

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairperson Robert Olson at 1:30pm on Tuesday, January 20, 2015, 548-S of the Capitol.

All members were present

Committee staff present:

Heather O'Hara, Legislative Research Department

Natalie Nelson, Legislative Research Department

Michael Welton, Kansas Legislative Committee Assistant

Matt Sterling, Office of Revisor of Statutes

Conferees appearing before the Committee:

Jeff McClanahan, Kansas Corporation Commission

Tom Gross, Kansas Department of Health and Environment

Others in attendance:

[See Attached List](#)

Possible bill introductions

No bill introductions were requested.

Senator Olson called for the consideration of Senate Utilities Committee Minutes for 1 13 15, 1 14 15 and 1 15 15.

Senator Petersen moved that the committee accept the minutes as presented. Senator Wilborn seconded the motion. The motion passed.

Senator ordered the minutes approved.

Senator Olson referenced that the information from the Kansas Corporation Commission requested by Senator Knox was included in member packets.

Presentation on:

Overview of Section 111 (d) of the Clean Air Act and Environmental Protection Agency's Clean Power Plan

Senator Olson called on Jeff McClanahan representing the Kansas Corporation Commission to begin the overview. He disclaimed that his presentation referenced a proposal, and not yet actual requirements ([Attachment #1](#)). He also reviewed a Kansas Corporation Commission letter addressing its concerns with the proposal ([Attachment #2](#)).

Senator Olson called on Tom Gross representing the Kansas Department of Health and Environment to continue the overview ([Attachment #3](#)).

CONTINUATION SHEET

MINUTES of the Committee on Utilities at 1:30pm on Tuesday, January 20, 2015, 548-S of the Capitol.

Both presenters were in total agreement on two points: 1.) actual compliance with the EPA Clean Power Plan was not possible; and 2.) attempting to comply could jeopardize the reliability of energy delivery in Kansas.

Presenters made the following points in response to questions and comments by Senators Petersen, Lynn, Knox, Francisco and Olson:

- 1.) While an estimated \$3 billion dollars has been spent retro-fitting Kansas coal plants, it is estimated that retro-fits required by the Clean Power Plan could range from between \$5 billion to \$15 billion dollars.
- 2.) The possibility of taking judicial action would probably not be feasible until the EPA finalizes its plan.
- 3.) There is no basis to date to estimate cost of not complying with Clean Power Plan.
- 4.) Reiterated that according to Kansas Corporation Commission the Clean Power Plan could lead to "exorbitantly high electricity costs and unreliable electrical service" for consumers.

Senator Knox requested additional committee time in the future to discuss implications of cross state issue.

Senator Olson referenced "reliability" as the major challenge of whether or not we can provide service to Kansas consumers and businesses. He also expressed concerns regarding who would bare the costs of compliance and what might be the impact of suddenly becoming more reliant on natural gas.

Seeing no more questions or comments Senator Olson adjourned the meeting at 2:22pm. The next meeting is scheduled for Wednesday, January 21, 2014.