

House Concurrent Resolution No. 5023

By Committee on Energy, Utilities and Telecommunications

1-19

1 A CONCURRENT RESOLUTION denouncing price gouging and market
2 manipulation in the natural gas marketplace and supporting
3 investigations into the extraordinary price increases of wholesale
4 natural gas during the extreme cold weather event of February 2021.
5

6 WHEREAS, The State of Kansas was gripped by an historic stretch of
7 cold temperatures when a persistent arctic airmass settled across the
8 region from February 6, 2021, through February 18, 2021; and

9 WHEREAS, The extreme stretch of cold weather sent the wholesale
10 price of natural gas skyrocketing, which led to significant spikes in
11 natural gas and electricity prices for all Kansans; and

12 WHEREAS, During the 2021 legislative session, the Kansas
13 Legislature took immediate action to alleviate the drastic financial
14 impacts caused by the spike in utility costs by authorizing financial relief
15 options for wholesale natural gas customers of the state through the
16 authorization of loan programs for extraordinary utility costs; and

17 WHEREAS, All Kansans will continue to experience significant
18 financial impacts from the cold weather event as the unprecedented utility
19 costs are passed through to Kansas utility customers over the next decade;
20 and

21 WHEREAS, The Attorney General of the State of Kansas possesses
22 legal authority to investigate and take corrective action if any natural gas
23 or utility price increases were a result of profiteering during a natural
24 disaster; and

25 WHEREAS, Currently, the Attorney General has announced that the
26 Office of the Attorney General is investigating whether any such
27 profiteering occurred and whether any corrective action is justified; and

28 WHEREAS, The Federal Energy Regulatory Commission possesses
29 legal authority to investigate natural gas market behavior and take
30 corrective action if a market participant participated in price gouging or
31 market manipulation; and

32 WHEREAS, Currently, the Federal Energy Regulatory Commission is
33 investigating potential instances of natural gas market manipulation
34 during the cold weather event and continues to review actions of market
35 participants during such cold weather event to determine whether further
36 investigations are merited; and

1 WHEREAS, Should any such state or federal investigations lead to
2 corrective action or settlement, the state and federal entities that oversee
3 the provision of public utility services, including, but not limited to, the
4 Kansas Corporation Commission, the Federal Energy Regulatory
5 Commission, cooperatives and municipalities, are strongly encouraged to
6 protect the interests of affected ratepayers: Now, therefore,

7 *Be it resolved by the House of Representatives of the State of Kansas,*
8 *the Senate concurring therein:* That the Kansas Legislature denounces
9 any and all instances of price gouging and market manipulation in the
10 natural gas marketplace and, specifically, any such instances that
11 occurred during the extreme cold weather event of February 2021 when
12 the provision of utility services were of paramount importance for
13 Kansans; and

14 *Be it further resolved:* That the Kansas Legislature supports the
15 ongoing state and federal efforts to investigate the significant increases to
16 the price of wholesale natural gas during the extreme cold weather event
17 of February 2021 and stands ready to assist in those efforts, if necessary;
18 and

19 *Be it further resolved:* That the Kansas Legislature encourages efforts
20 to protect the interests of affected Kansas utility ratepayers should any
21 investigation lead to corrective action or settlement; and

22 *Be it further resolved:* That the Secretary of State shall send an
23 enrolled copy of this resolution to each member of congress from Kansas,
24 the chairperson of the Federal Energy Regulatory Commission and the
25 Attorney General of the State of Kansas.