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Proponent Testimony on HB 2381

Good morning Mister Chairman and members of the Committee. Thank you for the opportunity to provide comments in support of HB 2381 which creates a State Energy Policy Taskforce. The members of the Advanced Power Alliance include more than forty businesses in the energy industry including developers, owners, and operators of all the wind and solar facilities in the State with the exception of two wind projects.

After the proposal of the state's second wind farm, the Kansas Energy Council deliberated for 18 months siting guidelines for wind farm use and put those guidelines in place in 2005. They have been the guiding document for the industry since that time. The siting guidelines serve a baseline template for how counties and developers interact, as well guidance on set-backs, noise, road construction and maintenance, birds and other native species and more. It was a broad document that truly provided a baseline template for all the parties. Furthermore, the Wind Siting Handbook provided much needed regulatory certainty by outlining the rules of the road. This was a far better approach to how the initial "Flint Hills Box" was crafted which was basically three people in a room looking at highway maps which ultimately became the first Flint Hills "no wind build zone."

When the Flint Hills Box was announced in 2005 more than \$16 million of already spent investment was literally wiped off the map. This was the very beginning stages of wind farm development in Kansas when only one wind farm was operating and the second was just preparing to start operations. The Flint Hills Box announcement was the reason it took another three years for the third wind farm to come online in Kansas. There was a chilling on investment as developers watched what happened to their counterparts who had already poured resources into projects in order to have them halted without any consultation. There was little notice and no engagement with the industry – albeit a nascent one, but one where three companies already had headquarters and employees operating in the State.

Between 2005 and 2021 Kansas has seen tremendous investment in energy generation and infrastructure. But the entire energy industry – worldwide – is at a similar inflection point with enormous change on the horizon. Advances in smart meters, smart grids, battery storage,



and the ways in which we use electricity (EV Charging Stations) are coming faster than any of us could have imagined. Larry Fink, in his annual CEO letter at Blackrock (a member of the Advanced Power Alliance) notes that during the pandemic months of January to November 2020, investors in mutual funds and ETFs invested \$288 billion globally in sustainable assets, a 96% increase over the whole of 2019. Mr. Fink goes on to note that he believes this is just the beginning of a long but rapidly accelerating transition. The time is again right for Kansas to ensure that it is well positioned for future investment.

Kansas wind provided more than 43.3% of Kansas's electric power needs in 2020. We appreciate the opportunity to have a seat at the table and appreciate that Kansas policymakers are looking forward. It is imperative that Kansas lay the foundation for tomorrow for how it is going to capitalize on the investment opportunities while maintaining the safe, reliable and affordable operating paradigm of today.

Thank you for the consideration and we encourage your support of HB 2381.