



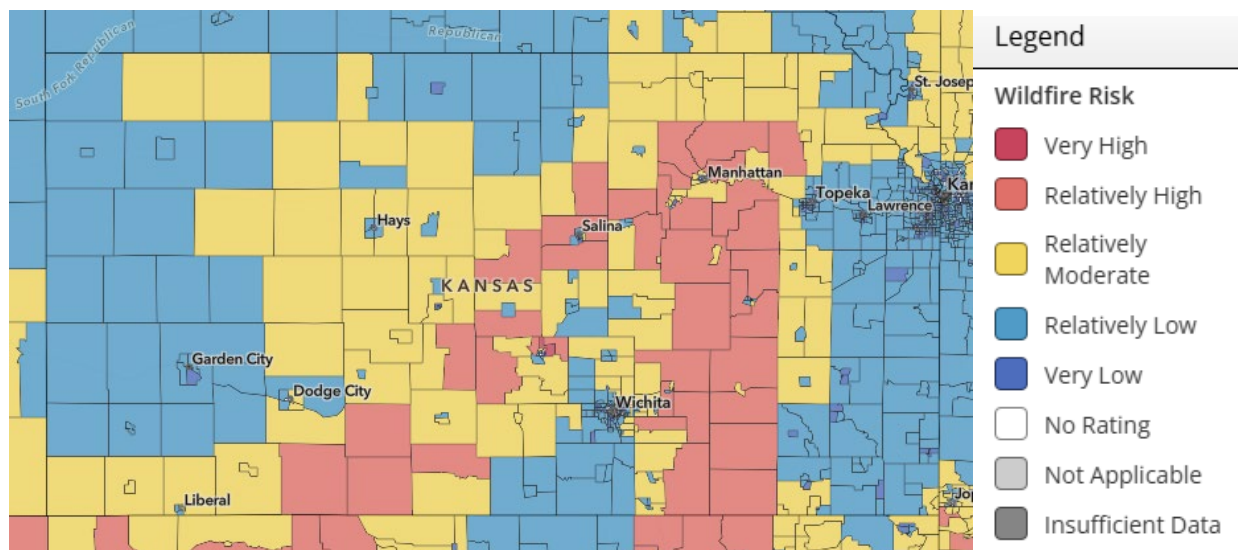
**Testimony in Support of HB 2107  
For the Senate Committee on Utilities**

**Chuck Caisley, EVP, Chief Customer Officer, Evergy**

**March 6, 2025**

Thank you, Mr. Chairman and members of the committee, for the opportunity to testify as a proponent of HB 2107, which is short and straightforward legislation addressing electric utilities with respect to Kansas wildfire risk, mitigation and liability.

The Federal Emergency Management Agency (FEMA) designates a significant portion of Kansas as having moderate to relatively high wildfire risk.



Electric utilities have a legal and regulatory obligation to serve any customer requesting electricity within their service territory. As a matter of practice, electric utilities are not allowed to mitigate risk through choosing what customers to serve and under what conditions they will provide service. In addition, customers are best served by utilities that are investment grade and in solid financial condition. Generating and delivering electricity is a capital intensive business requiring hundreds of millions to billions of dollars of annual investment to serve customers in the state of Kansas. If a utility is not investment grade, it can significantly raise the cost of capital and thereby the operating cost of electric utilities.

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For these reasons, HB 2107 amends Kansas statute to establish several legal items:

1. Require a plaintiff who is suing an electric utility for injury by a wildfire establish by a preponderance of the evidence that the loss was due to a fire caused by the utility's conduct. This is the current legal standard in Kansas and is simply meant to codify in statute that potential future plaintiffs are not allowed to argue that electric utilities should be held to a strict liability standard.
2. And, explicitly establish that punitive damages for wildfires shown to be caused by an electric utility are limited to \$5 million as currently provided by K.S.A. 60-3701(e).

In addition, HB 2107 requires the Kansas Corporation Commission (KCC) to hold a working docket where stakeholders, including KCC Staff, the Citizens' Utility Ratepayer Board (CURB) and others can assess and discuss wildfire risk and potential mitigation steps with the intent of leading to a potential regulatory rulemaking on this subject.

Discussing wildfire risk, electric utility readiness, potential risk mitigation strategies (including increased investment and different operating rules which could result in Public Safety Power Shutoff or PSPS plans) are topics which should be formally discussed and open to all impacted customers and stakeholders in Kansas.

As such, we support this bill and encourage the Committee to adopt the straightforward and reasonable recommendations.