

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairperson Robert Olson at 1:29pm on Tuesday, February 17, 2015, 548-S of the Capitol.

All members were present

Committee staff present:

Kyle Hamilton, Office of Revisor of Statutes
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:

No conferees present

Others in attendance:

[See Attached List](#)

Senator Olson welcomed attendees and suggested that anyone that might wish to be added to committee distribution list should leave email address with the committee assistant. He pointed out that a written responses from the Southwest Power Pool (Attachment #1) and Kansas Corporation Commission (Attachment #2) to previous committee questions was contained in committee packets.

Hearing on: SB151 — Electric utilities and carbon dioxide emissions.

Senator Olson opened the hearing on **SB151** and called on Matt Sterling to provide an overview of the bill. He referenced Revisor of Statutes Memorandum for **SB151** dated 2/17/15. ([Attachment #1](#)).

Mr. Sterling told Senator Francisco that the use of "Whereas" is a fairly common practice, however, would not become part of the statute.

Senator Olson called on proponent Commissioner Pat Apple representing the Kansas Corporation Commission to provide testimony ([Attachment #2](#)) .

Commissioner Apple introduced proponent Jeff McClanahan to continue testimony for Kansas Corporation Commission ([Attachment #3](#)).

In response to questions and comments by Senators Petersen, Smith, Francisco and Olson proponent presenters made the following points:

- 1.) Kansas can expect no federal reimbursements for any costs to develop or execute an implementation plan.
- 2.) Statute and precedence allows Kansas Department of Health and Environment (KDHE) and Kansas

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Corporation Commission (KCC) to conduct a joint investigation. The KCC hearing format would establish an official docket to provide a formal and transparent process with which to represent the state's interest with federal authorities.

3.) So far there seems to be little indication in an interest in pushing back one year planning limitation or the 2030 completion deadline.

Senator Olson called on opposition Tom Gross representing Kansas Department of Health and Environment to provide testimony ([Attachment #4](#)) .

Senator Olson called on opposition Dorothy Barnett representing Kansans for Clean Energy to provide testimony ([Attachment #5](#)).

Senator Olson called on opponent Wayne Penrod representing Sunflower and other utilities to provide testimony ([Attachment #6](#)).

In response to questions and comments by Senators Petersen, Knox, Smith and Powell the opponent presenters made the following points:

- 1.) Referring to Southwest Power Pool references to expected "cascading blackouts" it was established that it would not be KCC people who would be dealing directly with these matters.
- 2.) It was established that while monitoring devices help identify CO2 emission levels at certain physical points, most of the plan requirements will be based upon fuel usage.
- 3.) There does not seem to be any Kansas entity that believes that any plan should be allowed to default to a federal process.

Senator Olson called on neutral Paul Ling representing KCP&L, Westar and Empire District Power to provide testimony ([Attachment #7](#)).

Senator Olson called on neutral Phil Wages representing Kansas Electric Power to provide testimony ([Attachment #8](#)).

Written testimony was also submitted by:

Proponent Mike O'Neal representing the Kansas Chamber ([Attachment #9](#)).

Neutral Joe Dick representing BPU ([Attachment #10](#)).

Senator Knox referenced previous committee testimony concerning whether or not entering into a state implementation plan (SIP) is actually entering into a binding contract. He also questioned whether a

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federal implementation plan (FIP) would be a contract and then called the committee to refer back to attorney general's testimony.

Seeing no further questions or comments Senator Olson closed the hearing on **SB151**.

Possible action on bills previously heard

No action taken on bills previously heard.

Seeing no further questions or comments Senator Olson adjourned the meeting at 2:29pm. The next committee meeting is scheduled for Wednesday, February 18, 2015.