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Opponent Testimony (Written Only) on SB 312

For the Senate Committee on Local Government

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Thank you, Madam Chair and committee members, for the opportunity to comment on SB 312, which proposes to limit the ability of an electric or transmission-only public utility to exercise the power of eminent domain. As a public utility with a mandate to furnish reasonably efficient and sufficient service, Evergy must oppose this bill on the grounds that it would severely limit, and, in some instances, prevent us from moving forward with transmission infrastructure projects vital to the reliable and affordable delivery of electricity.

Evergy strives mightily to respect the wishes of landowners when undertaking projects that we know will impact them and their property. We do our best to communicate clearly and often as we move through the process of siting infrastructure, procuring right of way, working on someone's land and restoring that property as close to its original condition as possible. Where we can, we will often make accommodations a landowner requests in order to reach agreement that will avoid the need for eminent domain proceedings. In fact, Evergy, over the last few years, has exercised eminent domain less than 10% of the time. And that's on hundreds of projects.

Planning, siting, approving and constructing transmission projects, from beginning to end, takes years. To add another component that would insert uncertainty and delays to the process will impact transmission planning and disrupt the ability to effectively, efficiently and affordably provide transmission infrastructure in Kansas. What recourse exists if a board of county commissioners refuses to adopt a resolution approving eminent domain? At what point in the process would a utility need to approach a county commission for approval, not knowing if there was even a need to exercise eminent domain in the future?

Other project impacts could include:

- Additional time and cost to approach a county for adoption of a resolution;
- Siting impacts for transmission and distribution lines;
- Long-term electric grid impact in the region if transmission lines cannot be sited and Evergy's ability to provide safe, reliable, and affordable power is inhibited;

- Additional cost to secure easements if Evergy is unable to condemn parcels where negotiations have become unreasonable.

To conclude, although Evergy is opposed to SB 312 as written, because of the potential impact to reliability, we sympathize with landowners and believe wholeheartedly that utilities should be accountable to the communities they are serving and working in. Evergy has decades of experience working with Kansas landowners who understand the importance of a strong electric grid for the greater good. Our policies and processes that currently exist ensure that infrastructure projects are able to be planned, sited and constructed in a reasonably timely and affordable manner, in collaboration with Kansas landowners, which, the majority of the time results in a project coming to an agreeable and satisfactory conclusion. Based on our experiences, SB 312 would insert a component that risks complicating a process that is currently working well for Kansas.

About Evergy, Inc. Evergy, Inc. (NASDAQ: EVRG), serves 1.7 million customers in Kansas and Missouri. Our focus remains on producing, transmitting and delivering reliable, affordable, and sustainable energy for the benefit of our stakeholders. Today, about half of Evergy's power comes from carbon-free sources, creating more reliable energy with less impact to the environment. We value innovation and adaptability to give our customers better ways to manage their energy use, to create a safe, diverse and inclusive workplace for our employees, and to add value for our investors. Headquartered in Kansas City, our employees are active members of the communities we serve throughout Kansas and Missouri.