

Before the Senate Committee on Utilities

March 21, 2023

Senate Bill 278 – Requiring Public Utilities to report information

Oral In-Person

Neutral Testimony

Submitted by Jeff McClanahan, Director, Utilities Division

On Behalf of

The Staff of the Kansas Corporation Commission, 785-271-3100

Chair Olson, Vice Chair Petersen, Ranking Minority Member Francisco, and members of the Committee, thank you for the opportunity to provide testimony to your Committee today on behalf of the Staff of the Kansas Corporation Commission (Commission).

The Staff of the Commission (Staff) is neutral on Senate Bill 278 (SB 278). However, Staff is concerned the proposed legislation requires extensive data reporting and analysis without a clear statement of what the desired outcome from such data analysis is and requires every Kansas public utility as defined under K.S.A. 66-104, the majority of which are non-jurisdictional, to submit reports to the Commission.

Although never explicitly stated, presumably the bills intent is to provide data that may support expansion of customer assistance, extreme weather, and medical protection programs in the future to meet the definitions outlined in Section 1.a.

Staff notes that the data required to be submitted by utilities totals 26 separate items, of which many or most utilities do not currently either track or have access to a number of the items. For example, the information is to be organized by income level and census track, among other things. SB 278 also requires the Commission to assess a number of issues on an annual basis including; (1) impact of customer assistance, disconnection, and collection policies, (2) whether customers are disproportionately impacted by disconnection and collection policies based on a customer's zip code, income level, or race, (3) whether additional reporting would identify issues related to affordability and accessibility of utility service, and (4) whether the reported data identifies issues impacting the public health, safety, or welfare that may require further investigation by the Commission or other public officials. There are over 100 utilities as defined by K.S.A. 66-104 in Kansas. Thus the level of data analysis required to evaluate such a large number of utilities extensive data may require data analytics. While Staff indicated that there would be no fiscal impact from this bill, upon closer examination it may be possible that the Commission would need to purchase software and hire IT staff to perform data analytics.<sup>1</sup>

In addition to current information, the bill requires the Commission to open a proceeding to collect historical information on disconnections and arrearages for an unspecified period of time. As can be seen, SB 278 as drafted requires a tremendous amount of work on the part of utilities and the Commission. Perhaps the gathering of this data and commencement of extensive proceedings will

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<sup>1</sup> Data analytics is the science of analyzing raw data to make conclusions about that information. Many of the techniques and processes of data analytics have been automated into mechanical processes and algorithms.

yield valuable information. However, Staff is concerned the substantial commitment of agency time and resources will be wasteful unless the proposed legislation includes more precise directives regarding the legislature's policy goals and desired administrative outcomes associated with such proceedings.

Thank you for the opportunity to offer our perspective on the proposed bill and the opportunity to appear before your committee.