



A Division of ONE Gas

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February 9, 2023

PROPONENT TESTIMONY

HB 2156 - Authorizing public utilities subject to the jurisdiction of the state corporation commission to establish rates that benefit low-income residential customers.

Patrick Vogelsberg

Kansas Gas Service

House Committee on Energy, Utilities and Telecommunications

Chairman Delperdang and members of the committee:

Thank you for the opportunity to provide testimony on behalf of Kansas Gas Service, a division of ONE Gas, Inc., in support of HB 2156. Kansas Gas Service is the state's largest, 100% regulated natural gas utility. We are proud to serve more than 647,000 customers across 360 Kansas communities.

Kansas Gas Service is committed to helping low-income customers. There are a number of payment plans and resources available for customers facing financial difficulties, and we work year-round to assist our customers in accessing these options. However, we recognize that despite these efforts, some of our customers continue to struggle to afford the energy necessary for their households.

Kansas Gas Service has been exploring ways to implement a low-income rate. After reviewing the relevant Kansas law, we determined a low-income tariff would only be permissible with a legislative change. Therefore, prior to the session, Kansas Gas Service worked with stakeholders on legislation to accomplish this. HB 2156 would authorize public utilities, like Kansas Gas Service, to seek approval of rates that would benefit low-income residential customers.

If a low-income rate were implemented, an argument can be made that more customers will be able to afford their bill. This would allow low-income customers to maintain service throughout the year and contribute to the overall cost to serve them. Maintaining a customer at a reduced rate may reduce arrearages, bad debts, collection costs, and other expenses associated with disconnection and reconnection activities. By reducing our overall costs, the benefits of HB 2156 may extend well beyond a low-income household and benefit all our customers.

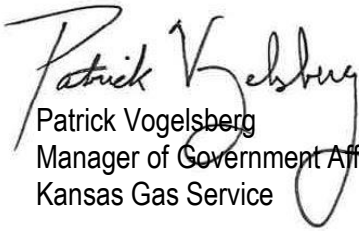
Passing this legislation would enable Kansas Gas Service to propose a low-income rate and give the Kansas Corporation Commission a much-needed tool to evaluate low-income rates without violating existing law.

Kansas Gas Service respectfully request that the House Energy, Utilities, and Telecommunications act favorably on HB 2156.

Thank you for your consideration.

February 9, 2023
House Committee on Energy, Utilities and Telecommunications

Sincerely,


Patrick Vogelsberg
Manager of Government Affairs
Kansas Gas Service