Dear Representative,

As 2025 comes to a close and we look toward 2026, Americans for Prosperity–Kansas wants to take this time to remind Kansas legislators of the importance of free-market policies and ensuring that our state maintains an open and competitive transmission-building process. It's critical that we continue rejecting Right of First Refusal (ROFR) laws and instead pursue smart reforms that benefit ratepayers.

As Kansas families face rising electricity bills, a growing body of evidence shows that competition—not government-granted monopolies—is saving consumers millions on energy projects across the country and right here in Kansas. In recent years, several states have passed Right of First Refusal (ROFR) laws that block competitive bidding and hand automatic construction rights to incumbent utilities. AFP–Kansas warns that these laws threaten to eliminate one of the few proven tools that protect customers from higher costs.

For example, Kansas consumers are saving $27 million on the new Wolf Creek–Blackberry Transmission Line. The newly energized line not only had the lowest costs (lifetime savings of over $27 million compared to the next lowest bid) but also scored the highest in Engineering Design, Operations, and Finance according to the SPP Industry Expert Panel. The project developer also provided hard cost caps so the project could not increase over time—another important component often induced by competitive bidding and not otherwise seen when simply handed to monopoly utilities.

In stark contrast to the Wolf Creek–Blackberry Transmission Line, lawmakers in Texas and New Mexico recently handed the Phantom–Crossroads–Potter Line contract to a monopoly utility, which caused costs to balloon from $1.7 billion to $3.6 billion—a 50% increase that consumers are now on the hook to pay.

In discussing the resulting requested rate hike to cover the out-of-control budget, the Southwest Power Pool Board and other stakeholders recognized the potential harm to ratepayers and the need to further study and use competitive bid projects in the future.

The cost-saving success of the Wolf Creek–Blackberry Line is not a fluke. A recent review of several additional transmission line projects illustrates how competitively bid projects deliver dramatically lower costs, better designs, and stronger cost protections for customers:

- **$14 million saved:** Matheson–Redbud Line (Oklahoma) – Competitive bidding produced both a lower overall price and a better engineering design.
- **$87 million saved:** Fairport to Denny Transmission Line (Missouri) – Selected through MISO's open bidding process, this project came in at less than half the estimated cost, delivering huge savings to ratepayers.
- **$6 million saved:** Reid EHV to IN/KY Border Project – Cost caps and efficiency measures reduced long-term expenses for consumers.

These examples make it clear that competition works. As legislators consider energy policies to make Kansas energy more affordable for hard-working Kansans, we urge them to remember that competition is the key. When transmission projects are open to competitive bidding, developers are incentivized to innovate, costs come down, and customers win.

Kansas legislators must continue to reject efforts to limit competition through Right of First Refusal laws. AFP places the highest importance on this issue. Preserving open competition in energy infrastructure is the surest way to deliver affordable and reliable power.

AFP urges Kansas legislators to continue to reject ROFR laws.

Sincerely,

Tanner Tempel

Deputy State Director AFP Kansas