



Testimony Provided To
Senate Commerce Committee
Kimberly Gencur Svaty, Public Policy Director
January 30th, 2025

Written Testimony in Support of SB 51

Mr. Chair, Vice-Chairman, and Ranking Member and members of the committee,

On behalf of the Advanced Power Alliance, it is my pleasure to provide testimony in support of Senate Bill 51. The Advanced Power Alliance is the association of developers, operators, engineers, financiers, and purchasers involved in independent power production across the middle and southeast United States. APA member companies have invested more than \$20 billion in private capital in Kansas in twenty years and created more than 20,000 direct and indirect jobs. Historically you may have known the Advanced Power Alliance as the developers of wind, solar, energy storage and hydrogen energy systems in Kansas, but our engagement with SB 51 is indicative of the rapid change in the energy industry wherein our members are providing power solutions for data centers or are building the data centers and directly powering them onsite.

While the Advanced Power Alliance is silent on the incentive portion of this bill, the APA and its members are already powering data centers around the Midwest, southeast and predominately in Texas. This week, a "Gigawatt project" – a 1,000 megawatt data center came online in Texas that is powered by a local utility. Gaining access to 1,000 megawatts is a multi-year, likely several billion dollar investment in generation and infrastructure.

Access to power is the key for data centers. Speed to market is the driver of location. Data centers pay for the costs of the needed system upgrades to secure the power and they pay for the power itself, but they don't have 5-7 years to wait for generation to come online before they can build. APA member companies can bring data center projects online swiftly with projects that have been working through the multi-year development pipeline process. We can use Kansas wind, solar and energy storage or behind the meter generation solutions to power data centers thereby saving our traditional generation resources for homes, businesses and manufacturing.

There is a very clear directive from Washington D.C. that the nation will bolster its national security at levels, drive true energy independence, reshore manufacturing and win the AI race. Data centers are a cornerstone to the foundation of achieving those objectives. Which was acknowledged last week in the Stargate data center announcement – a \$100 billion initial

investment in data centers increasing to \$500 Billion. Another large tech company announced a \$65 billion investment in data centers in 2025 alone.

The data center economy is happening, and other states are capturing the benefit. Kansas can seed data centers in rural and urban parts of Kansas which drives significant community investment without major new investment in local schools, roads and housing. The cost of the power load will be assumed by the data center, but the additional system usage will help level or lower electric costs for other users as noted in the Kansas Electric Rate Study commissioned by the Legislature a few years ago.

Thank you for your consideration and I am happy to stand for questions.