

# **Kansas Administrative Regulations**

## **Kansas Corporation Commission**

### **Article 16.—Electric Utility Renewable Energy Standards**

#### **82-16-4. Retail revenue requirement.**

The retail revenue requirement attributable to attainment of the renewable energy goal shall be calculated as follows for each utility:

(a) In conjunction with the reports required by K.A.R. 82-16-2, each affected utility shall calculate the retail revenue requirement for each capacity resource used to attain the renewable energy goal. A capacity resource may result from generation resources, purchased energy, RECs, or net metering systems.

(b) Each determination of the retail revenue requirement shall reflect the total revenues required to allow the utility the opportunity to do the following:

- (1) Earn a return on rate base items;
- (2) earn a return on plant investments through depreciation;
- (3) recover taxes other than income taxes;
- (4) recover fuel and purchased power costs, including incremental fuel expense resulting from the inefficient dispatch of power generation if this expense is known;
- (5) recover operating and maintenance costs;
- (6) recover administrative and general expenses; and
- (7) recover income taxes, including current deferred income taxes.

(c) In order to calculate a return on rate base items, each utility shall use the overall rate of return authorized by the commission from its last litigated rate case or specified in a stipulation and agreement authorized by the commission. If an overall rate of return was not specified in a utility's last rate case, then the average of the utility's proposed rate of return and the rate of return proposed by commission staff shall be used.

(Authorized by K.S.A. 2016 Supp. 66-106; implementing K.S.A. 2016 Supp. 66-1259; effective Nov. 19, 2010; amended Feb. 24, 2017.)