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Before the Senate Utilities Committee

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Neutral Testimony on Senate Bill 167

Submitted by Justin Grady, *Deputy Director*, Utilities Division
On Behalf of The Staff of the Kansas Corporation Commission

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

The Staff of the Commission (Staff) is neutral towards the passage of SB 167. This bill would prohibit regulated public utilities in Kansas from including in Rate Base any costs to “construct, install, operate, or maintain” any electric vehicle charging station. Additionally, the regulated public utility would be required to establish a separate non-regulated private enterprise, with a separate accounting system, to conduct any activity pertaining to electric vehicle charging systems. Lastly, the regulated utility would be required to establish a direct-current fast charging station rate schedule that does not include a demand-based rate component.

The issue of whether regulated electric utilities in Kansas should be prohibited from including in Rate Base the costs of providing electric vehicle charging systems is a policy issue properly within the purview of the Legislature. Staff offers this testimony to provide background and context on how the Commission has previously handled the issue of Transportation Electrification (TE) in previous Dockets. In Commission Dockets pertaining to TE, Staff has consistently taken the position that the unregulated competitive market should be allowed to fill the role of providing electric vehicle charging systems, to the greatest extent possible. Staff has supported ratepayer-funded programs to help the utility manage the impact of TE in a grid-friendly and efficient manner, as well as the use of ratepayer-funded commercial rebates to help spur the competitive market to provide electric vehicle charging services.

The Commission has previously addressed issues surrounding TE in Docket No. 16-KCPE-160-MIS (16-160), 21-EKME-320-TAR (21-320), and 25-EKCE-169-TAR (25-169), the latter of which is currently pending before the Commission.

In the 16-160 Docket, the Commission denied Kansas City Power and Light’s Application for approval of a plan to include in Rate Base 900 electric vehicle charging stations. The order can be found here:

<https://estar.kcc.ks.gov/estar/ViewFile.aspx/20160913110134.pdf?Id=4b0556f3-425d-4469-8eb1-a105109511ec>

Since the 16-160 Order, Staff has consistently removed the costs associated with these charging stations from Evergy's revenue requirement in rate cases before the KCC.

In the 21-320 Docket, Evergy asked for preapproval of the decision to expand its network of electric vehicle charging stations, which the Commission denied. The Commission did approve a set of tariffs specific to business EV charging services and a tariff specific to electric transit services (electric busses). These tariffs do contain a demand-based facilities rate, which would become illegal if SB 167 were to become law. The Commission also approved a set of ratepayer-funded rebates to aid in the grid-friendly and efficient implementation of TE in Evergy's service territory, as well as a ratepayer-funded rebate program to spur the competitive development of electric vehicle charging stations in Evergy's territory.

The Order in the 21-320 Docket can be found here:

<https://estar.kcc.ks.gov/estar/ViewFile.aspx/Order.pdf?Id=a9dd7497-818f-4bc9-a78c-3a52022e465a>

On September 30, 2024, Evergy filed an Application requesting the implementation of a Fleet Advisory Service program, meant to assist businesses in Evergy's service territory in the grid-friendly and efficient adoption of TE at the workplace, as well as a Residential Managed Charging pilot, which is meant to assist EV owners in the grid-friendly and efficient charging of EVs at home.

This application is still pending before the Commission, but the following link will provide access to the activity in this Docket to date:

<https://estar.kcc.ks.gov/estar/portal/ksec/page/docket-docs/PSC/DocketDetails.aspx?DocketId=74743b40-f728-4203-af65-7a3534e3f83a>

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