

**Testimony of Kansans for Lower Electric Rates and
Kansas Industrial Consumers Group
In Support of SB 81
Before the Senate Utilities Committee
February 10, 2021**

Senate Bill 81 is a simple rate reporting bill that will allow the Legislature to monitor the progress of efforts to transition Kansas to regionally competitive electric rates.

In 2019 Kansans for Lower Electric Rates and the Kansas Industrial Consumers Group lead the effort, with several stakeholders, to pass SB 69, mandating an electric rate study *“to provide information that may assist future legislative and regulatory efforts to develop forward-looking electric policy that leads to regionally competitive electric rates and reliable electric service.”*

The rate study reports have been submitted and include several charts, key insights and ideas to lower rates. We appreciate the Legislature’s support of the rate study.

The Kansas Corporation Commission (KCC) currently provides an annual report to the Legislature that provides a thorough overview of utility rates, regulatory proceedings, and supply and demand statistics.

SB 81 amends 66-117b to require the KCC to also include information on the average electric rates in other states in the region so the Legislature and others can easily understand how Kansas rates compare.

This reporting can be easily done with public data. Several examples using public data are attached. The KCC would be able to provide the benefit of consistency in the reporting format.

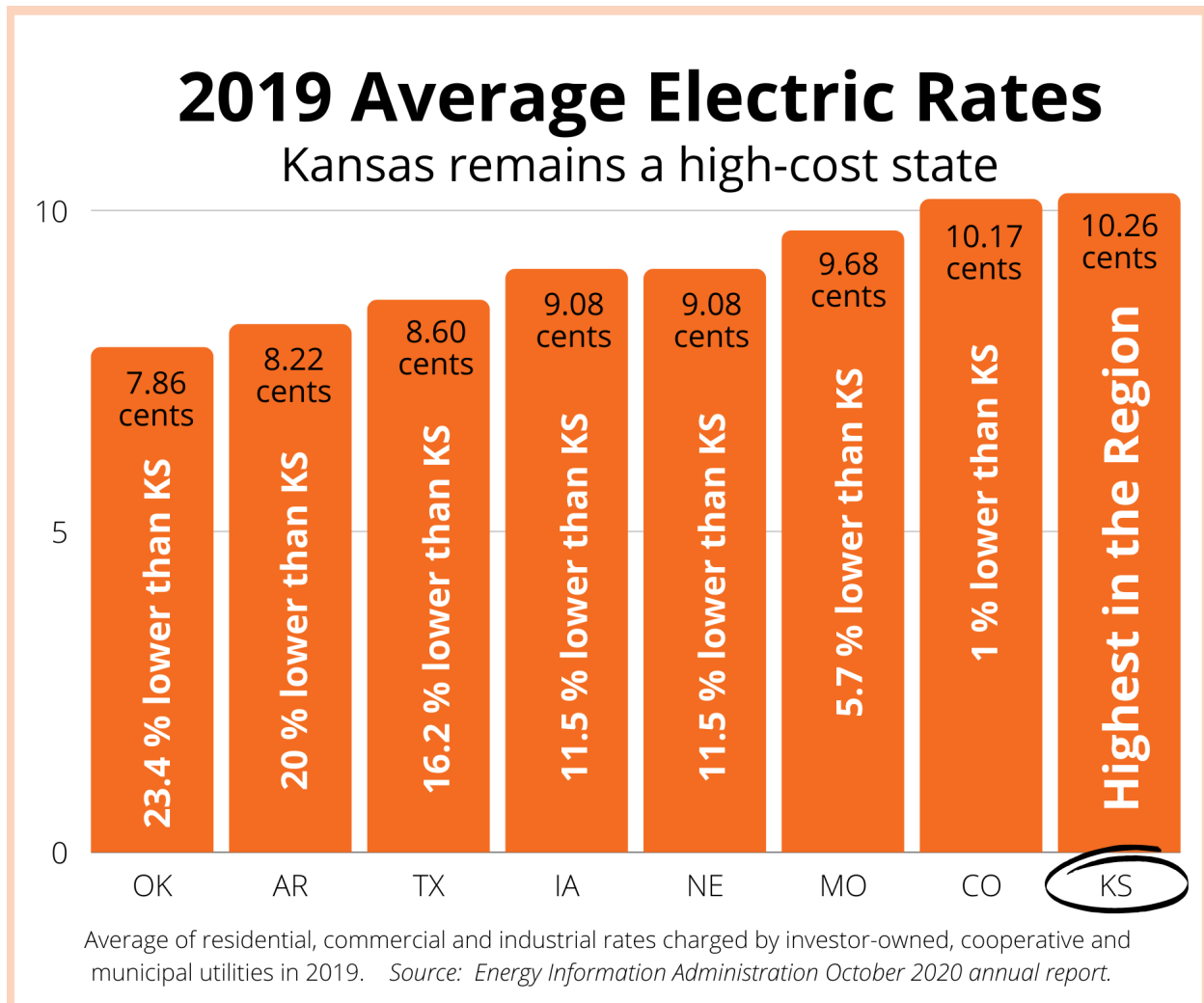
We urge the committee to support SB 81.

Contact:

Paul Snider, on behalf of
Kansas Industrial Consumers Group & Kansans for Lower Electric Rates
(913) 439-9723 | paul@sniderpa.com

The Kansas Industrial Consumers Group is a coalition of large-volume energy users in Kansas. The members collectively represent billions of dollars of investment in the State and employ thousands of Kansans. Kansans for Lower Electric Rates is an advocacy project of KIC with members of all sizes. We believe high energy costs are negatively impacting residential consumers, schools, hospitals, and large and small businesses.

Examples of Regional Electric Rate Data:



Kansans for Lower Electric Rates

Regional Electric Rate Comparison

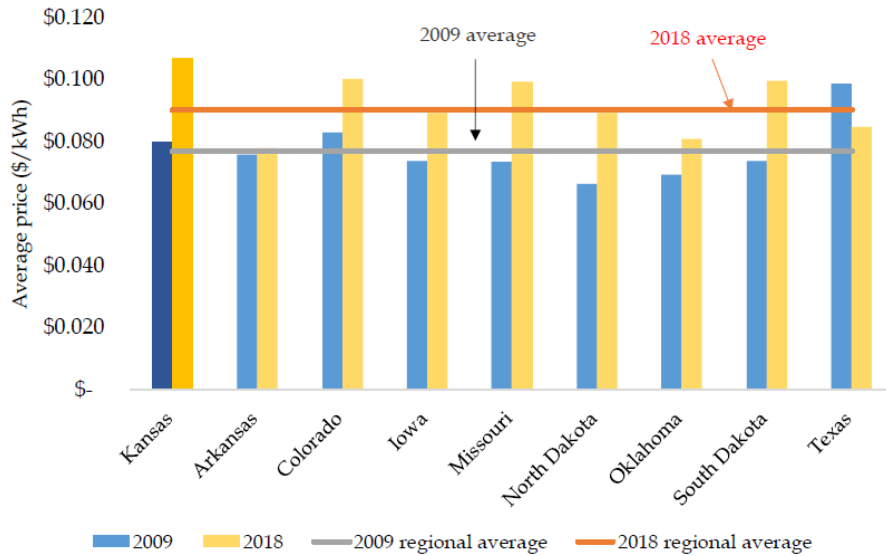
2019 -- Sorted by Residential

		Residential	Commercial	Industrial
Municipal Utilities^{1,2}	State	(c/kWh)	(c/kWh)	(c/kWh)
McPherson Board of Public Utilities	KS	7.17	6.52	5.01
Omaha Public Power District	NE	10.43	10.40	8.00
Independence Power & Light	MO	13.70	11.99	8.45
Kansas City Board of Public Utilities	KS	14.36	11.68	8.30
Investor Owned Utilities³				
Southwestern Electric Power Company	AR	8.41	6.60	5.51
OG&E Electric Services	OK	9.64	7.27	5.06
Public Service Company of Oklahoma	OK	10.05	6.88	4.97
MidAmerican Energy	IA	10.35	6.80	5.04
Ameren Missouri	MO	10.35	8.16	6.09
Public Service Company of Colorado	CO	11.14	10.40	7.00
Evergy Missouri West (KCP&L GMO)	MO	11.46	9.24	6.92
Evergy Kansas Central (Westar)	KS	12.72	10.36	7.53
Evergy Missouri Metro (KCP&L)	MO	13.18	11.21	7.96
Evergy Kansas Metro (KCP&L)	KS	13.32	11.13	8.52

Notes: ¹ Charges for the PILOT have been included in rates. ² Rates are calculated using current rates and the same billing determinants as EEI rates. ³ Rates are weighted averages of 4 months summer and 8 months of winter EEI rates.

Kansans for Lower Electric Rates

Figure 18. Average electricity rates in Kansas and regional states (2009 and 2018)



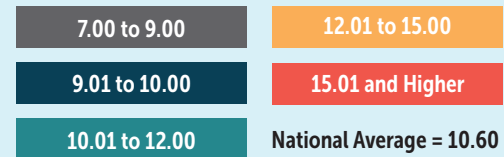
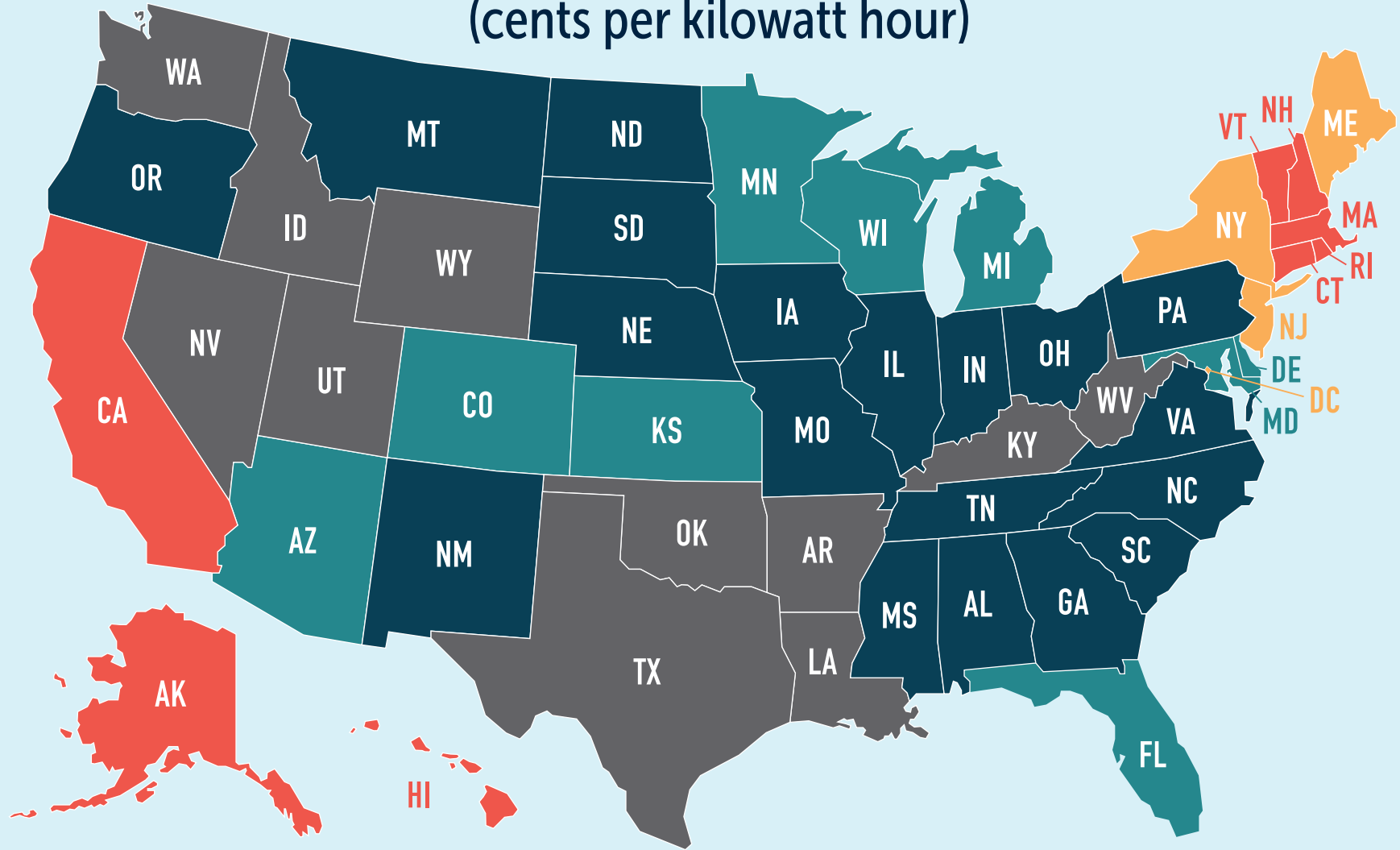
Year	Kansas	Arkansas	Colorado	Iowa	Missouri	North Dakota	Oklahoma	South Dakota	Texas	Regional average
2009	\$ 0.080	\$ 0.076	\$ 0.083	\$ 0.074	\$ 0.074	\$ 0.066	\$ 0.069	\$ 0.074	\$ 0.099	\$ 0.077
2018	\$ 0.107	\$ 0.078	\$ 0.100	\$ 0.089	\$ 0.099	\$ 0.089	\$ 0.081	\$ 0.100	\$ 0.085	\$ 0.090
CAGR	3.3%	0.3%	2.1%	2.1%	3.4%	3.3%	1.7%	3.4%	-1.7%	1.8%

Note: Regional average is the average price of the comparator states, i.e., Arkansas, Colorado, Iowa, Missouri, North Dakota, Oklahoma, South Dakota, and Texas.

Source: US Energy Information Administration. *Form EIA-861, Annual Electric Power Industry Report*. January 2019

2019 U.S. Average Electricity Retail Prices

(cents per kilowatt hour)



2019 U.S. Average Electricity Retail Prices

(cents per kilowatt hour)

7.00 to 9.00		9.01 to 10.00		10.01 to 12.00		12.01 to 15.00		15.01 and Higher	
Arkansas	8.13	Alabama	9.88	Arizona	10.64	Dist. of Columbia	12.14	Alaska	20.43
Idaho	7.91	Georgia	9.53	Colorado	10.02	Maine	14.08	California	17.04
Kentucky	8.53	Illinois	9.45	Delaware	10.64	New Jersey	13.47	Connecticut	18.75
Louisiana	7.65	Indiana	9.84	Florida	10.70	New York	14.39	Hawaii	28.83
Nevada	8.75	Iowa	9.36	Kansas	10.25			Massachusetts	18.29
Oklahoma	7.74	Mississippi	9.31	Maryland	11.25			New Hampshire	17.17
Texas	8.80	Missouri	9.45	Michigan	11.70			Rhode Island	18.50
Utah	8.32	Montana	9.14	Minnesota	10.57			Vermont	15.34
Washington	8.06	Nebraska	9.21	Wisconsin	11.04				
West Virginia	8.40	New Mexico	9.07						
Wyoming	8.12	North Carolina	9.53						
		North Dakota	9.08						
		Ohio	9.43						
		Oregon	9.06						
		Pennsylvania	9.80						
		South Carolina	9.86						
		South Dakota	9.93						
		Tennessee	9.75						
		Virginia	9.53						

Source: U.S. Energy Information Administration; Electric Power Monthly: February 2020