



February 8, 2023
SB 68
Oral In-person
OPPONENT

From: Jason Watkins, Wichita Regional Chamber of Commerce

Mr. Chairman and Members of the Committee,

On behalf of the Wichita Regional Chamber of Commerce and our nearly 1,500 members, thank you for the opportunity to provide testimony in opposition to S.B. 68, AN ACT concerning electric transmission lines; relating to construction and ownership of certain electric transmission lines; providing incumbent electric transmission owners a right of first refusal.

SB 68 would provide incumbent electric transmission owners a right of first refusal for a federally recognized transmission plan by a regional transmission organization. Incumbent owners would be required to provide written notice of their intent to construct, own, or upgrade such lines to the regional transmission organization. If there are two or more incumbent transmission owners, the right of first refusal would be determined by mutual agreement between them.

The Chamber opposes this legislation because it is anti-competitive and would deny Kansas ratepayers the benefits of free market competition related to electricity rates. The Chamber's 2023 Legislative Agenda contains the following language – **“Support policies and incentives that will improve the competitiveness of Kansas utility rates.”** Passage of SB 68 would do the exact opposite.

Energy related expenses are a major factor in the overall cost of doing business for Kansas businesses. Like taxes and regulatory environment, companies both within and outside Kansas consider energy costs when deciding on whether to re-locate or expand operations in the Sunflower state. Therefore, Kansas policymakers must take great care in ensuring that any and all energy policy puts Kansas on the most competitive footing possible.

The main proponent of this legislation is a great Kansas company. They provide reliable power and employ a large number of Kansans in jobs offering competitive wages and benefits. They are also a publicly traded company accountable to shareholders who expect and demand the maximum return on investment. While some are critical of Evergy for seeking this legislation, they shouldn't be. It could be argued that Evergy has a duty to seek policy that puts them in the best position to provide the greatest profits to their shareholders. This legislation does exactly that.

However, the ultimate duty of the legislature is not to Evergy or its shareholders. It is to the citizens and ratepayers of Kansas. It is your responsibility to be the arbiter in policymaking decisions between the state's largest regulated monopoly and the people that both elect you and are served by the monopoly utility. At the end of the day, you must decide what is in the best interest of the people and businesses that call Kansas home and what secures the best future for our state. Consideration of S.B 68 viewed through that lens leads to only one logical conclusion. S.B 68 is not good public policy and should not be passed.

Thank you and I am happy to stand for questions at the appropriate time.

Very truly yours,

A handwritten signature in black ink that reads "Jason P. Watkins". The signature is written in a cursive style with a prominent flourish at the end.

Jason P. Watkins