

September 18, 2012

## **Assessment Information**

The Kansas Corporation Commission and Citizens' Utility Ratepayer Board are authorized by statute to assess expenses related to regulation of public utilities or common carriers. Kansas Statutes Annotated (K.S.A.) 66-1502 governs reimbursable assessments; K.S.A. 66-1503 governs quarterly assessments. The state's fiscal year is from July 1 – June 30. Full text of these statutes is available at <http://www.kcc.state.ks.us/regs/index.htm>.

### **Reimbursable Assessment**

The reimbursable assessment recovers expenses attributable to investigations of public utilities or appraisals of the property of public utilities when the expenses reasonably attributable to such action exceed the sum of \$100. When proceedings are initiated, the Commission provides notice of the assessment to the public utility or common carrier. If an Order Assessing Costs is approved by the Commission, expenses related to the docket (investigation or appraisal) are billed to the public utility or common carrier.

Individual docket expenses are billable to the company at 100 percent. The expenses for a general investigation, which include several companies, are prorated to each company included in the docket based on its percentage of gross intrastate operating revenue in proportion to the total gross intrastate operating revenue of all companies involved.

The statute provides for limitations of reimbursable assessments. Each company's annual assessment limit is 0.6% (3/5 of 1%) of the company's gross intrastate operating revenues reported in the last annual report filed with the Commission. For example, the revenue reported for 2011 (due May 1, 2012) is used to determine the assessment limit for the cumulative total of the 8/15/12, 11/15/12, 2/15/13 and 5/15/13 assessment billings. The company will only be billed up to the assessment limit. The Commission may however, render bills in one fiscal year for costs incurred within a previous fiscal year. Once the assessment limit has been paid, the company will receive invoices indicating Total Due: \$0. These zero invoices are mailed so companies can continue to have record of docket information.

The Commission's fiscal year is from July 1 – June 30. The reimbursable assessment schedule is as follows:

<b>Docket Expenses for</b>	<b>Billed on (Fiscal Year)</b>	<b>Due</b>
April, May, June	August 15	August 30
July, August, September	November 15	November 30
October, November, December	February 15	March 2
January, February, March	May 15	May 30

Docket filing information is available at the Kansas Corporation Commission website at [www.kcc.state.ks.us](http://www.kcc.state.ks.us)

### **Quarterly Assessment**

The quarterly assessment recovers other expenses related to the regulation of public utilities. The assessment is based on estimated expenditures/revenues for the quarter and actual expenditures/revenues for the past quarter less amounts collected under K.S.A. 66-1502 (reimbursable assessments) and K.S.A. 2006 Supp. 66-1a01(b)(1).

Each company's share of the quarterly assessment is determined by its percentage of the total gross intrastate operating revenue reported to the Commission. Once a company is certificated, it will be included in the assessment billing system.

The statute provides both a minimum and maximum (assessment limit) for quarterly assessments. The minimum annual assessment is \$100. Each company's annual assessment limit is 0.2% (1/5 of 1%) of the company's gross intrastate operating revenues reported in the last annual report filed with the Commission. For example, the revenue reported for 2011 (due May 1, 2012) is used to determine the assessment limit for the cumulative total of the 7/15/12, 10/15/12, 1/15/13 and 4/15/13 billings. If a company has zero revenue reported, it will be billed the \$100 minimum.

The Commission's fiscal year is from July 1 – June 30. The quarterly assessment schedule is as follows:

<b>Estimated Expenses for</b>	<b>Billed on (Fiscal Year)</b>	<b>Due</b>
July, August, September	July 15	July 30
October, November, December	October 15	October 30
January, February, March	January 15	January 30
April, May, June	April 15	April 30

If you have questions regarding assessments or invoices, feel free to call the Kansas Corporation Commission at (785) 271-3353.