

REPORTS OF STANDING COMMITTEES

MADAM PRESIDENT:

The Committee on **Utilities** recommends **SB 151** be amended on page 1, in line 28, by striking "For all coal-fired and natural gas electric generating"; by striking all in lines 29 and 30; in line 31, by striking all before "the" and inserting "In accordance with the requirements of the environmental protection agency's rulemaking pursuant to docket EPA-HQ-OAR-2013-0602, the secretary may develop and submit to the environmental protection agency a state plan for compliance with the regulation of carbon dioxide from affected or existing electric generating units pursuant to 42 U.S.C. § 7411.";

On page 2, in line 25, by striking "such standards through flexible"; by striking all in line 26; in line 27, by striking all before "that" and inserting "a state plan through regulatory mechanisms that may include administrative regulations, permits, agreements or other flexible regulatory measures"; in line 29, by striking "implement a" and inserting "permit participation in an organized"; also in line 29, by striking "mechanism" and inserting "market"; in line 30, by striking all after "authority"; by striking all in lines 31 through 41; in line 42 by striking all before the period and inserting ". In order to achieve a mass-based or rate-based goal, nothing in this act shall be construed to prohibit a Kansas utility: (1) With multiple affected units in one or more states from sharing, aggregating or purchasing emissions among such utility's units; or

(2) from sharing, aggregating or purchasing emissions between other Kansas utilities with affected units"; in line 43, after the second "any" by inserting "affected or"; also in line 43, after "existing" by inserting "jurisdictional";

On page 3, in line 2, by striking all after "shall"; by striking all in lines 3 and 4; in line 5,

by striking "necessary to" and inserting "conduct a joint investigation with the state corporation commission pursuant to K.S.A. 65-3005 and 66-106, and amendments thereto, and hold a joint hearing pursuant to procedures under K.S.A. 77-501 et seq., and amendments thereto, as applied to the state corporation commission. In establishing any standard of performance or flexible regulatory mechanism pursuant to this section, the secretary and the state corporation commission shall: (1) Exercise the secretary's and commission's respective existing statutory authority over the affected utilities;

(2) "; also in line 5, by striking "jurisdictional"; in line 7, by striking "(2) conduct any investigations necessary to" and inserting "(3) "; in line 9, by striking "(3)" and inserting "(4)"; also in line 9, by striking "the recommended options maintain" and inserting "any option selected maintains"; by striking all in lines 11 through 22; following line 22, by inserting "(5) issue a joint final order establishing the compliance goal and defining the regulatory mechanisms for the state plan, which provides a detailed explanation of the joint findings; and

(6) issue a joint interim order within 180 days of initiation of the joint investigation, if necessary to submit a state plan within any deadline imposed by the environmental protection agency. If a joint interim order is issued, it shall establish the compliance goal and define the regulatory mechanisms for the state plan. The secretary shall request an extension upon submission of the state plan.

(e) After issuance of a joint interim order, the secretary shall promulgate and submit a state plan establishing the compliance goal and regulatory mechanisms approved in the joint order. If the findings of a joint final order differ from those of the joint interim order, the secretary shall promulgate and submit modifications to the state plan to the environmental protection agency by the department to incorporate the findings approved in that joint final order.

(f) The secretary shall submit the state plan to the clean power plan implementation study committee for review and approval pursuant to section 2, and amendments thereto, concurrent with the

start of the public notice period for the state plan."; also on page 3, in line 23, by striking "(f)" and inserting "(g)"; following line 24, by inserting:

"New Sec. 2. (a) (1) There is hereby established the clean power plan implementation study committee. The committee shall hold informational hearings and receive updates from the department of health and environment, the state corporation commission and the attorney general about the implications of the adoption of a state implementation plan pursuant to docket EPA-HQ-OAR-2013-0602 concerning the impact to: (A) Electric ratepayers; (B) electric utilities; (C) the reliability of the electric grid in Kansas; and (D) the overall sovereignty of the state.

(2) Upon development of a state implementation plan pursuant to K.S.A. 65-3031, and amendments thereto, the secretary of health and environment shall submit the plan to the study committee for review. After reviewing the impact of the plan pursuant to this section, the committee may approve or disapprove the submission of the plan. If the study committee approves the plan, the secretary may submit the plan to the environmental protection agency. If the committee disapproves the plan, the chairperson of the committee shall submit a petition for the calling of a special session pursuant to K.S.A. 46-1401, and amendments thereto, for the legislature to review the submission of the plan. If the legislature fails to convene a special session or fails to adopt a concurrent resolution disapproving of the submission of the plan within 60 days of the chairperson submitting a petition for the calling of a special session, the secretary may submit the plan to the environment protection agency.

(b) (1) The study committee shall be composed of 11 voting members. Five members shall be from the senate committee on utilities as follows: (A) The chairperson, vice-chairperson and ranking minority member; and (B) two members appointed by the president of the senate.

(2) Six members shall be from the house committee on energy and environment as follows: (A) The chairperson, vice-chairperson and ranking minority member; and (B) three members appointed by the speaker of the house of representatives.

(3) A quorum of the clean power plan implementation study committee shall be six members. All actions of the committee shall be taken by a majority of all of the members of the committee. Any vacancy in the membership of the committee shall be filled by appointment in the same manner prescribed by this section for the original appointment.

(c) Members shall be appointed to the study committee on or before July 1, 2015, for a term ending on June 30, 2017. On and after the first day of the regular legislative session in odd-numbered years, the chairperson of the special committee shall be the chairperson of the senate committee on utilities and the vice-chairperson of the special committee shall be the chairperson of the house of representatives committee on energy and environment and, after the first day of the regular legislative session in even-numbered years, the chairperson of the special committee shall be the chairperson of the house of representatives committee on energy and environment and the vice-chairperson of the special committee shall be the chairperson of the senate committee on utilities. The chairperson and vice-chairperson of the special committee shall serve in such capacities until the first day of the regular legislative session in the ensuing year. The vice-chairperson shall exercise all of the powers of the chairperson in the absence of the chairperson. The first meeting of the study committee shall be called by the chairperson of the committee following the conclusion of the 2015 regular session of the Kansas legislature. The committee shall have the authority to meet at any time and at any place within the state on the call of the chairperson.

(d) The provisions of the acts contained in article 12 of chapter 46 of the Kansas Statutes Annotated, and amendments thereto, applicable to special committees shall apply to the clean power plan implementation study committee to the extent that the same do not conflict with the specific provisions of this act applicable to the study committee.

(e) Members of the clean power plan implementation study committee shall receive compensation, travel expenses and subsistence expenses as provided in K.S.A. 75-3212, and

amendments thereto, when attending meetings of the committee.

(f) The staff of the office of the revisor of statutes, the legislative research department and the division of legislative administrative services shall provide such assistance as may be requested by the study committee.

(g) The provisions of this section shall expire on June 30, 2017."; and by renumbering sections accordingly;

In the title, on page 1, in line 4, before "amending" by inserting "creating the clean power plan implementation study committee;" and the bill be passed as amended.

_____Chairperson