

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Pat Apple at 1:00 p.m. on February 18, 2009, in Room 545-N of the Capitol.

All members were present.

Committee staff present:

Mike Corrigan, Office of the Revisor of Statutes
Melissa Doebelin, Office of the Revisor of Statutes
Raney Gilliland, Kansas Legislative Research Department
Cindy Lash, Kansas Legislative Research Department
Mary Galligan, Kansas Legislative Research Department
Ann McMorris, Committee Assistant

Conferees appearing before the committee:

Amy Blankenbiller, Kansas Chamber of Commerce
Allie Devine, Kansas Livestock Association
Paul Joseph, President, Garden City Chamber of Commerce
Doug Aldrich, Terracon
Kimberly Svaty, Wind Coalition
Mark Lawlor, Horizon Wind
Eric Stafford, Associated General Contractors of Ks., Inc.
Mark Calcara, Sunflower Electric Power Corporation

Others attending:

See attached list.

Chair opened the meeting and called on Cindy Lash, Kansas Legislative Research Department, to provide a detailed explanation of **S.B. 265**. Cindy summarized the major provisions of the bill by topic area. (Attachment 1)

A summary of the 2009 Senate Comprehensive Energy Plan was distributed to the committee. (Attachment 2)

Chair opened the hearing on:

SB 265 - Energy conservation and electric generation, transmission and efficiency and air emissions.

Proponents:

Amy Blankenbiller, Kansas Chamber of Commerce, represents a broad based coalition of 50 entities and voiced the business community's support for **SB 265**. The coalition supports **SB 265** and its positive impact on the regulatory environment. **SB 265** clarifies the air permitting process and ensures that all Kansas businesses will be treated fairly by the state government. The coalition also believes this legislation will prevent subjective and unprecedented decisions that jeopardize investment and innovation in the state and our workers. (Attachment 3)

Allie Devine, Kansas Livestock Association, KLA strongly supports **SB 265** and approves Section 24 which adds the provisions of the Kansas air quality act and Section 28 which clarifies the meaning for the regulation of emergency situations. Some additional language was suggested to further clarify Section 28. (Attachment 4)

Paul Joseph, President, Garden City Chamber of Commerce, voiced his concerns on three points: (1) employment; (2) regulatory fairness; and (3) business loss. (Attachment 5)

Doug Aldrich, Terracon, noted the provisions in **SB 265** to enact a Renewable Energy Standard for Kansas takes a very positive step to help the economic climate of Kansas. (Attachment 6)

Kimberly Svaty, Wind Coalition, stated the wind coalition supports the implementation of a meaningful

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renewable portfolio standard (RPS) in Kansas. An RPS will encourage the development of the rich wind power resources within the state and increase direct and indirect economic development. (Attachment 7)

Mark Lawlor, Horizon Wind Energy, commended the committee and the utilities in Kansas for taking steps to solidify future wind development through a market-stabilizing RPS. A strong RPS will send a clear signal to regional and national entities planning transmission superhighways that Kansas will provide clean, renewable energy. (Attachment 8)

Eric Stafford, Associated General Contractors of Ks., Inc., AGC supports **SB 265**. (Attachment 9)

Mark Calcara, Vice President and General Counsel, Sunflower Electric Power Corporation, Sunflower supports the renewable portfolio standards outlined in **SB 265**. He suggested that a new section providing for the further deregulation of cooperatives be included and provided language. (Attachment 10)

Written testimony was provided by Eric Depperschmidt, President, Finney County Economic Development Corporation. (Attachment 11)

Chair opened for questions. Questions asked regarding who are members of cooperatives and limited liability cooperatives and regulation of wind development.

Chair recessed the hearing on **SB 265**.

The next meeting is scheduled for February 19, 2009.

The meeting was adjourned at 2:30 p.m.

Respectfully submitted,

Ann McMorris
Committee Assistant

Attachments - 11