



March 19, 2019
Substitute for SB 69
Citizens' Utility Ratepayer Board
Testimony in Support (Written only)
House Energy, Utilities and Telecommunications Committee

I am Todd Love, an attorney for the Citizens' Utility Ratepayer Board (CURB), which is a five-member voluntary board appointed by our Governor. The Kansas legislature created CURB as an independent state agency in 1989. The legislature mandated that CURB represent residential and small commercial ratepayers in utility matters, including potential legislation. CURB supports Substitute for Senate Bill 69.

Substitute for Senate Bill 69 authorizes a study of retail rates of Kansas electric public utilities in order to provide information that may assist future legislative and regulatory efforts in developing electric policy that includes regionally competitive rates and reliable electric service, among other matters. CURB testified in favor of certain aspects of Senate Bill 69 that pertained to the referenced study when the Senate Utilities Committee heard the bill on February 20, 2019. Subsequent to that hearing, several stakeholders met to revise and narrow the focus of the study among other aspects of the bill. CURB believes that the revision process improved the study outlined in the bill.

CURB notes that the economic and regulatory environments in which Kansas utilities exist today are much different from the economic and regulatory environments that existed when the Public Utilities Act (K.S.A. 66-101, *et seq.*) was enacted. As CURB testified before the Senate Utilities Committee on February 20, 2019, the current regulatory scheme does not appear to allow

the Kansas Corporation Commission and other stakeholders to address regulatory issues as effectively and efficiently as possible. The study outlined in Substitute for Senate Bill 69 is a good first step in determining the needs, if any, of the Kansas Corporation Commission to deal with the dynamic regulatory and economic environments that exist today.

CURB is particularly interested in several focal points in the study outlined in Substitute for Senate Bill 69. However, to highlight just two:

1. The study entails examination of whether current ratemaking appropriately balances utility profits with the public interest objectives of achieving competitive rates over time while providing the best practicable combination of price, quality, and service.
2. The study inquires whether investments in energy efficiency and renewable energy, including revenue decoupling and renewable energy incentives, could benefit all Kansas consumers.

CURB steadfastly maintains that residential and small commercial ratepayers should expect Kansas utilities to provide safe and reliable energy at the lowest reasonable prices. In these regards, CURB believes that one of its most important functions is advocacy for low-income and fixed income ratepayers. While not prejudging the outcome of any study, CURB believes that a study of the two issues highlighted above, among several others outlined in Substitute for Senate Bill 69, coincide with the accomplishment of that objective.