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House Energy, Utilities and Telecommunications Committee
SB 126 - Neutral
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Thank you Chairman Seiwert and members of the committee for the opportunity to provide written comments today on SB 126 which concerns the exemption of certain utilities from Kansas state income taxes and the implementation of changes to federal or state corporate income tax rates within the retail rates of regulated utilities. Black Hills Energy is a natural gas utility proudly serving approximately 115,000 customers in 65 Kansas communities. All together the Black Hills Energy family serves 1.2 million natural gas and electric customers in eight states.

Let me start by saying that Black Hills Energy is not opposed to the exemption of certain utilities from the Kansas state income tax within Section 2(d) of the bill as such tax exemption helps to reduce bills for our customers.

In its current form, Senate Bill 126 is the outcome of stakeholder discussions. Originally, Black Hills Energy testified against the legislation before the Senate Utilities Committee with questions and concerns about the implementation of the legislation if it were to become law, as well as expressing our belief the Kansas Corporation Commission (KCC) currently has the authority and jurisdiction to address the impact on utility rates resulting from changes in federal or state income tax rates.

Through a series of stakeholder conversations our implementation concerns have been addressed in the legislation before you today. We thank the bill's proponent and the various stakeholders for a process that effectively addressed the concerns of affected parties and allowed constructive changes to the bill.

The measure before you today addresses the concerns we originally expressed regarding the legislation and its implementation. Thank you for the opportunity to address the committee today.