

Kansas electric rates are the highest in the Midwest — and it's about to get worse

BY JIM ZAKOURA *SPECIAL TO THE WICHITA EAGLE*

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Kansas has been in an electric rate crisis since at least 2018. And it is about to get much worse, as our already sky-high regional electric rates are headed much higher.

Every electric rates are the highest in the Midwest region. Multiple professional studies have shown this to be the case, and Evergy even briefed its board of directors about it in December 2019.

In Wichita and every other Kansas community served by Evergy, electric rates are 20% to 40% higher for residential and industrial users than in the metropolitan areas of Oklahoma, Arkansas and Iowa.

The Legislature and governor have been quite active trying to address high rates, but the [Kansas Corporation Commission](#) hasn't matched the effort. In 2018, the Kansas Senate overwhelmingly passed Senate Concurrent Resolution 1612, sponsored by 30 senators including then-Sen. Laura Kelly. The resolution called upon the KCC to bring rates to regionally competitive levels.

In 2019, the Legislature passed and the governor signed SB 69, calling on a professional review of rates and options to bring regionally competitive rates to Kansas.

Despite clear direction to the KCC from the Legislature, the KCC hasn't taken the simple but bold step to ask Evergy to submit a plan to achieve regionally competitive rates.

In fairness, the KCC has consistently stated its deep concern regarding further electric rate increases, highlighting challenges for lower-income Kansans, those on fixed incomes, the business community and others that are laboring under the stress of the pandemic.

Kansas statutes grant monopoly supplier status to Evergy. If this monopoly economic model does not operate to assure Kansas retail electric ratepayers both regionally competitive electric rates and reliable service, there must be material legislative changes in the absence of KCC action.

The Kansas Legislature could say: (a) there will be no further rate increases permitted until a multi-year operational plan is approved by the KCC that will lead to regionally competitive electric rates for Evergy; or (b) ratepayers are permitted to purchase electric supplies from any electric supplier, at any time the monopoly supplier does not offer regionally competitive rates.

Evergy recently unveiled its [Sustainability Transformation Plan](#), a massive \$9 billion capital expenditure program that will lead to a 10% overall rate increase in 2024 — the complete opposite direction the Legislature envisioned. The plan is designed to support shareholders, not customers. Just look at Evergy’s investor reports.

One of the most troubling parts of the STP is the secret nature of the KCC’s review of the plan. Evergy and the KCC know how much rates will increase in Wichita, but Evergy has labeled all the documents “confidential.” Sadly, the KCC has let them, keeping the important document hidden from view by the governor, lawmakers, the bill-paying public or the media.

Evergy’s high electric rates act as an economic penalty to everyone that lives and works in Kansas. Failure of the KCC to tackle the issue of regionally competitive electric rates assures the issue will not be solved and will in fact become a yet bigger problem.

I continue to humbly, but emphatically, request the KCC take the lead to control our rates and for the KCC to call upon the governor and Legislature for any support they need. All Kansans will benefit.

Jim Zakoura is president of Kansas Industrial Consumers Group and Kansans for Lower Electric Rates.