

Steven Cowen Governmental Affairs Manager Steven.cowen@blackhillscorp.com 601 N. Iowa Lawrence, KS 66044 P: 785-832-3938

March 21, 2023 Senate Bill 278 Written-only Opponent FROM: Steven Cowen, Black Hills Energy, 785-832-3938 TO: Senate Utilities Committee

Thank you, Chair Olson and members of the committee, for the opportunity to provide comments today on Senate Bill 278 which requires utilities to report customer data. Black Hills Energy is a natural gas utility proudly serving approximately 119,000 customers in 66 Kansas communities. All together the Black Hills Energy family serves 1.3 million natural gas and electric customers in eight states.

Our understanding is the intent of the legislation is to help government and nonprofit entities target efforts to help customers access energy assistance programs. While the intent may be well meaning, the bill requires vast amounts of reporting which will come at additional costs to consumers. Instead, continued efforts amongst utilities, nonprofits, community leaders, and other stakeholders to educate and encourage customers to seek energy assistance resources is the best path for success.

The bill has several problems. For instance, we do not know customer income levels and our billing system does not contain census tract information.

There are 25 categories required for monthly reporting. Within those 25 categories is a total of 46 data points. There is the possibility of additional reporting requirements should the KCC require additional information per Section 1 (b) (1) (Z).

Further, reporting this data by zip code is administratively cumbersome. For context, according to Google search results, there are approximately 600-700 zip codes in Kansas. Multiply the vastness of these metrics with the number of utilities impacted along with monthly requirements for an idea of the scale of what this bill will generate. The bill also requires annual reports from utilities and the Kansas Corporation Commission.

There are more effective alternatives.

Utilities are uniquely situated to communicate with customers and partner with nonprofits to connect customers needing energy assistance with available resources. Energy assistance programs provide an opportunity to assist low-income customers in staying current on energy bills and maintaining service. Black Hills Energy has a long track record of supporting federal funding for LIHEAP. Additionally, Black Hills Cares helps eligible customers in need pay their Black Hills Energy bills or emergency energy-related expenses. The program uses voluntary tax-deductible donations from our customers and employees. We match those contributions dollar for dollar.

Black Hills Energy proactively communicates with customers to share energy saving tips ahead of cold weather. Customers who need help managing their bills are encouraged to enroll in Budget Billing, a

free payment plan that averages the amount owed each month. This budget option supports customers looking to avoid the seasonal increases in bills that result from higher energy use during extreme weather by averaging out their usage over a 12-month period. Customers can also call United Way's 211 for information on Kansas energy assistance programs.

Thank you for the opportunity to provide comments on SB 278.