

Senate Committee on Utilities

Testimony in Support of Senate Bill 456- Retirement of Fossil Fuel Facilities

Presented by Eric Stafford, Vice President of Government Affairs, Kansas Chamber

Thursday, February 15, 2024

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber represents small, medium and large businesses of all industry segments across the state. We appreciate the opportunity to testify in support of Senate Bill 456, which establishes criteria for the Kansas Corporation Commission to evaluate to determine if it's acceptable to retire a fossil fuel electric generation facility.

The first factor addresses generation capacity to ensure the facility is being replaced with dispatchable energy sources either by the utility or by the regional transmission authority (SPP in this case) to balance capacity needs of the service territory. SB 456 requires the new energy source to either maintain or improve reliability of the grid and protects the minimum reserve capacity.

The second protection included in SB 456 ensures that ratepayers are not harmed through uncompetitive rates by added costs that could be avoided by maintaining operation of the fossil fuel generation facility. SB 456 also includes a provision that requires cost savings for customers through the retirement of such facility. And last, SB 456 prevents closure under objectives based solely on environmental, social or governmental goals.

We have been communicating with interested parties on this bill and believe we will be able to accommodate concerns expressed based off the language as introduced. We look forward to finding a sound compromise that protects both ratepayer and utility interests.

In closing, we respectfully ask the committee to support Senate Bill 456 by setting clear guidelines for the corporation commission to follow to consider the impact on ratepayers by a utility's decision to retire a fossil fuel electric generation facility. Thank you for the opportunity to testify today and I'm happy to answer questions at the appropriate time.