

Oral Testimony in <u>Support</u> of HB 2156 Darrin Ives, Vice President, Regulatory Affairs, Evergy For the House Committee on Energy, Utilities and Telecommunications

February 9, 2023

Thank you, Mr. Chairman and members of the committee. Evergy supports this bill in its current form because we see this as enabling legislation that will give the Commission authority to consider additional tools proposed by the utility to help customers at certain income levels who at times may struggle to pay their bills. We appreciated the opportunity to collaborate on the proposed language with the Citizens Utility Ratepayer Board (CURB), Kansas Corporation Commission (KCC) staff and other Kansas utilities.

HB 2156 will enable a public utility to propose rates, terms or charges for the benefit of low-income residential customers, and stipulates that such rates, terms or charges may be established below the cost of service if such rates, terms and charges are not unjust or unreasonably discriminatory or unduly preferential. Notably, such proposed or effective rates, terms or charges for the benefit of low income residential customers shall not be deemed to be unjust, unreasonably discriminatory, unduly preferential or otherwise in violation of the laws of this state solely because such rates, terms or charges result in increased rates or charges for other residential customers. Any such rates would have to have Commission approval.

If HB 2156 should become law, Evergy would continue its robust efforts already in place to assist income-qualified customers in Kansas. Those efforts include:

- Customer service outreach with representatives trained to communicate about resources available to advise customers needing financial assistance. We also have resources available listed on our website for customers to set up an appointment online or through our contact center to meet with a specialist to walk the customer through various options.
- Continuation of current resources, such as:
 - Our walk-in Connect Center in Kansas City and Wichita for face-to-face support, including virtual customer assistance at both Connects for those unable to come to the center.
 - ➤ Outreach events (last year we conducted around 250 outreach events serving more than 20,000 customers)
 - > Social media livestreams and webinars to help customers know how to access Low-income Energy Assistance funds (LIEAP)
 - > Collaboration with individuals on specific and reasonable customer payment plans

- ➤ Options for Average Payment Plan (formerly budget billing), which establishes a monthly budget billing amount using the average of a customer's last 12 bills. The average is adjusted each month to reflect actual usage.
- Education about <u>The Kansas Homeowner Assistance Fund</u> (KHAF), which provides financial assistance for past-due mortgages, property taxes, homeowner association fees, utility costs, and internet/broadband payments to homeowners financially impacted by the COVID pandemic
- Education about the <u>Low Income Energy Assistance Program</u> (LIEAP), which provides a one-time per year payment to help with energy costs. Applications this year are open until March 31, and we encourage you to promote this in your constituent communications.
- Education about the **Earned Income Tax Credit** (EITC), which helps low-to moderate-income workers and families receive a tax break.
- Access to **Project DESERVE**, which provides emergency assistance on energy costs to people with a severe disability (children or adults meeting social security disability criteria), older adults (65 years+) and income-eligible households

In addition, the Kansas Energy Efficiency Investment Act (KEEIA) was passed by this legislature several years ago to promote energy efficiency and demand response in Kansas. We currently have a proposal pending before the KCC that would include income-eligible programs for energy efficiency.

With HB 2156, for whatever proposal a public utility such as Evergy may bring forth, the Kansas Corporation Commission, through its authority and a proceeding involving interested parties, must find that any such rates, terms or charges proposed by the utility are just and reasonable.

Evergy believes that this legislation provides another tool in the toolbox to consider as it evaluates options and resources to help serve those customers who need assistance.

Thank you for the opportunity to provide input on HB 2156.