



February 12, 2025

Senate Committee on Utilities

SB 167 Proponent

Dear Chairman Fagg and Committee Members,

Thank you for allowing me the opportunity to provide testimony in support of Senate Bill 167 (SB 167). Americans for Prosperity represents thousands of activists and Kansans who want to see a free market that shies away from cross-subsidizing costs. We commend business innovation and new technology in our economy, but not at the expense of ratepayers for an unfair market advantage for some entities over others. We believe successfully realizing new technologies' potential hinges on creating an equitable landscape for investment and competition.

As businesses explore the possibility of investing in electric vehicle fast-charging stations, they face significant uncertainties, primarily due to the current legal and regulatory framework. SB 167 is a critical step toward providing the clarity and assurance necessary for private investment in this burgeoning sector.

One of the key provisions of SB 167 addresses the concept of "rate basing EV chargers." This practice allows electric utilities to recover the costs associated with installing and operating public EV fast chargers from all ratepayers—many of whom may not own an electric vehicle. By shifting these costs onto the broader ratepayer base, the utilities would effectively subsidize their network expansion at the expense of fair competition. This creates an uneven playing field that deters private investment from companies eager to contribute to Kansas's EV infrastructure.

We also know that fuel retailers in Kansas are ready to meet consumer demand for EV charging services. However, the substantial upfront capital required for these projects necessitates a stable environment where investments won't be undermined by utility-owned chargers backed by risk-free capital. SB 167 would establish that environment, promoting a fairer competitive landscape that encourages innovation and expansion in the EV charging sector.

Moreover, by ensuring that electric utilities can only operate EV charging stations through unregulated subsidiaries, this legislation will help prevent the unfair pricing advantages that currently exist. It is vital that electric utilities offer the same rates to themselves that they provide to private businesses. This equality in electricity pricing is essential for creating a vibrant, competitive market for EV charging, allowing all providers to thrive without undue advantage.

Establishing a collaborative framework between fuel retailers and electric utilities will enhance the customer experience for EV drivers, ensuring convenient access to charging stations across the

state. With SB 167 in place, both sectors can focus on their strengths—fuel retailers on providing exceptional service and electric utilities on efficient energy distribution.

In conclusion, SB 167 is not just an important legislative measure; it is a necessary policy to foster a competitive, innovative, and sustainable EV charging market in Kansas. I urge this committee to support the bill, ensuring that we create a robust infrastructure that meets the needs of all Kansas residents and businesses.

Thank you for your time and consideration. I am happy to address any questions you may have regarding this critical legislation.

Sincerely,

Elizabeth Patton

State Director

Americans for Prosperity- Kansas