

Before the Senate Utilities Committee
Presented by Zack Pistora, Kansas Sierra Club
Proponent to SB 170
2-12-25



Chair Fagg and Honorable Members of the Committee,

Thank you for the opportunity to submit testimony in support of SB 170, which would authorize the Kansas Corporation Commission (KCC) to recommend energy efficiency standards for residential, commercial, or industrial buildings. Currently, Kansas statute, per K.S.A. 66-1227, specifies that the KCC has no authority to adopt or enforce energy efficiency standards for residential, commercial, or industrial structures. SB 170 would clarify that KCC has authority to *recommend* energy efficiency standards, which could inform both Kansas residents, businesses, and builders alike in realizing the gains of cost-savings, environmental impact, and quality of living that comes with energy-efficient buildings.

Currently, the State of Kansas has a 2006 international energy conservation code (IECC 2006) for commercial and industrial structures, with no recommended statewide code for residential buildings.

Since Kansas is a Home Rule state, cities and counties hold the responsibility for the adoption and enforcement of building codes within their local district. In 2016, the KCC's Energy Division conducted a survey of selected cities and counties about their adopted energy codes, but there currently does not seem to be an easily reviewable list of local building codes in Kansas. Nonetheless, it seems some local governments have adopted newer building codes for their communities, it seems that many cities and counties have building standards that are outdated or none at all. Indeed, SB 170 retains Home Rule authority for Kansas municipalities and counties regarding building codes, but informational resources provided by the KCC's Kansas Energy Office would surely be beneficial for Kansas local governments.

A newer building code, like the 2021 or 2024 IECC, would offer significant social, economic, and environmental benefits to Kansas.

Over the last two decades, the U.S. Department of Energy (DOE) has conducted analysis on impacts of international energy conservation codes nationally and for states. U.S. DOE has a nationwide analysis and cost-benefit assessment on the latest building code, 2024 IECC. U.S. DOE also has a Kansas-specific report that highlights the advantages of the 2021 IECC in nearly **\$700 in annual energy cost-savings, over \$15,000 in life-cycle cost-savings, ~6-year payback, thousands of jobs created, and reduction of millions of tons of emissions**. Below are highlights of their 2021 report.

From the U.S. DOE's 2021 *Cost-Effectiveness of the 2021 IECC for Residential Buildings in Kansas* report:

Table 13 shows the first-year energy cost savings as both a net dollar savings and as a percentage of the total regulated end use energy costs. Results are weighted by single- and multifamily housing starts, foundation type, and heating system type.

Table 13. Total Energy Cost Savings (First Year) for the 2021 IECC Compared to the 2009 IECC

Climate Zone	First Year Energy Cost Savings	First Year Energy Cost Savings (percent)
4A	\$691	26.0%
5A	\$683	24.8%
State Average	\$691	25.9%

Table 1. Life-Cycle Cost Savings of the 2021 IECC compared to the 2009 IECC

Climate Zone	Life-Cycle Cost Savings (\$)
4A	15,030
5A	15,178
State Average	15,033

Table 15. Societal Benefits of the 2021 IECC

Statewide Impact	First Year	30 Years Cumulative
Energy cost savings, \$	1,911,000	618,700,000
CO ₂ emission reduction, Metric tons	13,560	6,386,000

Table 16. Jobs Created from the 2021 IECC

Statewide Impact	First Year	30 Years Cumulative
Jobs Created -- Reduction in Utility Bills	73	1,964
Jobs Created -- Construction Related Activities	145	3,919

Besides the U.S. DOE, London Economics International (LEI) produced a 2020 report in response to the Legislature’s formal request for an Electric Rate Study. In that report, LEI suggested on page 211 that energy efficiency could help reduce electric bills and help achieve regionally competitive rates.

- More opportunities exist in energy efficiency, and strategic, targeted and cost-effective energy efficiency programs could help Kansas customers reduce their energy bills. Efforts to study energy efficiency potential in the state coupled with a move to revise the current energy efficiency review approaches, and encouraging utilities to submit more proposals, may realize additional benefits in the future. However, incorporation into IRP processes would be the best approach.

Given the environmental and social benefits of energy efficiency, the Sierra Club supports SB 170 and associated public and utility efforts to help Kansans conserve energy.

According to the latest ranking from the American Council for an Energy Efficient Economy (ACEEE), Kansas ranks tied for second-to-last (49th of 51) in terms of energy efficiency programs. Recent programs, the KS Homes Rebates program and Evergy’s KEEIA programs, if successfully implemented, should help Kansas homes and businesses conserve energy. Minnesota and Colorado, 10th and 13th respectively in energy efficiency rankings, have much less monthly energy consumption and significantly lower monthly bills (\$20-30) on average than Kansas according to KCC analysis to the Legislature in 2024 presentation.

While Kansas could do much more from a leadership and policy perspective, SB 170 offers a good start.

Thank you for your consideration. We urge you to pass SB 170 this session.

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 has been our state's strongest grassroots voice on environmental matters for fifty years.