



**Testimony in Support of Substitute for HB 2149
Laura Lutz, Director, Government Affairs, Evergy
For the Senate Committee on Utilities**

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Thank you, Mr. Chairman and members of the committee. Evergy appreciates the opportunity to provide testimony on this legislation, which deals with changes to the parallel generation statute. Evergy, along with our utility industry peers, has been engaged in productive conversations with the proponents of the bill to try and find common ground. We are in agreement with the product contained in this substitute bill and are now in support after originally opposing the underlying bill.

You may recall that last year, this committee considered legislation that made updates to the net-metering law. That bill ultimately became part of HB 2527, and it introduced several changes to net metering regulations. It increased the capacity limit for net metering facilities within the service territories of investor-owned utilities. Additionally, it required net metering systems to be appropriately sized based on the customer's average energy load, and it established guidelines for exporting power from net metering systems to utilities.

The majority of Evergy's rooftop solar customers participate in net-metering, but we do have some customers who are on the parallel generation rider, and we expect that the number could grow significantly in the future because of business interest in self-generation.

One of our concerns with the original HB 2149 was the language in regard to a utility's aggregate export capacity from all renewable energy systems. The bill stipulates that that amount subject to parallel generation service would not exceed 10% of a utility's historic peak demand. Such a large jump (5% to 10%) in allowed capacity has the potential to negatively impact the grid if and when rooftop solar customers suddenly need back-up power from the grid. We believe 10% is high and had recommended that figure be more in the 5% range or a staggered approach to a higher percentage be implemented, such as what was agreed to in last year's net-metering language. That issue was resolved in this bill when agreement was reached on stair-stepping to an 8% cap in a few years. *(more on back)*

One thing we do appreciate that the proponents of HB 2149 brought forward is language around consumer protections for Kansans who are interested in installing rooftop solar. That is something we were not able to accomplish with the net-metering changes last year, but something that is sorely needed. Evergy continues to document instances in our service territory where installers go door-to-door erroneously claiming to partner with utilities to promote rooftop solar, asking customers for copies of their utility bills, and using tactics to pressure unsuspecting customers into signing agreements for systems larger than they need.

We are incredibly supportive of the reputable solar installers who are involved in this legislation and who have good working relationships with the utility industry in Kansas. It is the bad actors that compel our interest in ensuring some consumer protections are established sooner rather than later.

In conclusion, our interest in Substitute for HB 2149 is to help establish clarity and consistency for Kansans wanting to participate in parallel generation; to create more robust customer disclosures and consumer protections; and to ensure that the growth of rooftop solar and the number and size of systems connecting to the grid do not create undue challenges in the future for utilities when managing the electric grid.

Mr. Chairman and Committee, we appreciate this opportunity to share comments on the proposed legislation and thank you for your consideration of Substitute for House Bill 2149.