

Citizens' Utility Ratepayer Board

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SENATE UTILITIES COMMITTEE

S.B. 128

Testimony on Behalf of the Citizens' Utility Ratepayer Board

By David Springe, Consumer Counsel

January 31, 2007

Chairman Emler and members of the committee:

Thank you for this opportunity to offer testimony on S.B. 128. The Citizens' Utility Ratepayer Board supports this bill for the following reasons:

SB 128 is a Kansas Energy Council recommendation aimed at creating statewide standards for use in energy education and energy conservation promotion. An "energy conservation education advisory group" under the direction of the Kansas energy office is created for the purpose of developing the education standards and guidelines envisioned by the bill. The bill requires the Kansas Corporation Commission to require all public utilities to deliver programs consistent with the standards developed.

CURB convened a special board meeting on September 25, 2006 to review our position and policy with regard to energy conservation and efficiency programs provided by jurisdictional utilities. At the meeting the Board indicated that it believes additional resources and additional effort should be directed towards energy conservation activities. Part of this policy is an acknowledgement that, while not every program will necessarily reduce every consumer's rate or reduce every consumer's use, the programs may still have value.

The energy education and conservation promotion program envisioned by this bill is an example of such program. Providing some standardization in material presented across jurisdictional boundaries and across targeted groups will benefit Kansas consumers. CURB also hopes that this process will help reduce costs to utility consumers by reducing the inefficiencies associated with each utility creating, staffing and promoting its own materials outside of a standard setting process.

CURB does have a few minor drafting issues for the committee to consider. CURB does not believe that any of these proposed edits change the intent of what the energy council hopes to achieve with this recommendation.

- P.1 line 15. Delete “develop and administer a program” and change “requiring” to “require.”
- P.1 line 20. Consider changing “shall” to “may”. Or make the sentence in the nature of “shall develop and may administer” to allow flexibility to municipalities and coops.
- P. 2 line17. Consider changing “shall” to “may”. While performance measures and goals are important to measuring the effectiveness of the program, quantifying the effectiveness of an education program as a “percentage of energy consumption” may be impossible. Using “may” gives more leeway to the advisory group to recommend other performance measures.
- P.3 line 5. Delete “for sale to consumers on a fee for service basis.” CURB supports fee for service conservation programs. However, including this language specifically in this section and reading the statute as a whole, it can be argued that the statute *requires* every program beyond the education programs addressed in the bill to be on a fee for service basis. CURB does not think this restriction is intended.
- General observation: Perhaps the program standards information on P. 2, lines 4-10 should be combined with the utility program standards information on P.2, lines 29-37.

Thank you for your consideration of these comments on SB 128.