

Citizens' Utility Ratepayer Board

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HOUSE UTILITIES COMMITTEE S.B. 555

Testimony on Behalf of the Citizens' Utility Ratepayer Board
By David Springe, Consumer Counsel
March 11, 2008

Chairman Holmes and members of the committee:

Thank you for this opportunity to offer testimony on S.B. 555. The Citizens' Utility Ratepayer Board is neutral on this bill but does have some suggested clarifications:

Senate Bill 555 deals with customer notice issues surrounding the filing of a rate case with the state corporation commission by a water utility. Section 1 of the bill requires a water utility that files for a "major increase in rates or charges", as defined in the bill, must send notice to its customers in the customer's ensuing monthly bill. Section 2 of the bill requires the Kansas Corporation Commission to give CURB notice of this same filing. Section 3 of the bill requires CURB to inform the water utility and the KCC, in writing not more than 30 days after the notice, whether CURB intends to intervene in the rate hearing. The KCC must post this notice on its web site.

The majority of CURB's concerns regarding the drafting of this bill were address in the Senate Sub-Committee and are represented in the bill as amended. CURB would note that the notice provisions do not apply to electric, natural gas or telephone utilities in the amended bill. While this bill is specifically directed at issues regarding a water utility, CURB supported the original version that included electric, natural gas and telephone utilities in the notice provision in the bill. Defining and drafting under what circumstances notice pursuant to section 1 would be required became a difficult task, especially in regards to telephone utilities, and this probably explains why the other utilities were removed from this bill. However, CURB would recommend the committee determine whether the notice provision should also apply to electric and natural gas utilities.