

Senate Committee on Utilities
Testimony of Citizens' Utility Ratepayer Board
Written Only Testimony
Neutral Testimony on SB 167
February 11, 2025

Chairman Fagg and members of the Senate Committee on Utilities, thank you for this opportunity to testify regarding Senate Bill (SB) 167. My name is Joseph Astrab. I am the Consumer Counsel for the Citizens' Utility Ratepayer Board (CURB). CURB is the advocate for residential and small commercial ratepayers before the Kansas Corporation Commission (KCC) and the Kansas Legislature. My testimony reflects the interests of these utility ratepayer classes regarding SB 167.

SB 167 creates new regulations on the construction, ownership, and usage of electric vehicle (EV) charging stations and retail electric services. "Retail electric service" under this bill is defined as the furnishing of retail electric service to a retail customer for end use, but excludes electric service exclusively used for supplying EV charging stations. "Retail electric supplier" is broadly defined as a person or entity that is engaged in the business of providing retail electric service. This includes public utilities regulated by the Kansas Corporation Commission, unregulated entities like municipalities, and electric cooperatives.

Section 2(a) states that costs to construct, install, operate, own or maintain any electric vehicle charging station cannot be included in the rate base of a retail electric supplier. Further, revenue received by a retail electric supplier for the provision of retail electric service cannot be used, directly or indirectly, to subsidize investments for EV charging stations. If such a supplier decides to construct, own, or operate a charging station for public use, then it must be done as a separate, unregulated private enterprise that separates those costs and revenue from regular accounting for the retail electric business. Further, under subsection 2(b), the retail electric supplier must also offer equitable rates and terms for service for retail EV charging usage as it does for other private providers of EV charging. CURB is supportive of this equal treatment of utility-owned and privately owned businesses to prevent unfair competition funded by ratepayer dollars in this kind of enterprise. It is a reasonable compromise to address the inherent conflict with retail electric sale end use and public utilities being the supplier of this business.

However, the language in the bill may be overly restrictive on utility programs that aim to promote EV adoption and efficient grid use. Jurisdictional utilities, such as Evergy, have been designing programs that monitor residential home charging and commercial fleet electrification and the effects on the electric grid. For example, in Docket No. 25-EKCE-169-TAR, Evergy is asking for approval of programs to assist commercial businesses in fleet electrification and charging infrastructure planning. Also, another program is for residential ratepayers with EV charging that gives Evergy the ability to control during charging times based on peak demand and pricing. These programs would be funded through ratepayer revenue and SB 167 has a prohibition

on such funds being used “directly or indirectly” on charging stations. CURB believes that the bill could impact programs like those in 25-EKCE-169-TAR.

Another concern for CURB is the rates set for retail EV charging. The bill requires all retail electric suppliers to establish rate schedules for charging, regardless of whether the supplier is engaged in retail EV charging itself. The bill requires that these rates are not demand-based and assessed based on kilowatt-hours of electricity consumed. While this appears to be like how gasoline is sold, electricity is unique in that it competes with different kinds of end usage and is impacted by usage throughout the day. EV and charging infrastructures are still cost-prohibitive for many ratepayers and such customers are not going to be taking service related to vehicle charging. In addition, EV charging on a retail scale may be used more by out-of-state travelers passing through Kansas who do not take service from Kansas utilities. However, if retail EV charging develops in a way that promotes usage during peak demand times, it would make sense to CURB to have a demand-based rate calculation to ensure that additional costs are not borne by non-EV user and ratepayers. Otherwise, the bill risks creating a subsidy for retail EV charging from all other ratepayers.

For the reasons stated above, CURB submits neutral testimony on SB 167 for the Committee's consideration.