



# KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR  
BRIAN J. MOLINE, CHAIR  
ROBERT E. KREHBIEL, COMMISSIONER  
MICHAEL C. MOFFET, COMMISSIONER

## **BEFORE THE SENATE UTILITIES COMMITTEE**

### **Presentation of the Kansas Corporation Commission January 30, 2007**

#### **SB 128**

Thank you, Chairman and members of the Committee. I am Don Low, Director of the Utilities Division for the Kansas Corporation Commission. I appreciate the opportunity to testify for the Commission on SB 128. The Commission supports the bill.

As the Committee may know, the Commission has a general investigation open regarding utility energy efficiency programs. Now that reply comments were submitted earlier this month by interested parties, the Commission will need to decide how to proceed with regard to the numerous issues that have been discussed in the comments. Some of those issues are:

- What is the appropriate benefit cost test or tests to be used to screen energy efficiency programs?
- Should there be initial focus on low income programs, “Pay As You Save” type arrangements or should the KCC require comprehensive efforts as quickly as possible?
- Should there be a third party administrator of such programs rather than the individual utilities?
- What kind of cost recovery and incentives for such programs is appropriate and desirable?
- Should the Commission consider a “decoupling” of revenue requirements from sales volumes?

The Commission will likely be able to provide only general and tentative guidance on many of these issues and will need further proceedings to consider some of the issues in more detail. In any event, we don’t believe that there’s any question that customer education about energy

efficiency and conservation is desirable regardless of how the Commission might answer the various questions in that energy efficiency docket. With such education, customers may take steps on their own to become more efficient consumers of energy and thereby mitigate the need for other programs by utilities. The Commission consequently supports SB 128.

I will be happy to answer any questions.