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MEMORANDUM

To: House Committee on Energy, Utilities and Telecommunications
From: Office of Revisor of Statutes
Date: January 26, 2022
Subject: HCR 5023 - Summary

House concurrent resolution 5023 states the position that the Kansas legislature denounces any potential price gouging or market manipulation in the natural gas marketplace during from the extreme weather event of February 2021.

In February 2021, the state of Kansas faced an extreme cold weather event that led to unprecedented prices of natural gas and electricity in the state. The resolution notes that during the 2021 legislative session, the legislature acted to alleviate the drastic and immediate financial impact of such price spikes by authorizing certain loan programs to help pay for the up-front extraordinary utility costs. Though, HCR 5023 recognizes that such immediate relief measures will continue to impact Kansans over the next decade those extraordinary costs are passed through to Kansas utility customers.

In addition to legislative efforts to protect Kansas utility ratepayer interests, the Kansas attorney general and the federal energy regulation commission (FERC) possess certain investigatory powers that could lead to corrective action if profiteering or market manipulation occurred. Both the attorney general and FERC have announced efforts to investigate such matters and HCR 5023 supports such investigations and any warranted corrective actions.

HCR 5023 also supports efforts to protect the interests of Kansas utility ratepayers should any investigation lead to corrective action or settlement. If passed by both chambers, the Secretary of State would send copies of the resolution to congressional members from Kansas, the chairperson of FERC and the Kansas attorney general.