

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:00 A.M. on January 25, 2007 in Room 241-N of the Capitol.

All members were present.

Committee staff present:

Mary Galligan, Kansas Legislative Research
Dennis Hodgins, Kansas Legislative Research
Mary Torrence, Revisor's Office
Jason Long, Revisor's Office
Rena Hansen, Committee Assistant

Conferees appearing before the committee:

Robert Freeman, Trade Wind Energy
Matt Gilhausen,

Others attending:

50 including the attached list.

Representative Rob Olson moved to introduce a bill regarding consumer protection and utilities. Representative Vern Swanson seconded the motion. Motion carried.

Presentation On:

Smoky Hills Wind Project

Robert Freeman, Trade Wind Energy, headquartered in Lenexa Kansas, (Attachment 1), presented a PowerPoint, updating the committee on the Smoky Hills Wind Project. Additionally, he presented a fact sheet on the Smoky Hill Wind Project (Attachment 2), and an article (Attachment 3) concerning the reliability of Wind Power. He noted that the average wind project takes anywhere from 2-4 years to get started with \$1-2 million dollars spent during that time to get the project going. Securing a purchase power agreement and transmission of energy are the bulk of the problem to get the wind projects up and running. There is a very low impact of the usage of the land. It generally takes about 2% of the land out of service. The first phase of the project will be done this year which is about 100 MW. They are authorized to add 250 MW to the grid but have contracts at this time for just 100 MW. One of the great aspects of this project is its location on I-70, both north and south of the highway. It will be really nice for the education about renewable energy to school kids and a possible tourism opportunity. It also has great access to the site for the construction machinery. He commented that wind energy production in Kansas is cheaper by far than coal energy with the Federal production tax credit in place. Coal enjoys a long list of tax subsidies. Additionally, some sort of carbon tax is coming to our country. He feels the market for wind energy is to the east for wind in Kansas, and not to the west because of the western grid. And not to the North and South because they have their own wind sources and would want to develop wind in their own states to keep the economic dollars within their borders.

Questions were asked and comments made by Representatives: Cindy Neighbor, Annie Kuether, Tom Moxley, Vaughn Flora, Peggy Mast, Oletha Faust-Goudeau, Josh Svaty, Forrest Knox, Rocky Fund, Margaret Long, Vern Swanson, and Rob Olson.

The next meeting is scheduled for January 26, with subcommittee meetings on HB 2033 and HB 2035 scheduled on adjournment of the house in rooms 231-N and 241-N respectively.

Announcements: HB 2037, HB 2038, and HB 2066 will be worked in committee tomorrow.

The next meeting is scheduled for January 26, 2007.

Meeting Adjourned by Vice-Chair Rob Olson.