical Waiver Program:

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K.S.A. 66-1,129(a) requires the KCC to adopt safety rules and regulations, which include the requirements for Commercial Motor Vehicle (CMV) driver physical qualifications found in K.A.R. 82-4-3g. Certain physical requirement standards are absolute, providing no discretion to the medical examiner. These include vision, insulin using diabetics, epilepsy, and loss or impairment of limbs. Drivers not meeting physical standards may seek a waiver and skill performance evaluation at the state level under K.A.R. 82-4-6d, and an exemption at the federal level.

In FY 2024, the KCC issued 6 physical waivers, a significant reduction from past years. Since the early 2000s, Kansas has issued medical waivers for vision, diabetes, seizures and missing or impaired limbs. FMCSA has been working with medical providers for several years to make the process more efficient while maintaining highway safety. In November of 2019, FMCSA eliminated the diabetes exemption (waiver) program by creating a more extensive examination form for diabetes (MCSA 5780.) In March 2022, they eliminated the vision exemption (waiver) program with the creation of a more extensive examination form for vision impairments (MCSA 5871.) These changes have reduced the number of waivers the KCC issues from nearly 180 to currently 6.

All waivers are reviewed by KCC staff and a third party physician to make certain the waivers are granted and renewed with a focus on the CMV driver's and general motoring public's safety. Since the implementation of the KTRAN program in May of 2017, paper waivers are no longer issued. Moving forward the process of requesting and issuing waivers will be done electronically. The following is a summary of the waivers issued:

<u>PERFORMANCE MEASURES:</u>	<u>Actual</u> <u>FY 2023</u>	<u>Actual</u> <u>FY 2024</u>	<u>Current</u> <u>FY 2025</u>	<u>Allocated</u> <u>FY 2026</u>
Active Vision Waivers:	11	0	0	0
Active Diabetic Waivers:	0	0	0	0
Active Physical/Limb Waivers:	4	3	5	5
Active Seizure Waivers:	4	3	4	4
TOTAL Active Waivers:	20	6	10	10
New Waivers issued:	1	0	1	1

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USDOT Registration:

The Division’s goal is to provide quality customer service to the motor carrier base and to ease the burden and cost of regulation on the Kansas motor carrier industry.

Strategies for USDOT Registration

1. Remain an active partner with the motor carrier industry, local and state government, and the FMCSA, in order to educate the motor carrier industry regarding the requirements of the USDOT number and the compliance associated with such number. The USDOT number serves as a unique identifier for the collection and monitoring of a company's safety information acquired during audits, compliance reviews, crash investigations, and roadside inspections.

<u>PERFORMANCE MEASURES:</u>	<u>Actual FY 2023</u>	<u>Actual FY 2024</u>	<u>Current FY 2025</u>	<u>Allocated FY 2026</u>
Total active Kansas based USDOT #s:	18,763	19,547	19,700	19,700
New intrastate USDOT #s issued:	324	264	350	350
New interstate USDOT #s issued:	1,087	884	1,100	1,100
Performance and Registration Information Systems Management (PRISM) out-of-service orders issued:	111	121	20	20
PRISM out-of-service orders reinstated:	9	10	10	10
Out-of-Service for failure to pay penalty order:	6	38	5	5
Failure to pay orders reinstated:	3	?	5	5
Out-of-Service for failure to participate in a compliance review:	8	5	5	5
Failure to participate in a compliance review orders reinstated:	4	0	5	5

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Intrastate Authority:

Strategies for Objective #2 – Intrastate Authority

1. Remain an active partner with the Information Network of Kansas and educate the motor carrier industry about the virtual re-registration application process.
2. Maintain the KCC’s electronic virtual motor carrier application system so that it is effective, efficient, and easily accessible at all times. This allows intrastate motor carriers to easily update and/or renew their KCC operating authority.

<u>PERFORMANCE MEASURES:</u>	Actual <u>FY 2023</u>	Actual <u>FY 2024</u>	Current <u>FY 2025</u>	Allocated <u>FY 2026</u>
Intrastate MCs holding KCC authority:	916	881	1,000	1,000
Vehicles registered to intrastate MCs:	4,481	4,485	5,000	5,000
Intra/interstate MCs holding KCC authority:	5,816	5,777	6,000	6,000
New Intrastate Common Authority applications granted:	385	332	400	400
New Private Authority applications granted:	80	75	100	100

<u>PERFORMANCE MEASURES:</u>	Actual <u>FY 2023</u>	Actual <u>FY 2024</u>	Current <u>FY 2025</u>	Allocated <u>FY 2026</u>
Intrastate MCs renewing their authority online:	100%	100%	100%	100%
MCs renewing their authority in house:	0%	0%	0%	0%
Applications dismissed:	118	115	120	120
Cancel by request orders:	91	N/A	50	50
Abandonment orders:	91	60	75	75
Insurance suspension notices:	271	308	200	200

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Unified Carrier Registration:

Strategies for achieving the Unified Carrier Registration (UCR):

1. KTRAN directs motor carriers wanting to renew their current or previous year's UCR to the National Registration System (NRS) for renewal and adjustments.
2. The Division is able to remind motor carriers of their UCR renewal obligations through the NRS and KTRAN portals. The KCC's compliance staff also enforces unpaid UCR fees at the time of the Compliance Review. The KHP enforces UCR through roadside inspections conducted at the ports of entry and during new entrant safety audits. The Department of Revenue verifies UCR compliance prior to renewing the motor carrier's International Registration Plan and International Fuel Tax Agreement. Pre-Pass staff verifies UCR registration as part of its screening criteria. All newly issued online USDOT numbers are reviewed for UCR compliance and in-person requests for new USDOT numbers are screened for UCR compliance.
3. The USDOT numbers are a major component of the UCR tracking mechanism. The KCC staff works jointly with the FMSCA to help new and existing motor carriers apply for intra/interstate USDOT numbers, bi-annual updates, and any changes to their operation.
4. Collection of UCR fees directly affect a state's receipt of its allotment of federal funds. Kansas is focused on making the UCR program work well. The Division closely monitors the program and participates through quarterly conference calls with the FMCSA and fellow state representatives. Staff has consistently responded to many calls for assistance and has shared information now found in the UCR program's best practice guide.

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<u>PERFORMANCE MEASURES:</u>	<u>Actuals</u> <u>CY 2022</u>	<u>Actuals</u> <u>CY 2023</u>	<u>Current</u> <u>CY 2024</u>	<u>Allocated</u> <u>CY 2025</u>
All MCs nationwide in compliance with UCR:	93.81%	93.96%	89.15%	92.0%
All MCs nationwide not in compliance with UCR:	6.19%	6.4%	10.85%	8.0%
KS based MCs in compliance with UCR:	99.26%	99.17%	97.95%	99%
KS based MCs not in compliance with UCR:	0.74%	0.83%	2.05%	1%
KS based MCs receiving UCR violations, in KS:	61	53	92	40
Out-of-state based carriers receiving violations, in KS, for no UCR:	504	390	511	400
KS based MC's audited for *Focused Anomaly Reviews (FARs):	24	14	34	30
KS based MC's audited for *Retreats:	22	14	19	20
KS based MC's audited for *Inspection:	81	87	64	60

*A FARs audit is generated when a motor carrier registers for UCR in a lower bracket than the number of Apportioned Registered CMVs it owns or operates.

* A Retreat audit is generated when a motor carrier registers for UCR in a lower bracket than the number of CMVs listed on its MCS-150 Profile.

* An Inspection audit is generated when a motor carrier's CMV is inspected and is in violation for not registering its company for the current or previous year's UCR.

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External Assessment:

The State of Kansas annually receives \$4,344,290.00 from the UCR. Kansas is considered a recipient state. This means we receive all of our allotment through the National Registration System (NRS) and the remaining amount through the UCR Depository.

Entities subject to the UCR fees:

The UCR Agreement requires all interstate "for-hire" motor carriers who transport property or passengers and those interstate "private" motor carriers transporting property to register with the USDOT and to pay UCR fees. Brokers, freight forwarders, and leasing companies (collectively referred to as UCR registrants) are also required to register and to pay UCR fees.

Entities not subject to the UCR fees:

There are two types of entities that are not subject to UCR fees: (1) purely intrastate carriers, that is, those motor carriers that do not handle interstate freight or make interstate movements, unless the State has elected to apply the provisions of the UCR Agreement to such intrastate carriers; and (2) private motor carriers transporting only passengers.

UCR Fee Schedule:

Currently, the fee schedule below is in effect through calendar year 2022. A proposed reduction of the UCR fees schedule is currently pending and could go into effect as early as 2023. The UCR fees are based only on the total number of CMVs operating in interstate commerce. The UCR fees for brokers and freight forwarders that do not operate CMVs are levied at the smallest fee category. UCR fees are set through a graduated structure of rates according to the number of commercial motor vehicles operated by a motor carrier during the preceding year (see chart below). Those carriers subject to UCR are mailed application forms with instructions on how to register and pay UCR fees on-line at the national UCR site developed and maintained by the National Registration System.

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CMV definition:

A "commercial motor vehicle" is defined as a self-propelled vehicle used on the highways in commerce principally to transport passengers or cargo, if the vehicle:

- Has a gross vehicle weight rating or gross vehicle weight of at least 10,001 pounds, whichever is greater, or when connected to trailing equipment has a gross combination weight rating or gross combination weight of at least 10,001 pounds, whichever is greater, or
- Carries placarded amounts of hazardous materials, regardless of the vehicle's weight, or
- Is designed to carry more than 10 passengers, including the driver.

Unified Carrier Registration (UCR) Fees:

Under federal law, the Board of Directors of the Unified Carrier Registration Plan ("Board") is required to recommend to the United States Department of Transportation (USDOT), the level of fees to be assessed in each agreement year. Each December, the Board meets to review the amount of fees collected in the previous CY and recommends the six fee brackets for the upcoming registration year either be adjusted or maintained to the USDOT. The USDOT reviews the UCR Board's recommendation and either approves or adjusts the next year's registration fees. The Board recognizes that the recommended adjustments require action in a final rule by the Department and the Federal Motor Carrier Safety Administration (FMCSA). The following information reflects the current 2023, 2024 CY UCR fees and the fee schedule for the upcoming 2025 CY UCR. The increase for CY 2025 is due to the residual impact of the COVID-19 years. During CY's 2021 and 2022 the FMCSA reported a significant increase nationwide in the number of USDOT numbers issued. With many new motor carriers entering the industry, UCR Board lowered fees as more registrants paid into the fund. CY 2024 is the first time in several years that the number of registrants has shrunk, necessitating fees to be increased in CY2025.

Fee Schedule for CY 2023

CMV Fleet Size	Fee Per Company (\$)
0-2	\$41.00
3-5	\$121.00
6-20	\$242.00
21-100	\$844.00
101-1,000	\$4,024.00
More than 1,000	\$39,289.00

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Current Fee Schedule for CY 2024

CMV Fleet Size	Fee Per Company (\$)
0-2	\$37.00
3-5	\$111.00
6-20	\$221.00
21-100	\$769.00
101-1,000	\$3,670.00
More than 1,000	\$35,836.00

Fee Schedule for CY 2025

CMV Fleet Size	Fee Per Company (\$)
0-2	\$46.00
3-5	\$138.00
6-20	\$276.00
21-100	\$963.00
101-1,000	\$4,592.00
More than 1,000	\$44,836.00

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Kansas Trucking Regulatory Assistance Network (KTRAN):

Strategy for achieving the KTRAN:

Federal Grant:

KDOR is the lead agency for the Kansas Commercial Vehicle Information Systems and Networks (CVISN) program. Other agencies involved in the Kansas Expanded CVISN Program Plan are the KCC, KHP and KDOT. These agencies have a long-standing relationship and have partnered on numerous projects in the past.

Background:

The FMCSA reviewed and accepted the KDOR Core CVISN Program Plan/Top-Level Design and certified Kansas as Core CVISN compliant. The mission of the Kansas CVISN program is to create an information network using advanced technology that will enhance efficiency, safety, compliance, and enforcement for commercial vehicle operations. The information network includes the exchange of information and ideas between the government partners and the motor carrier industry. CVISN initiatives promote the economic well-being of Kansas by facilitating the movement of goods for business and industry.

Strategies for Objective #4

Effective July 2017, KTRAN serves to integrate information about Kansas motor carriers, commercial vehicles and commercial drivers. For example, roadside enforcement has access to KCC compliance information through CVIEW query windows utilizing a system-to-system interface built as part of this project. In another example, KCC officials are automatically notified of PRISM OOS status changes, as well as having a real-time interface to KSCVIEW for PRISM checking of carriers and vehicles prior to issuing KCC authorities.

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EXPENDITURE JUSTIFICATION - Transportation Division

Account Code 100: Salaries and Wages

Summary: Staff protects the public interest and safety on Kansas highways through comprehensive education, planning, licensing, and inspection of motor carriers. Of the 19 employees, twelve are special investigators (SI) located throughout the state. The Transportation Division has 19 regular unclassified authorized permanent FTE; as of June 30, 2024, 17 of the 19 FTE positions were filled.

Current Year FY 2025: \$1,781,352 funds 19.0 FTE.

Allocated Budget Year FY 2026: \$1,799,760 is requested.

Account Code 200-299: Contractual Services

Summary: Most of the contractual services requested are for communications expenses (which include cell phones). Other expenses include: contracts, rent, computer software maintenance and service, credit card and e-check fees, service repairs for nine (9) state vehicles, and staff travel. Investigator daily travel has been reduced by strategic placement within territories. The Division will continue to streamline costs where possible.

Current FMCSA regulation requires certified state and federal investigators to attend the CR and CVSA certification courses. Each investigator must attend an 80-hour CR course; a 40-hour CSA course; a 40-hour Basic Hazardous Materials course; an 80-hour CVSA course; and a 40-hour Cargo Tank Inspection course. Each SI is also required to complete 32 CVSA Level I inspections each year. Compliance reviews must be conducted per policies stated in the FMCSA Field Operations Training Manual to ensure uniformity between each SI on the Division's staff and between Division staff and its federal counterparts. Once certified, SIs must successfully complete any FMCSA and/or CVSA required refresher or in-service training to maintain their minimum federal certification requirements.

Rents include: copier, portion of Savin copier, and assigned office space at 1500 SW Arrowhead Road for Transportation staff. Other fees charged include, but are not limited to, DofA enterprise application fees, credit cards and Secretary of State fees.

The majority of in-state travel subsistence is for the twelve SIs. They travel and occasionally have overnight expenses due to complaint follow-up, educational training sessions, and mandatory training programs. SIs provide educational programs for new and existing carriers and must visit a new entry public motor carrier on-site. As COVID restrictions ended, we continue to offer our training through both in-person and zoom format to best accommodate the carriers. The SIs also investigate complaints regarding motor carriers based in Kansas and attend certified training and education seminars to stay current in their field. Out-of-state travel expenses permit staff to attend compliance review school, the CVSA Conference, and the

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National Conference of State Transportation Specialists. These conferences allow Kansas to keep current on federal regulations and participate in other state's activities and transportation industry issues nationwide.

The Division has a \$3,000 contract with INK to support the on-line Kansas Trucking Connection portal. This portal allows the Division to accept credit cards and e-checks, and to provide information to the trucking industry.

Current Year FY 2025: \$740,250 is requested. This is an increase of \$281,765 due to increased IT related costs. Rent, communication, contracts, IT maintenance, copiers, credit card fees, internet access, publications in the Register, maintenance, DofA fees, travel and vehicle service repairs make up the majority of expenditures in these account codes.

Allocated Budget Year FY 2026: \$740,250 is requested. Rent, communication, contracts, IT maintenance, licenses and subscriptions (this includes the docket system license fees), copiers, credit card fees, internet access, publications in the Register, maintenance, DofA fees, travel and vehicle service repairs make up the majority of expenditures in these account codes.

Account Code 300 - 399: Commodities

Summary: The major portion of commodities expenditures includes fuel for state vehicles, car parts, rental car fees, software, stationery, office supplies, and professional and scientific supplies. Office supplies include authority cards, instruction letters, application and invoice forms, envelopes, file folders, data processing supplies and other miscellaneous office supplies. Professional and scientific supplies include the underwriters' handbook, Session Laws, Statute Pocket Parts, Statutes, Code of Federal Register Title 62 and 49 and Safety and Hazardous Material Regulations. Funding is also included for the Division's portion of costs of housekeeping supplies for the building.

Current Year FY 2025: \$40,989 is requested. The largest portion of this amount is used for fuel and motor vehicle parts. Other costs include software, staff safety clothes, stationery, envelopes, and office supplies needed to correspond with motor carriers.

Allocated Budget Year FY 2026: \$40,989 is requested. The largest portion of this amount is used for fuel and motor vehicle parts. Other costs include software, staff safety clothes, stationery, envelopes, and office supplies needed to correspond with motor carriers.

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Account Code: 400 Capital Outlay

Summary: The majority of items purchased from this category are IT replacements and upgrades based on the KCC IT plan. The investigators work out of their vehicles and require portable equipment such as cell phones, laptops and a printer/copier. The Division continues to search for efficiencies with the use of technology. Also included in this category are vehicle replacements that reach the mileage threshold and have high maintenance costs.

The Division has twelve vehicles for daily operations. In addition to meeting mileage thresholds, the KCC reviews vehicle usage and cost of repairs on vehicles before targeting a vehicle for replacement. For the safety of employees and the public, the agency believes it is imperative to timely replace the vehicles meeting or projected to meet the replacement criteria. The SIs are on the road daily regulating the motor carrier industry by providing inspections, audits, educational training, and investigating complaints. The field staff carry in their vehicles a laptop, printer/copier, creeper, wheel chocks, safety cones, and regulatory material. The field staff inspects businesses at various locations and some are off highway routes.

PROGRAM	TAG#	LAST NAME	DEPARTMENT	TYPE	YEAR	THRESHOLD	END ODO	ANNUAL MILES	MONTHLY MILEAGE AVERAGE	EXPENSES- REPAIRS	EXPENSES - FUEL	TOTAL EXPENSES (Repairs & Fuels)	LIFE OF VEHICLE EXPENSES REPAIRS
TRANSPORTATION	16686	PARGAS	TRANSPORTATION	SUV	2015	150,000	112,349	4,552	650	\$ 343.47	\$ 809.56	\$1,153.03	\$ 5,114.61
TRANSPORTATION	16025	BARAJAS	TRANSPORTATION	SUV	2014	150,000	108,809	8,633	719	\$ 786.21	\$1,270.24	\$2,056.45	\$11,828.19
TRANSPORTATION	16687	STIPE	TRANSPORTATION	SUV	2015	150,000	90,711	8,327	694	\$ 230.44	\$1,362.94	\$1,593.38	\$ 2,618.89
TRANSPORTATION	17473	CLARK	TRANSPORTATION	SUV	2017	150,000	89,912	16,992	1,416	\$2,171.45	\$2,674.37	\$4,845.82	\$13,410.09
TRANSPORTATION	17106	ROSE	TRANSPORTATION	SUV	2016	150,000	80,826	7,770	648	\$ 678.47	\$1,303.20	\$1,981.67	\$ 3,379.18
TRANSPORTATION	23724	HEENAN	TRANSPORTATION	SUV	2019	150,000	55,013	6,172	514	\$1,082.01	\$ 919.77	\$2,001.78	\$ 2,902.23
TRANSPORTATION	17472	LLAMAS	TRANSPORTATION	SUV	2017	150,000	46,999	12,796	1,066	\$1,078.36	\$1,967.42	\$3,045.78	\$ 2,715.09
TRANSPORTATION	18243	ADAMS	TRANSPORTATION	SUV	2018	150,000	44,183	7,263	605	\$1,424.20	\$1,058.04	\$2,482.24	\$ 2,556.22
TRANSPORTATION	26482	FRYBACK	TRANSPORTATION	SUV	2023	150,000	22,588	20,904	1,900	\$ 762.55	\$2,850.44	\$3,612.99	\$ 886.14
TRANSPORTATION	26483	HANDY	TRANSPORTATION	SUV	2023	150,000	9,701	8,211	684	\$ 418.43	\$1,309.72	\$1,728.15	\$ 647.41
TRANSPORTATION	26623	ASKREN	TRANSPORTATION	SUV	2023	150,000	8,915	8,915	743	\$1,221.56	\$1,281.27	\$2,502.83	\$ 1,221.56
TRANSPORTATION	26622	PATTERSON	TRANSPORTATION	SUV	2023	150,000	5,359	5,359	447	\$ 99.99	\$ 856.56	\$ 956.55	\$ 99.99

Current FY 2025: We plan to replace vehicle #16025 in FY 2025. The vehicle has approximately 110,000 miles, our justification for replacing the vehicle is two separate hailstorms. The first storm caused \$8,000 damage to the vehicle. We are in the process of requesting bids for damages resulting from the second storm and based on the potential for additional cost to the vehicle from the storms have decided to retire the vehicle. The KCC IT plan includes cell phones, tablets, printers, laptops, scanners, monitors, Microsoft upgrades, software, servers and an allocation for the Docket Management System upgrade.

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Allocated Budget Year FY 2026: \$264,396 is requested. The KCC IT plan includes equipment upgrades, scanners, laptops, monitors, scanners, software upgrades, including Microsoft and an allocated amount for the continued upgrade to the Docket Management System.

Update - Account Code: 700 Transfer of Funds

Summary: The Unified Carrier Registration Act provides nationwide entitlement dollars for the 41 participating States. The revenue was calculated by using the 2004 Single State Registration System's (SSRS) registration year, each State reported the amount of entitlement dollars for their jurisdiction, with Kansas reporting \$4,344,290.00.

The States agreed to have the legal authority, resources, and qualified personnel necessary to administer the agreement in accordance with the rules and regulations promulgated by the Board of Directors and UCR Act. The UCR Act also requires the States to demonstrate that an amount at least equal to the revenue derived by the State from the UCR Agreement shall be used for motor carrier safety programs, enforcement, or administration of the UCR plan and UCR Agreement. As a result, the Division has worked with the Kansas Highway Patrol to transfer funds to ensure the UCR dollars received by Kansas are used as intended. Last year the two agencies worked together to increase the transfer from \$1,300,000 to \$2,000,000 dollars. The two bills below summarize the transfer between the two agencies.

SB 28 - The transfer of funds from the KCC is addressed on page 190:

- (c) Except as provided further, on July 1, 2024, October 1, 2024, January 1, 2025, and April 1, 2025, or as soon thereafter each such date as moneys are available, the director of accounts and reports shall transfer an amount specified by the executive director of the state corporation commission, with the approval of the director of the budget, of not more than \$500,000 from the motor carrier license fees fund (143-00-2812-5500) of the state corporation commission to the motor carrier safety assistance program state fund (280-00-2208) of the Kansas highway patrol: Provided, however, That the total of all transfers shall not exceed \$2,000,000 in fiscal year 2025.

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Obj. Code	OBJECTS OF EXPENDITURE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
	Salaries and Wages	1,584,282	1,781,352	1,799,760	0	0	0
	TOTAL Salaries and Wages	1,584,282	1,781,352	1,799,760	0	0	0
52000	Communication	49,386	47,703	47,703	0	0	0
52100	Freight and Express	64	200	200	0	0	0
52200	Printing and Advertising	152	5,000	5,000	0	0	0
52300	Rents	72,547	75,339	75,339	0	0	0
52400	Reparing and Servicing	18,576	63,767	63,767	0	0	0
52500	Travel and Subsistence	12,088	10,900	10,900	0	0	0
52510	InState Travel and Subsistence	9,665	9,300	9,300	0	0	0
52520	Out of State Travel and Subsis	12,913	21,850	21,850	0	0	0
52600	Fees-other Services	8,572	410,299	410,299	0	0	0
52700	Fee-Professional Services	909,750	92,592	92,592	0	0	0
52900	Other Contractual Services	4,381	3,300	3,300	0	0	0
	TOTAL Contractual Services	1,098,094	740,250	740,250	0	0	0
53000	Clothing	285	3,000	3,000	0	0	0
53400	Maint Constr Material Supply	111	1,100	1,100	0	0	0
53500	Vehicle Part Supply Accessory	24,285	23,079	23,079	0	0	0
53600	Pro Science Supply Material	1,527	2,200	2,200	0	0	0
53700	Office and Data Supplies	3,621	11,050	11,050	0	0	0
53900	Other Supplies and Materials	705	560	560	0	0	0
	TOTAL Commodities	30,534	40,989	40,989	0	0	0
	TOTAL Capital Outlay	113,180	304,396	264,396	0	0	0
	TOTAL REPORTABLE EXPENDITURES	2,826,090	2,866,987	2,845,395	0	0	0
	SUBTOTAL State Operations	2,826,090	2,866,987	2,845,395	0	0	0
	TOTAL EXPENDITURES	2,826,090	2,866,987	2,845,395	0	0	0

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Series	Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
1	2812	5500 MOTOR CARRIER LICENSE FF	1,584,282	1,781,352	1,799,760	0	0	0
1	2812	2812 SUBTOTAL for 2812's	1,584,282	1,781,352	1,799,760	0	0	0
		252 TOTAL Salaries and Wages	1,584,282	1,781,352	1,799,760	0	0	0
2	2316	2300 INSERVICE EDU WORKSHOP FF	351	0	0	0	0	0
2	2316	2316 SUBTOTAL for 2316's	351	0	0	0	0	0
2	2812	5500 MOTOR CARRIER LICENSE FF	1,097,743	740,250	740,250	0	0	0
2	2812	2812 SUBTOTAL for 2812's	1,097,743	740,250	740,250	0	0	0
		272 TOTAL Contractual Services	1,098,094	740,250	740,250	0	0	0
3	2812	5500 MOTOR CARRIER LICENSE FF	30,534	40,989	40,989	0	0	0
3	2812	2812 SUBTOTAL for 2812's	30,534	40,989	40,989	0	0	0
		282 TOTAL Commodities	30,534	40,989	40,989	0	0	0
4	2812	5500 MOTOR CARRIER LICENSE FF	113,180	304,396	264,396	0	0	0
4	2812	2812 SUBTOTAL for 2812's	113,180	304,396	264,396	0	0	0
		292 TOTAL Capital Outlay	113,180	304,396	264,396	0	0	0
		292 TOTAL All Funds	2,826,090	2,866,987	2,845,395	0	0	0

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Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
2300	INSERVICE EDU WORKSHOP FF	351	0	0	0	0	0
2316	SUBTOTAL INSERVICE EDU WORKSHOP FF	351	0	0	0	0	0
5500	MOTOR CARRIER LICENSE FF	2,825,739	2,866,987	2,845,395	0	0	0
2812	SUBTOTAL MOTOR CARRIER LICENSE FF	2,825,739	2,866,987	2,845,395	0	0	0
332	TOTAL MEANS OF FUNDING	2,826,090	2,866,987	2,845,395	0	0	0

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Division of the Budget

State of Kansas

Agency

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Program

Energy Division

ENERGY DIVISION

PROGRAM GOAL:

The Energy Division is funded through U.S. Department of Energy (DOE) State Energy Program (SEP) funds and various other grants and the program goals are designed to meet the requirements/criteria of the various grants it is responsible for administering. This complies with K.S.A. 74-616 and 74-617. The Energy Division is a non-regulatory division within the Commission. The annual SEP grant is a three-year application grant with annual renewals. The Energy Division continues to identify opportunities to encourage energy conservation, while fostering business development and efficient delivery of public services, particularly in rural Kansas. This year the goal is to encourage energy conservation in small rural businesses and public buildings through both education and direct services and further expand K-12 educational outreach efforts. These efforts are achieved through a partnership with Kansas State University – Engineering Extension staff. DOE requires quarterly reports on the predetermined milestones and metrics as outlined in the SEP approved application. The Energy Division focuses on meeting those milestones and metrics as outlined below. Energy Division funds will continue to increase over the next several years with funding from the Infrastructure Investment and Jobs Act (IIJA). This will require the establishment of several new programs that will primarily be “pass-through” grants with sub-awardees, with the program goals designed to meet the various requirements. This includes: Grid Resilience (40101(d)), Energy Efficiency Conservation Block Grant (EECBG), Energy Efficiency Revolving Loan Fund (EERLF), the Energy Efficiency Contractor Training Grant (Training for Residential Energy Contractors (TREC)) and State Energy Program-IIJA (one-time supplement to the annual SEP). The funding on several of these grants will expand multiple years with some starting in FY24 and some in FY25. The Energy Division will also receive additional federal funds from the Inflation Reduction Act (IRA) with two rebate programs. These rebate programs are focused on residential energy efficiency related rebates, with these programs starting in late FY24 or early FY25 with the funds to continue through FY31.

NOTE: K.S.A. 75-37,128 requires the secretary of administration to adopt rules and regulations for state agencies to conduct energy audits at least every five years on all state-owned property. The 2018 Legislature amended this statute to allow the secretary of administration to waive this requirement if not economically feasible. K.S.A. 75-1259 authorizes the secretary of administration to determine the appropriate energy conservation standards for capital improvement projects or major repairs or improvements to buildings for the use or benefit of state agencies. Additionally, K.S.A. 66-1227 specifically prohibits the KCC from adopting or enforcing energy efficiency standards for residential, commercial or industrial structures.

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OBJECTIVE #1:

Conduct the Facility Conservation Improvement Program (FCIP) pursuant to K.S.A. 75-37,125 and encourage public entities to increase energy efficiency of their buildings. This program is part of the annual SEP federal grant and promotes guaranteed energy performance contracting.

Strategies for Objective #1:

1. Maintain a pre-approved Energy Service Companies (ESCO) list that would allow public entities to enter into an initial energy audit and allow them to expedite the procurement process.
2. Provide assistance to local governmental entities that obtain services from energy service companies through the state FCIP contract.
3. Increase awareness about the FCIP program via presentations, the KCC website, and distribution of written material.

Performance Measures for Objective #1:

PERFORMANCE MEASURES

	Actuals FY 2024	Current Year FY 2025	Allocated FY 2026
Number of FCIP presentations	1	3	3
Public entities supported through energy performance contracting process	1	2	3

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OBJECTIVE #2:

Encourage improved energy conservation among small rural businesses.

Strategies for Objective #2:

1. Secure federal funding for the small rural business energy conservation program via the State Energy Program grant from the U.S. Department of Energy.
2. Increase the number of small rural business programs through a purchase of services agreement with Kansas State University-Engineering Extension.

Performance Measures for Objective #2:

PERFORMANCE MEASURES

Measure	Actuals FY 2024	Current Year FY 2025	Allocated FY 2026
Potential energy savings identified kWh	1,623,511	750,000	800,000

PERFORMANCE MEASURES

Measure	Actuals FY 2024	Current Year FY 2025	Allocated FY 2026
Number of energy assessment audits for rural businesses performed	25	22	22
Percent of small business applying for the USDA REAP grant	88%*	30%	30%

* The USDA is backlogged due to the increase in applications. We currently have 18 pending REAP applications.

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OBJECTIVE #3:

Provide information and encourage more efficient use of energy resources.

Strategies for Objective #3:

1. Maintain both a physical and online energy conservation resource library of books, fact sheets, videos, training materials and equipment for energy conservation education.
2. Participate in and present energy conservation information at public events to promote FCIP and small business energy programs and generally promote residential and commercial energy conservation improvement activities.

PERFORMANCE MEASURES

Measure	Actuals FY 2024	Current Year FY 2025	Allocated FY 2026
Participate in and present energy efficiency information at public events to promote energy efficiency/conservation, the small rural business audit program and FCIP.	43	40	40
Number of people contacted via webinar, direct mail, or other marketing/outreach efforts	4,420	5,000	5,500

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PERFORMANCE MEASURES

Measure	Actuals FY 2024	Current Year FY 2025	Allocated FY 2026
Develop energy fact sheets and information about energy conservation/efficiency for residences and small businesses	8	5	5

Objective #4

Oversee the Grid Resilience 40101(d) grant, by issuing solicitation for proposals and selecting appropriate grid resiliency projects from eligible entities. The program will be administered pursuant to US DOE guidance and requirements.

PERFORMANCE MEASURES

Measure	Actuals FY 2024*	Current Year FY 2025	Allocated FY 2026
Issue notice of solicitation for sub-awardees	1	1	1
Number of projects selected and submitted to DOE for funding	11	5	2

*This is an IIJA grant and the award for Kansas was made in July 2023 (FY24) with a two-year grant allocation in the amount of \$13,313,126 that requires a state match of \$1,996,969. These funds will be expended over a period of five years, based on selected and approved projects. In July 2024 (FY25), Kansas was awarded an additional grant allocation of \$6,489,249 that

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requires a state match of \$973,386.90. These funds will pass-through to utilities for grid resiliency projects that meet DOE criteria.

OBJECTIVE #5:

Administer the Energy Efficiency Conservation Block Grant pursuant to US DOE guidance and requirements.

PERFORMANCE MEASURES*

Measure	Actuals FY 2024**	Current Year FY 2025	Allocated FY 2026
Issue notice of solicitation for sub-awardees (Municipalities)	1	0	0
Number of sub-awards approved.	16	3	0

*These are one-time funds through the IIJA and the award for Kansas was made in February 2024 (FY 2024) in the amount of \$1,914,100. These funds have been sub-awarded to 19 cities in Kansas.

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OBJECTIVE #6:

Administer the Energy Efficiency Revolving Loan Fund (EERLF) to promote energy efficiency improvements with an emphasis on colleges and universities in the State. This will be in compliance with US DOE guidance and requirements.

PERFORMANCE MEASURES*

Measure	Actuals FY 2024	Current Year FY 2025	Allocated FY 2026
Number of notice of grant solicitation	0	1	0
Number of loans issued	0	2	2

*These are one-time funds through the IIJA and the award for Kansas was made in July 2024 (FY 2025) in the amount of \$6,415,220. We anticipate issuing a notice of loan and grant solicitation in FY25. The loans will be repaid at a varying rate. We anticipate some of the loans will be established in FY2025 and the balance in FY2026. We anticipate the repayment of the loans starting in FY2026 and FY2027.

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OBJECTIVE #7:

Establish programs to promote energy efficiency in compliance with the US DOE supplemental SEP-IIJA funds.

PERFORMANCE MEASURES*

Measure	Actuals FY 2024**	Current Year FY 2025	Allocated FY 2026
Establish a program to provide energy assessments and best practices to small municipalities with water/wastewater treatment facilities	0	1	1
Number of municipalities provided best practice information	0	5	5
Number of energy assessments completed for municipal water facilities	0	2	2
Number of energy efficiency presentations	0	3	5
Number of building code surveys completed	0	30	30

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OBJECTIVE #8:

Administer the IRA Home Energy Rebates (50121 & 50122) pursuant to US DOE guidance and requirements.

PERFORMANCE MEASURES*

Measure	Actuals FY 2024**	Current Year FY 2025	Allocated FY 2026
Launch the IRA Home Energy Rebate Program 50121	0	1	0
Launch the IRA Home Energy Rebate Program 50122	0	1	0
Rebates Administered	0	100	100

*These are one-time funds through the IIJA and the early administrative funds award for Kansas was made in April 2024 (FY 2024). Kansas was awarded \$1,324,297 for 50121 and \$1,316,598 for 50122. We anticipate receiving the remainder of the funding (tranches) in FY2025 and FY2026 with remaining award amounts of \$51,540,677 for 50121 and \$51,317,312 for 50122. We anticipate making rebates available to Kansans in late FY2025.

External/Internal Assessment:

The KCC continues to review and implement improvements for the division consistent with the DOE, SEP grants and state statutes. The continued partnership with Kansas State University-Engineering Extension has allowed the division to increase the level of technical support for both the FCIP and small rural business audits, and further develop K-12 outreach, which has increased the awareness of energy conservation.

The KidWind Challenge was held in person this year and 6 teams from Kansas advanced to the National KidWind Challenges in Minneapolis, Minnesota. We had 49 schools, 84 teams, and 312 students compete for State.

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EXPENDITURE JUSTIFICATION – Energy

Account Code 100: Salaries and Wages

Summary:

The Energy Division has 3 FTE Unclassified positions (2 FTE filled and 1 FTE vacant).

Current Year FY 2025: \$296,956 is requested.

Allocated Budget Year FY 2026: \$271,016 is requested.

Account Code 200-299: Contractual Services

Summary: The major portion of contractual service is for technical support of the programs, communication, professional services, rents, copiers, printing of materials, computer software maintenance and service, in-state and out-of-state travel and dues to professional organizations such as the National Association of State Energy Officials and the Energy Services Coalition.

Current Year FY 2025: \$19,092,637 is requested. Several of the Infrastructure Investment Jobs Act (IIJA) and the Inflation Reduction Act (IRA) programs will require experience with financial and rebate programs to include planning and implementation. These are rough estimates based on current DOE guidance and status of the grant process.

Allocated Budget Year FY 2026: \$19,092,637 is requested.

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Account Codes 300–390: Commodities

Summary: The major portion of requests in these account codes include expenses for office supplies, software and professional scientific supplies associated with energy education and energy efficiency audits conferences and FCIP workshops.

Current Year FY 2025: \$14,350 is requested.

Allocated Budget Year FY 2026: \$14,350 is requested.

Account Codes 400 - Capital Outlay

Summary: The majority of items purchased from this category are IT replacements and upgrades based on the KCC IT plan.

Current Year FY 2025: \$8,120 is requested.

Allocated Budget Year FY 2026: \$8,120 is requested.

Account Codes 550 – Federal Aid Payments

Summary: FY2025 increase to \$13,337,613 due to U.S. DOE federal grant funds from the IIJA and IRA. Specifically, the Energy Efficiency Conservation Block Grant (EECBG), Energy Efficiency Revolving Loan Fund (EERLF), Grid Resilience 40101(d) and IRA Rebates. These grant funds are pass-through grants that will require the KCC to put out solicitation notices to local governments, utilities (including electric cooperatives and small municipal utilities). The large IRA Rebate program for energy efficiency improvements to residential individuals with an emphasis on low-income and underserved communities will start to be expended in FY2026 and will continue for several years. The amounts expended in FY2025 and FY2026 are estimates depending on the U.S. Department of Energy’s application and approval process. Any funds not expended in FY2025 and FY2026 will be carried over into the next fiscal year.

FY2025: \$13,317,613 is requested.

FY2026: \$57,431,439 is requested. (Increase due to grant programs to be expended in FY2026)

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Account Codes 700 – Non-Expense Items:

Summary: The KCC receives indirect costs related to the State Energy Program (SEP) grant. The indirect costs are transferred to the 2019 Public Service Regulation fund as Administrative Services staff expenses are incurred.

Current Year FY 2025: \$43,565 is requested for indirect expenses related to the SEP Grant.

Allocated Budget FY 2026: \$43,565 is requested for indirect expenses related to the SEP Grant.

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Obj. Code	OBJECTS OF EXPENDITURE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
519990	Salaries and Wages SHRINKAGE	58,467 0	269,956 0	271,016 0	0 0	0 0	0 0
	TOTAL Salaries and Wages	58,467	269,956	271,016	0	0	0
52000	Communication	2,950	3,600	3,600	0	0	0
52200	Printing and Advertising	0	200	200	0	0	0
52300	Rents	3,150	7,000	7,000	0	0	0
52400	Reparing and Servicing	16	3,523	3,523	0	0	0
52500	Travel and Subsistence	7,846	1,800	1,800	0	0	0
52510	InState Travel and Subsistence	0	2,250	2,250	0	0	0
52520	Out of State Travel and Subsis	5,133	6,000	6,000	0	0	0
52600	Fees-other Services	904	5,000	5,000	0	0	0
52900	Other Contractual Services	513,774	19,063,264	19,063,264	0	0	0
	TOTAL Contractual Services	533,773	19,092,637	19,092,637	0	0	0
53500	Vehicle Part Supply Accessory	50	100	100	0	0	0
53600	Pro Science Supply Material	872	14,000	14,000	0	0	0
53700	Office and Data Supplies	34	250	250	0	0	0
53900	Other Supplies and Materials	3	0	0	0	0	0
	TOTAL Commodities	959	14,350	14,350	0	0	0
	TOTAL Capital Outlay	3,607	8,120	8,120	0	0	0
	SUBTOTAL State Operations	596,806	19,385,063	19,386,123	0	0	0
55000	Federal Aid Payments	1,019,090	3,773,023	2,886,849	0	0	0
	TOTAL Aid to Local Governments	1,019,090	3,773,023	2,886,849	0	0	0
55200	Claims	0	9,544,590	54,544,590	0	0	0
	TOTAL Other Assistance	0	9,544,590	54,544,590	0	0	0
	TOTAL REPORTABLE EXPENDITURES	1,615,896	32,702,676	76,817,562	0	0	0
77300	Transfers	12,832	72,667	72,667	0	0	0
	TOTAL Non-Expense Items	12,832	72,667	72,667	0	0	0
	TOTAL EXPENDITURES	1,628,728	32,775,343	76,890,229	0	0	0

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Series	Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
1	2019	0100 PUBLIC SERVICE REGULATION FD	1,230	0	0	0	0	0
1	2019	2019 SUBTOTAL for 2019's	1,230	0	0	0	0	0
1	2432	2400 FAC CONSERVATION IMPRV FD	0	0	0	0	0	0
1	2432	2432 SUBTOTAL for 2432's	0	0	0	0	0	0
1	3157	3157 3157 ENERGY EFF AND CNSRVTN	1,023	7,443	7,454	0	0	0
1	3157	3157 SUBTOTAL for 3157's	1,023	7,443	7,454	0	0	0
1	3682	3500 ENERGY CONSERVATION PLAN FDF	56,176	217,029	218,012	0	0	0
1	3682	3503 IRA Rebate 50122	19	13,232	13,251	0	0	0
1	3682	3504 IRA Rebate 50121	19	13,231	13,251	0	0	0
1	3682	3682 SUBTOTAL for 3682's	56,214	243,492	244,514	0	0	0
1	NEW2	NEW2 NEW2 Energy Efficiency Revolving Loan Fd	0	19,021	19,048	0	0	0
1	NEW2	NEW2 SUBTOTAL for NEW2's	0	19,021	19,048	0	0	0
		1302 TOTAL Salaries and Wages	58,467	269,956	271,016	0	0	0
10	3682	3500 ENERGY CONSERVATION PLAN FDF	0	0	0	0	0	0
10	3682	3682 SUBTOTAL for 3682's	0	0	0	0	0	0
		1312 TOTAL Shrinkage	0	0	0	0	0	0
2	2019	0100 PUBLIC SERVICE REGULATION FD	2,781	0	0	0	0	0
2	2019	2019 SUBTOTAL for 2019's	2,781	0	0	0	0	0
2	2316	2300 INSERVICE EDU WORKSHOP FF	680	0	0	0	0	0
2	2316	2316 SUBTOTAL for 2316's	680	0	0	0	0	0
2	2432	2400 FAC CONSERVATION IMPRV FD	135	230	230	0	0	0
2	2432	2432 SUBTOTAL for 2432's	135	230	230	0	0	0
2	3682	3500 ENERGY CONSERVATION PLAN FDF	530,177	19,092,407	19,092,407	0	0	0
2	3682	3682 SUBTOTAL for 3682's	530,177	19,092,407	19,092,407	0	0	0
		1352 TOTAL Contractual Services	533,773	19,092,637	19,092,637	0	0	0
3	2316	2300 INSERVICE EDU WORKSHOP FF	34	0	0	0	0	0
3	2316	2316 SUBTOTAL for 2316's	34	0	0	0	0	0
3	2432	2400 FAC CONSERVATION IMPRV FD	50	20	20	0	0	0
3	2432	2432 SUBTOTAL for 2432's	50	20	20	0	0	0
3	2667	4000 ENERGY GRNTS MGMT FD-STRIPPER	0	14,310	14,310	0	0	0
3	2667	2667 SUBTOTAL for 2667's	0	14,310	14,310	0	0	0
3	3682	3500 ENERGY CONSERVATION PLAN FDF	875	20	20	0	0	0
3	3682	3682 SUBTOTAL for 3682's	875	20	20	0	0	0
		1392 TOTAL Commodities	959	14,350	14,350	0	0	0
4	2667	4000 ENERGY GRNTS MGMT FD-STRIPPER	0	8,120	8,120	0	0	0
4	2667	2667 SUBTOTAL for 2667's	0	8,120	8,120	0	0	0
4	3157	3157 3157 ENERGY EFF AND CNSRVTN	0	0	0	0	0	0
4	3157	3157 SUBTOTAL for 3157's	0	0	0	0	0	0
4	3682	3500 ENERGY CONSERVATION PLAN FDF	3,607	0	0	0	0	0
4	3682	3682 SUBTOTAL for 3682's	3,607	0	0	0	0	0
		1422 TOTAL Capital Outlay	3,607	8,120	8,120	0	0	0
8	3157	3157 3157 ENERGY EFF AND CNSRVTN	1,019,090	886,174	0	0	0	0
8	3157	3157 SUBTOTAL for 3157's	1,019,090	886,174	0	0	0	0
8	3682	3500 ENERGY CONSERVATION PLAN FDF	0	2,886,849	2,886,849	0	0	0
8	3682	3682 SUBTOTAL for 3682's	0	2,886,849	2,886,849	0	0	0

406/410 series report

Dept. Name: Energy Programs
Agency Name: Kansas Corporation Commission
Agency Reporting Level: 02300
Version: 2026-A-04-00143

Date: 09/13/
2024
Time: 09:55:30

Division of the Budget
KANSAS

Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
0100	PUBLIC SERVICE REGULATION FD	4,011	0	0	0	0	0
2019	SUBTOTAL PUBLIC SERVICE REGULATION FD	4,011	0	0	0	0	0
2300	INSERVICE EDU WORKSHOP FF	714	0	0	0	0	0
2316	SUBTOTAL INSERVICE EDU WORKSHOP FF	714	0	0	0	0	0
2400	FAC CONSERVATION IMPRV FD	185	250	250	0	0	0
2432	SUBTOTAL FAC CONSERVATION IMPRV FD	185	250	250	0	0	0
4000	ENERGY GRNTS MGMT FD-STRIPPER	0	22,430	22,430	0	0	0
2667	SUBTOTAL ENERGY GRNTS MGMT FD-STRIPPER	0	22,430	22,430	0	0	0
3157	ENERGY EFF AND CNSRVTN	1,020,113	893,617	7,454	0	0	0
3157	SUBTOTAL 81.128-ENGY EFF/CONSERV BLK GR	1,020,113	893,617	7,454	0	0	0
3500	ENERGY CONSERVATION PLAN FDF	603,667	22,268,972	22,269,955	0	0	0
3503	IRA Rebate 50122	19	13,232	22,513,251	0	0	0
3504	IRA Rebate 50121	19	13,231	22,513,251	0	0	0
3682	SUBTOTAL 81.041-ST ENGY PRG	603,705	22,295,435	67,296,457	0	0	0
NEW2	Energy Efficiency Revolving Loan Fd	0	19,021	19,048	0	0	0
NEW2	SUBTOTAL Energy Efficiency Revolving Loan Fd	0	19,021	19,048	0	0	0
NEW6	GRID RESILIENCE BIL FORMULA FUND	0	9,544,590	9,544,590	0	0	0
NEW6	SUBTOTAL GRID RESILIENCE BIL FORMULA FUND	0	9,544,590	9,544,590	0	0	0
1644	TOTAL MEANS OF FUNDING	1,628,728	32,775,343	76,890,229	0	0	0

KANSAS

406/410S - 406/410 series report

dwietharn / 2026A0400143

406/410 series report

Dept. Name: Energy Programs
Agency Name: Kansas Corporation Commission
Agency Reporting Level: 02300
Version: 2026-A-04-00143

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Division of the Budget
KANSAS

Series	Fund Code	FUND/ACCOUNT TITLE	FY 2024 Actuals	FY 2025 Base Budget Request	FY 2026 Base Budget Request	null	null	null
		1442 TOTAL Aid to Locals	1,019,090	3,773,023	2,886,849	0	0	0
9	3682	3503 IRA Rebate 50122	0	0	22,500,000	0	0	0
9	3682	3504 IRA Rebate 50121	0	0	22,500,000	0	0	0
9	3682	3682 SUBTOTAL for 3682's	0	0	45,000,000	0	0	0
9	NEW6	NEW6 NEW6 GRID RESILIENCE BIL FORMULA FUND	0	9,544,590	9,544,590	0	0	0
9	NEW6	NEW6 SUBTOTAL for NEW6's	0	9,544,590	9,544,590	0	0	0
		1472 TOTAL Other Assistance	0	9,544,590	54,544,590	0	0	0
92	3682	3500 ENERGY CONSERVATION PLAN FDF	12,832	72,667	72,667	0	0	0
92	3682	3682 SUBTOTAL for 3682's	12,832	72,667	72,667	0	0	0
		1482 TOTAL Non-Expense Items	12,832	72,667	72,667	0	0	0
		1482 TOTAL All Funds	1,628,728	32,775,343	76,890,229	0	0	0

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PBB Program	PBB Subprogram	Measure Type	Measure Text	FY2020 Actuals	FY2021 Actuals	FY2022 Actuals	FY2023 Actuals	FY2024 Actuals	FY2025 Estimate	FY2026 Estimate
Administration Division	Administration Division	Outcome	Number of hours litigation attorneys spent on rate cases	786.5	684.75	1104.75	431.5	310	500	500
Administration Division	Administration Division	Outcome	Number of orders issued	2756	711	3413	3498	3811	3500	3500
Conservation Division	Conservation Division	Outcome	Median response time in days to single well project priority 1A abandoned wells	2.5	44.5	1	0	31	30	30
Conservation Division	Conservation Division		Number of oil and gas facility inspections performed	3983	4540	4652	5316	3911	4000	4000
Conservation Division	Conservation Division	Outcome	Percentage of MIT failures (wells) remediated within 90 days	90%	84%	91%	90%	90%	90%	90%
Conservation Division	Conservation Division	Output	MIT failures	324	174	374	290	218	250	250
Conservation Division	Conservation Division	Output	Number of Priority 1A wells plugged	47	25	3	0	16	N/A	N/A
Conservation Division	Conservation Division		Wells plugged in the course of regulatory enforcement	959	1075	1138	703	840	600	600
Energy Division	Energy Division	Outcome	K-12 building square footage being tracked in Energy Star Portfolio		2172617	2587066	3295403	3533192	3600000	3700000
Energy Division	Energy Division	Outcome	kWh energy savings identified through small business energy assessments	1518925	1995081	867225	325981	1623511	750000	750000
Energy Division	Energy Division	Outcome	Number of K-12 school districts participating in energy benchmarking		7	7	15	19	22	25
Energy Division	Energy Division	Outcome	Number of presentations about FCIP	5	3	3	3	1	3	3
Energy Division	Energy Division	Outcome	Number of public entities supported through energy performance contracting	4	3	3	2	1	2	2
Transportation Division	Transportation Division	Outcome	KS based MCs receiving fewer Conditional and Unsatisfactory rated Compliance Reviews: Total compliance reviews	201*	113*	86*	80*	69*	80*	80*
Transportation Division	Transportation Division	Outcome	KS based MCs receiving fewer Conditional and Unsatisfactory rated Compliance Reviews: Number of Conditional and Unsatisfactory reviews	23*	10*	21*	15*	14*	15*	15*
Transportation Division	Transportation Division	Outcome	KS based MCs receiving fewer Conditional and Unsatisfactory rated Compliance Reviews: Rank among 10 Midwest states in terms of fewer Conditional and Unsatisfactory rated Compliance Reviews	1*	2*	3*	14*	1*	1*	1*
Transportation Division	Transportation Division	Outcome	KS based MCs involved in fewer accidents compared to the 10 Midwest region states: Kansas' rank among 10 Midwest States in terms of lowest accident total	2*	4*	2*	3*	2*	1*	1*
Utilities Division	Utilities Division	Output	Percentage of filed applications reviewed within statutory deadline	100%	100%	100%	100%	100%	100%	100%
Utilities Division	Utilities Division	Output	Number of gas damages per 1,000 locate tickets	2	2.3	2.07	2.1	2.5	2	2
Utilities Division	Utilities Division	Output	Percentage of applications completed in less than 180 days	80%	86%	89%	89%	86%	89%	89%
Utilities Division	Utilities Division	Outcome	Percentage of applications denied by Commission	10%	14%	6%	5%	3%	10%	10%
Utilities Division	Utilities Division	Outcome	Percentage of applications granted by Commission	90%	86%	94%	95%	97%	90%	90%
Utilities Division	Utilities Division	Output	Percentage of field inspection cases closed per calendar year	95%	95%	96%	93%	94%	95%	95%
Utilities Division	Utilities Division	Output	Average Number of field person-days per inspector	125	108	107	105	105	125	130
Utilities Division	Utilities Division	Output	Complete 520 person-days of field inspections throughout the state	549	691	652	640	506	549	549
Utilities Division	Utilities Division	Output	Compliance action taken per number of incidents of utility damage that are investigated by staf	0.75	0.61	0.74	0.67	0.66	0.75	0.75
Utilities Division	Utilities Division	Outcome	Highest number of hours for rate cases during fiscal year	3750	5786	3048	4168	6051	6000	5400
Utilities Division	Utilities Division	Output	Kansas share of programs cost per operator inspected	\$2,000	\$3,023	\$3,316	\$3,398	\$3,051	\$3,000	\$3,000
Utilities Division	Utilities Division	Output	Number of applications completed in less than 180 days	200	169	145	104	180	270	270
Utilities Division	Utilities Division	Output	Number of applications filed and reviewed	250	196	163	117	240	336	336
Utilities Division	Utilities Division	Output	Number of compliance actions taken from damage investigations	180	356	327	301	363	300	300
Utilities Division	Utilities Division	Output	Number of inspection units inspected	120	91	135	117	106	120	120
Utilities Division	Utilities Division	Output	Number of leaks per 100 miles of pipe	16	17	16	15	14	16	16

*Transportation measures are based upon calendar year rather than fiscal year due to federal information reporting