



February 6, 2024

Mr. Chairman and Members of the Committee,

On behalf of the Wichita Regional Chamber of Commerce and our nearly 1,400 members, thank you for the opportunity to provide written only neutral testimony regarding H.B. 2527, AN ACT concerning public utilities; relating to the state corporation commission; authorizing cost recovery mechanisms for certain rate base additions; requiring the commission to evaluate the capital structure of certain public utilities without regard for entities affiliated with such utility; authorizing certain public utilities to elect a specific return on equity in rate proceedings; increasing the peak demand threshold and discount term for economic development electric rates for large facilities; removing requirements for tracking and deferral to a regulatory asset of revenue reductions caused by economic development rates; authorizing a rate adjustment mechanism for the construction of new gas-fired electric generating facilities.

Reliable energy plays a crucial role in the growth and development of the Kansas economy. Electric providers like Evergy need a regulatory environment that allows for the investment of capital and deployment of resources in a proactive approach. We believe H.B. 2527 is an attempt to move policy in that direction. However, we have some concerns with the bill in its current form related to the ultimate impact on ratepayers throughout the state. Therefore, we are neutral while encouraging the various stakeholders and policymakers to make changes to the bill.

The Chamber's leadership has been in communication with proponents and opponents of the bill, and both have expressed a willingness to work together to reach a mutually beneficial consensus compromise on this legislation. We believe that path exists and would look forward to supporting H.B. 2527 once that balance has been achieved.

Very truly yours,

Jason P. Watkins