



February 20, 2019

Kansas Senate Committee on Utilities

Chairman Masterson and Members of the Committee:

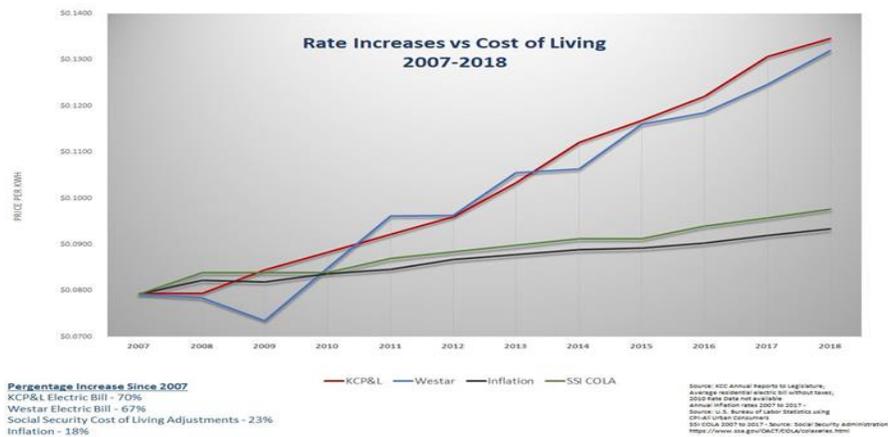
Thank you for holding this hearing and for this opportunity to provide testimony. My name is Jeff Glendening and I am the State Director of Americans for Prosperity in Kansas.

Through broad-based grassroots outreach, Americans for Prosperity (AFP) activists engage friends and neighbors on key issues and encourage them to take an active role in building a culture of mutual benefit, where people succeed by helping one another.

I'm here today on behalf of our activists to support SB 69 because it will commission a much needed, rigorous and independent study of electric utilities as it concerns just and reasonable rates.

It is a well-known fact, that during the past decade, electricity rates have increased by 70%.¹ Those increases raise red flags by themselves, but when benchmarked to the inflation rate for the same period, the urgency and necessity of the study proposed in this legislation becomes rather clear. (see graph. 1)

Graph 1. Rate Increases v. Inflation 2007-2018

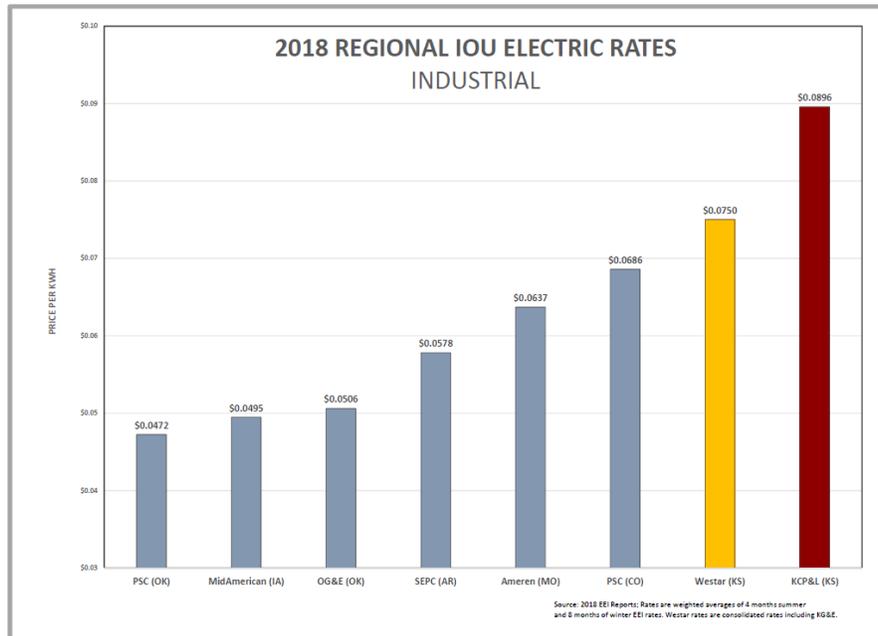


¹ Kansas Energy Problem. See: <https://www.kansasenergyproblem.com/overview>

Furthermore, Kansas has an energy poverty problem. Households with incomes below 50% of the Federal Poverty Level pay 30% of their annual income simply for their home energy bills. In total, the Home Energy Affordability Gap quantifies over 246,000 households in our state experiencing high energy burdens.²

Moreover, high energy prices are not only hurting families. Job creators located in our states face a competitive disadvantage as industrial rates in Kansas are also higher than their regional peers. (See graph.2)

Graph 2: 2018 Regional Industrial Electric Rates



Considering these facts, it is perfectly reasonable for the representatives of the people assembled in this body to look thoroughly into this matter by commissioning experts to conduct a rigorous independent study that will point to the underlying causes of this situation that its greatly affecting families and business across our state.

Americans for Prosperity supports your efforts and we look forward to keeping working with you to help bring transparency and accountability that Kansans deserve from entities serving the public interest.

Jeff Glendening

State Director

Americans for Prosperity Kansas

² Kansas: The Home Energy Affordability Gap 2016 (Second Series, Published April 2017.)
http://www.homeenergyaffordabilitygap.com/03a_affordabilityData.html