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**Summary of Testimony Submitted by Earnie Lehman
To the House Energy and Environment Committee
In Support of HB 2623**

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Kansas Electric consumers have benefited from the long term trend toward regional planning and operation of transmission, as have developers of renewable energy. In many respects the Southwest Power Pool jump-started and streamlined the expansion of the transmission system.

FERC Order 1000 with its requirement for competitive procurement of most new transmission facilities represents a step too far. It is a wasteful process as applied to lower voltage transmission facilities that are the subject of this bill.

Transmission facilities under 200 kV serve a mostly local function, leading the SPP to allocate two thirds of their cost to local utility customers.

Order 1000 invites parties with no responsibility for serving retail customers to propose and, if approved, construct and own facilities two thirds paid for by those customers.

Utilities responsible for serving retail customers, particularly utilities owned by their customers (coops), are incented BOTH to maintain reliability and minimize costs, unlike outside parties.

In the only competitively bid project to date a worst case scenario is playing out. A line that isn't needed will be built anyway as ordered by the SPP Board of Directors, even though the members of SPP did not endorse its construction. Its costs will fall mainly on local customers, including Midwest Energy and its customers.

Last week Midwest Energy suffered a storm that resulted in more than half of our customers losing power at some point. Almost all were restored within a few hours. It would have taken much longer if we had to coordinate with others owning facilities inside our certificated territory.

Without ROFR as defined in this bill we can look forward to a hodgepodge combination of transmission facilities owned by multiple parties. This would mean facilities with different design standards, operating protocols and maintenance routines. Reliability would be compromised and service restoration slowed after major storms.