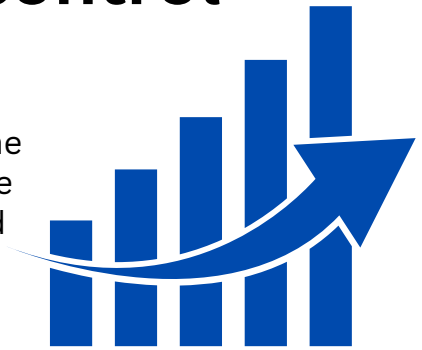


# Regulatory reform needed to control high energy rates

It's no secret Kansas has the highest electric rates in the region. The Legislature has declared Kansas should have regionally competitive electric rates, but Kansas rates continue to increase and are poised to increase even more, putting additional pressure on residential and business customers. Something needs to change.



## **SB 88 & HB 2154 will bring needed updates to the KCC**

### **Key Provisions:**

#### **Commissioners will become elected officials, accountable to the public**

- KCC remains a three-person panel serving four-year terms.
- Elections would be partisan and statewide.
- The first election for the first position would be in November 2024. The second position would be elected in 2026 and the third (and first again) would be in 2028.
- Commissioners would be free to collaborate with each other, like the parole board.
- Utilities would be restricted from participating in KCC elections.

#### **New Utility Division at the Attorney General**

- New AG division's mission is to represent all consumers, working toward affordability, reliability, and regionally competitive rates.
- Key KCC staff intended to transition to AG.

### **This model will work for Kansas**

- Currently, the balance between utilities and the KCC is clearly tilted toward utilities. Electing commissioners will rebalance the KCC and give consumers a voice.
  - 10 states elect commissioners.
  - One-third of the Southwest Power Pool states elect commissioners.
  - Electric cooperatives and municipal utilities have elected persons setting rates.
- Creating a Utility Division at the AG builds on the AG's consumer protection focus, leveraging a skilled litigation team.
- Moving KCC staff to the AG doesn't reduce jobs, but creates needed separation between the KCC and the staff, putting intervenors at the KCC on a more even footing with staff.

### **SB 78 & HB 2155 will help Kansas achieve regionally competitive electric rates**

SB 78 & HB 2155 require the KCC to evaluate regional rate competitiveness, affordability and the impact on economic development when setting energy rates. The KCC isn't compelled to do anything with the findings of fact, but the facts will be part of the case record. It's unfortunate the KCC doesn't already do this.