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OPPONENT TESTIMONY SB 88 Patrick Vogelsberg Kansas Gas Service Senate Committee on Utilities

Chairman Olson and members of the committee:

Thank you for the opportunity to provide testimony on behalf of Kansas Gas Service, a division of ONE Gas, Inc., in opposition to SB 88. Kansas Gas Service is the state's largest, 100% regulated natural gas utility. We are proud to serve more than 647,000 customers across 360 Kansas communities.

More than a century ago, the Kansas Legislature recognized the public's desire to regulate utilities. In the years since the Kansas Legislature created the Kansas Corporation Commission (KCC), Kansans and utilities-alike have come to expect a professional and stable regulatory framework. Kansas Gas Service has operated under this comprehensive setting since 1906. With the KCC's oversight, we exist to deliver safe, reliable, and affordable energy to Kansans – to deliver natural gas for a better tomorrow.

SB 88 fundamentally, and rapidly, restructures how Kansas regulates public utilities. Rapidly reforming utility regulation can introduce uncertainty into our operations and negatively affect our customers. When Kansas Gas Service makes decisions as a company, we are mindful of how those decisions will impact our customers decades in the future. Like any significant undertaking, a proposal as large as SB 88 should be the product of, and supported by, broad stakeholder consensus.

Kansas Gas Service fully appreciates the topics contained in SB 88. Our sister utilities operate in states with elected commissioners or municipal-level rate regulation. While we have direct knowledge of different regulatory frameworks, we are mindful of how each state creates the best regulatory setting for its citizens. Introducing uncertainty in the regulatory process simply creates risk, which financial markets take note of and for which we all pay. Before undoing a century's worth of regulatory clarity, we believe broad discussion between customers, businesses, utilities, and advocates-alike is needed.

We respectfully request that the Senate Utilities Committee reject SB 88. Thank you for your consideration.

Sincerely,

Patrick Vogelsberg Manager of Government Affairs Kansas Gas Service