

MINUTES OF THE SENATE NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman Carolyn McGinn at 8:30 a.m. on February 14, 2008 in Room 423-S of the Capitol.

All members were present.

Committee staff present:

Raney Gilliland, Kansas Legislative Research Department
Jason Thompson, Revisor of Statutes
Matt Todd, Revisor of Statutes
Adrienne Halpin, Committee Assistant

Conferees appearing before the committee:

Marilyn Jacobson, Secretary of Administration
Trudy Aron, American Institute of Architects
Tom Thompson, Sierra Club
Diane Gjerstad, Wichita Schools
Scott Heidner, Consulting Engineers Association
Corey Peterson, Associated General Contractors
Dr. Gary George, United School Administrators
Ray Hammarlund, Director of Energy Office

Others attending:

See attached list.

Chair McGinn opened the hearing on **SB 452** which prescribes certain energy conservation measures and reporting requirements for state agencies.

Raney Gilliland, Legislative Research Department commenced with a brief explanation of the bill stating that the first section of the bill contains definitions while the second prescribes certain requirements for state agencies including: fuel standards for state-owned motor vehicles; purchase standards for product equipment, such as light bulbs; data collection of energy consumption; and energy efficiency performance standards for newly constructed buildings, including state schools.

Marilyn Jacobson, Director, Division of Finance and Facilities Management, Kansas Department of Administration (KDA), testified in favor of **SB 452** (Attachment 1). Ms. Jacobson stated that the bill would place new responsibilities with the KDA including the oversight of energy requirements in new construction. Results of the legislation would also include the necessity of a salaried, qualified engineer to assess data analysis and provide written reports. Ms. Jacobson stood for questions.

Trudy Aron, Executive Director, American Institute of Architects in Kansas, spoke in favor of the bill (Attachment 2). Ms. Aron stated that the state-wide association is committed to designing facilities that leave a lighter carbon footprint on the environment. The bill, she stated, would be good start in making schools—and other state buildings—more energy efficient. Ms. Aron suggested changes to the bill's wording including: (1.) adding a definition for "new construction" to include mechanical systems, (2.) removing the word "certify" from page two due to liability insurance purposes, and (3.) and removing section "B." from page 3 because of the difficulty in determining variability in performance standards. Ms. Aron stood for questions.

Tom Thompson, Sierra Club, also spoke in favor of the bill (Attachment 3). Mr. Thompson stated that energy conservation would effect long-term savings and that the State should take leadership in this area. Mr. Thompson suggested an alteration to page 1 line 27 so that the bill would be understood to take effect in the year 2010 and continue in subsequent years. Mr. Thompson stood for questions.

Diane Gjerstad of Wichita Schools addressed the Committee in opposition to **SB 452** (Attachment 4). Ms. Gjerstad stated that the Wichita school system voluntarily founded an energy program fifteen years ago. To conserve energy and reduce expenses, the school system began, not with the costly process of updating buildings, but with changing human habits; after a bond issue, they were able to begin replacing outdated systems. They currently lead a natural gas buying group which includes fifty other school districts, allowing the schools to make purchases below market price. Since the commencement of the program, energy

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consumption has been reduced by 35%. The difficulty **SB 452** presents to schools, Ms. Gjerstad stated, is the compliance code requirements for computer modeling of all projects which would require a simulation for the entire year. Ms. Gjerstad contended that schools cannot predict the variability of functions within a single school during the year including auditorium use, gymnasium use, after school programs, students moved from one room—or school—to another, or the effects of weather changes. Ms. Gjerstad objected to section seven of the bill which would place responsibility for regulation on the state instead of on local government entities who may best know particular cases and needs. Ms. Gjerstad stood for questions.

Chair McGinn requested that the Committee note the written testimony of Chris Wilson, Kansas Building Industry Association.

Scott Heidner, Executive Director, American Council of Engineering Companies of Kansas (ACEC) presented neutral testimony stating that ACEC's concerns had already been addressed by others and included removing section "B" and the word "certified" because of insurance liability purposes (Attachment 5). Mr. Heidner stood for questions.

Corey Peterson, Executive Vice President, Associated General Contractors (AGC), provided neutral testimony (Attachment 6). Mr. Peterson stated, however, that section "7B" presents potential problems for the future, possibly initiating a scenario where neither architect, contractor, nor builder would be responsible for non-compliance with the new construction standards. Mr. Peterson stood for questions.

Dr. Gary George, Assistant Superintendent, Olathe USD 233, also presented neutral testimony (Attachment 7). Dr. George requested that school districts be removed from the legislation since many schools have already implemented similar changes without legislation. Olathe, he stated, has had an energy program for the past thirteen years. Dr. George also cited complicating factors including bond issues, time lines, ambiguous standards and definitions, and the unknown future cost of energy. Dr. George stood for questions.

Lastly, Ray Hammarlund, Director, Energy Programs Division, Kansas Corporation Commission (KCC) presented neutral testimony to the committee (Attachment 8). Mr. Hammarlund briefly presented the Facility Conservation Improvement Program (FCIP) and highlighted the program's potential projects, benefits, and process of participation. Mr. Hammarlund stood for questions.

Senator Lee requested further information concerning state and national energy efficiency standards, including those for state buildings.

Senator Francisco motioned to approve the minutes from February 1st with corrections; Senator Ostmeyer seconded the motion. The motion carried.

The meeting adjourned at 9:30.