

House Committee on Energy, Utilities, and Telecommunications  
Testimony of Citizens' Utility Ratepayer Board  
Written and Oral Testimony  
Neutral Testimony on HB 2483  
January 27, 2026

Chairman Delperdang and members of the House Committee on Energy, Utilities, and Telecommunications, thank you for this opportunity to testify regarding House Bill (HB) 2483. My name is Joseph Astrab and I am the Consumer Counsel for the Citizens' Utility Ratepayer Board (CURB). CURB is the advocate for residential and small commercial ratepayers before the Kansas Corporation Commission (Commission or KCC) and the Kansas Legislature. I am furnishing neutral testimony on HB 2483. The bill contains numerous sections that amend and create new language across several statutes. I will highlight the sections that pertain to our agency's operations and mission.

HB 2483 creates new language to enact the Transparency and Reform of Utility Expenditures ("TRUE") act. The TRUE act lays out new reporting requirements and modifies authority for the Kansas Corporation Commission ("KCC" or "Commission") and for CURB as it pertains to transmission projects. The bill further provides for private agreements for generation and storage facilities with distributed energy suppliers. The overall aim of the bill appears to implement new reporting mechanisms to obtain data about the costs that Kansas utility companies incur as a result of being subject to the rules and regulations of regional transmission organizations and the Federal Energy Regulatory Commission ("FERC"). Kansas and its utilities are subject to the jurisdiction of the Southwest Power Pool ("SPP"). In essence, utilities relinquish control over the transmission and distribution of its electricity so that the SPP can function as the administrator of the open market and transmission services for electric utilities. SPP oversees transmission system planning and conducts studies to determine the need for new projects. These projects solicit bids from developers to complete the project, including utility companies. Costs incurred for these projects are allocated among members based on considerations such as the total miles a line will run through a region. These services enhance regional efficiencies and maintain a more consolidated point of facilitating this interstate system.

One point of contention that CURB and others have observed is the absence of state-specific measurements and data from SPP's transmission planning process. Rather, data is measured at a zonal level at the utility level. As transmission projects are identified and more costs are assessed to utilities (which are ultimately recovered from ratepayers), people want to know more about the costs and benefits that flow to their states. Implicit in this discussion is the question of whether costs and benefits are being fairly and fully calculated or allocated. HB 2483's provisions establish new layers of information gathering and ratemaking authority to head off some of these increasing costs.

CURB is neutral to HB 2483 because, while the bill attempts to shed more light on an important topic for Kansas ratepayers and address ways to lower ratepayers' bills, the methods may introduce uncertainty and even contentiousness between Kansas utilities and SPP. In particular, Section 13 would amend K.S.A. 2025 Supp. 66-1237, which deals with the Transmission Delivery Charge ("TDC"). Currently, FERC determines the substantive calculation of the TDC for electric utilities. In turn, the utility files an application to update the Commission, who then verifies that the utility has appropriately incorporated the update into the rate. HB 2483 would prevent a utility from including transmission costs from FERC or the utility's own internal planning. Instead, the Commission would have authority to determine the appropriate TDC within a general rate case. TDC changes occur at a more predictable interval compared to large rate cases. If a TDC change is significant enough to trigger the need for a rate case sooner, it may result in more frequent rate cases, and therefore, more rate increases. The reference to the authority in 66-117(h) implies that the Commission may not necessarily have to follow the orders from FERC in determining the TDC in Kansas if such rates would negatively impact regional rate competitiveness or economic development. If that is the case, then a conflict of law between state and federal authority may arise. At a minimum, if the Commission approves an amount lower than FERC, an issue could arise from the utility's recovery of costs and the conflict in approved amounts. CURB would strongly urge caution and understanding any potential issue in these instances.

Further, although CURB welcomes the opportunity to represent its constituents in new forums like the SPP and FERC, Section 12's expanding of CURB's authority to participate in or intervene before those entities would require a sizeable expansion of CURB's workforce. Currently, the KCC utilizes outside firms to participate in FERC matters. In-house staff consult with these consultants to assist in advising the Commission on courses of action. CURB does have a level of involvement with FERC matters through its membership with the National Association of State Consumer Advocates ("NASUCA"). This organization consults with state consumer advocate offices and solicits input for intervention and filings with FERC. CURB is typically apprised of FERC matters that touch on consumer issues in this fashion. At a minimum, if CURB is required to participate and intervene in FERC matters, it would also look to retain outside firms to facilitate that duty. Such an expense is likely to be significant on a full-time basis and not currently incorporated into CURB's budget. If enacted, it may be a number of years before CURB can begin fulfilling that new responsibility.

SPP presents similar considerations and challenges for the agency. CURB does not currently participate in or serve as a member of SPP. The KCC does have a representative and regularly engages with various working groups and regional matters on behalf of Kansas. During Kansas's membership in SPP, the KCC has hosted regular public update meetings with news and current events from SPP. From CURB's perspective, the KCC has represented state interests well at SPP and provided unique and valuable insight into SPP operations, giving Kansas a very positive reputation. While not FERC, the SPP is a complex entity that mixes regulatory, administrative, and operational functions across a large number of utilities. In short, CURB would likely have to dedicate substantial time and resources to meaningfully contribute at the regional level. HB 2483

does not prescribe the path or procedure for CURB to obtain membership or participation. In that regard, CURB may be able to increase consultation with the KCC regarding SPP matters. If that would be sufficient under this new mandate to represent ratepayer interests, it could mitigate the need to seek outside consultants or additional resources for SPP participation. Such standards should be explored along with these changes.

Notwithstanding Section 12, CURB views Section 1, Section 3, and Section 10 in conjunction with Section 13 as a point of contention between SPP and Kansas. Section 1 requires the KCC to submit a report to the Legislature that summarizes the projects and costs from the integrated transmission plan from the SPP. This report includes statements of whether the KCC will be supportive of projects and whether the costs have been “moderated at the lowest reasonable amount. Section 1(b) states that if the costs are not moderated, then the KCC must develop a plan for Kansas utilities to reduce the financial obligation to and participation in future projects and submit those plans to the SPP. Section 3 prevents utilities from participating in transmission line projects from SPP if they are not subject to a competitive bidding process or impose a net negative benefit to Kansas or more benefit to another state. Section 10 amends 66-1,178 to require a utility to get Legislative approval before construction of a high-impact electric transmission line and proscribes the method to obtain approval. If the Commission submits a plan to essentially disregard parts of the transmission plan or contribution to costs, it may be outright rejected by SPP. If the high-impact line is ordered by the SPP, but the Legislature does not approve it, what happens? It is unclear what occurs after a plan is rejected, but there may be consequences for failing to comply with SPP directives per membership standards. Again, caution should be exercised before setting up a system that can directly lead to conflict and potential outcomes, including exit of the SPP.

Section 14 requires the KCC representative to SPP to report information about rate impact and rationale before acting as a voting member on any matter that may lead to an increase in electric rates before the Senate and House committees covering utilities. This kind of reporting would provide regular updates on SPP matters affecting Kansas. It does not appear to require any sort of feedback or directive from the Legislature. Informational reporting like this could supplement other venues to discuss SPP done by the KCC.

Section 11 pertains to CURB's board membership requirements. HB 2483 would require board members to be approved by the Senate and limit membership to no more than three members of the same political party. Board members would still be appointed by the Governor for staggered four-year terms. As a creature of statute, CURB is neutral to the government's determination of its organizational structure. CURB's mission to advocate for residential and small commercial ratepayers is a pragmatic one geared towards making bills affordable and the system reliable at the most reasonable cost. The means and methods may vary from year to year, but the work is analytical and data driven with an emphasis on lower bills and ensuring quality service that benefit ratepayers. CURB certainly understands the potential that party politics may have on any agency. While senate confirmation and tracking of political affiliations can hedge against that, such changes may overextend an already extensive process for CURB. The selection process can take a fair amount of time to find a candidate and additional meetings and approvals may extend the

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time new board members are added. In my seven years with the agency, I have not been made aware of specific incidents or issues stemming from the composition of CURB's board or the governor's selections from their own political party, even as members from both parties participated at the same time. My experience with the board has been one of unified purpose to make bills affordable and service available. The current selection and approval process has provided dedicated and knowledgeable people and incorporating specific party identification is not apparent to me how it would lend itself to improving upon that.

Finally, Section 6 creates a restriction on former KCC commissioners, directors, officers, or employees from working for a public utility within one year after leaving the KCC. Although CURB is not included in this provision, it would not be a stretch to include the agency in the future. CURB understands that this provision may help to retain staff at the KCC and mitigate turnover to the private sector. This type of "non-compete" clause can be found in other industries. However, it may deter continued work in this field because utility regulation is a niche field with specialized knowledge, limiting future employment options outside of state government. Further, CURB has experienced state employees taking roles with utilities and maintaining a positive working relationship with regulators. That familiarity is helpful when engaging in dockets and processing issues. However, this is ultimately a call for the Legislature to determine hiring conditions for state employees. CURB would suggest that this provision be modified to exempt employees and officers from the non-compete clause because they are more likely to continue in regulatory work and engage with CURB and other stakeholders.

For the reasons stated above, CURB submits neutral testimony on HB 2483 for the Committee's consideration.