

Before the House Energy, Utilities and Telecommunications Committee  
Presented by Zack Pistora, Kansas Sierra Club  
Proponent to HB 2228  
2-7-23



Chairman Delperdang and Honorable Members of the Committee,

Thank you for the opportunity to submit testimony in support of HB 2228, which offers changes to the Net Metering and Easy Connection Act to help give customer-generators a better bargain from utilities for their excess clean energy.

**Improving Kansas' net metering policy will offer a better payback value for the excess energy that solar users generate for their utility. With a better payback value, solar adopters will see a quicker rate of return for their investment. Therefore, enhancing net metering is likely to help grow solar in Kansas.**

Kansas has a codified net metering arrangement for investor-owned utilities per the Net Metering and Easy Connection Act, much like 36 other states. Unfortunately, Kansas' Net Metering and Easy Connection Act has limitations, including a cap of 1% solar energy generation maximum, a 2030 expiration date, and solar array size limits. Furthermore, the Net Metering and Easy Connection Act does not apply to cooperative and municipal utilities, of which some have troublesome financial disincentives for solar, including demand charges and solar use fees. Such price discrimination and extra fees upon solar customer-generators were declared illegal by the Kansas Supreme Court in 2021, based upon a law the Kansas Legislature passed in 1980 stating utilities cannot charge higher rates to customers that use their own renewable energy. Financial disincentives, both past and present, thus deter Kansans from investing in solar, despite distributed generation being a positive force for lowering electric rates (particularly at peak demand), adding grid resiliency, lessening pollution, and more.

**In their rate study for the Kansas Legislature in 2020, AECOM concluded there were numerous utility benefits for increased solar adoption and that increased solar PV generation would benefit all ratepayers, but current rate structures were not advantageous on a cost basis for residential solar in Kansas.**

AECOM declared that *"equity between solar PV adopters and other ratepayers may be increased if rates were redesigned to better allocate utility benefits. Increasing their financial attractiveness would encourage higher solar PV adoption. As the cost of solar PV declines, the cost to all ratepayers could decline, subject to utility integration costs."* Ultimately, AECOM concluded that *"solar PV generation will increasingly benefit Kansas ratepayers, and that these benefits could be improved through rate reform."*

**Kansans deserve a better net metering policy to help spur solar growth and lessen overall electric rates. Sierra Club urges you to pass HB 2228.**

While Kansas is a top 10 state for the sun (solar resource), we are among the bottom states for the total amount of solar energy produced. As such, our state is losing out on a valuable asset for helping our state achieve energy self-sufficiency, gain new jobs, lower electric rates, lessen pollution, save water, and lower our carbon footprint. Net metering is a valuable tool in helping solar users achieve fair compensation for their benefit to the utility. It is time for Kansas to expand its net metering law.

Sincerely,

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*The Sierra Club is the largest grassroots environmental organization dedicated to enjoying, exploring, and protecting our great outdoors. The Kansas Chapter represents our state's strongest grassroots voice on environmental matters for nearly fifty years.*