

Memorandum

To: Kansas Senate Utilities Committee

From: Caleb Hall

Date: 3/10/15

RE: Opposition to SB 253

Hello and thank you Chairman Robert Olson for this opportunity to voice my opposition to Senate Bill (SB) 253. My name is Caleb Hall, a lifelong Kansan, a soon to be practicing lawyer, and I hope to practice environmental and energy law in Kansas. Senate Bill 253 would create a sunset date for Kansas Renewable Portfolio Standard (RPS), whereupon the RPS' mandate, that 20% of Kansas electricity will come from renewable energy by 2020, will extinguish on January 1, 2016. This Bill should be rejected because 1) there is no utility in such an action, and 2) it goes back on a promise this legislative body made.

First, the RPS has brought measurable benefits to Kansas, with marginal downsides. By demonstrating a commitment to renewable energy, Kansas attracted Siemens to the State, and sustained upwards of 5,000 Kansas jobs in 2012 along with nearly \$8 million in annual land lease payments.¹ Renewable energy generation can also be expected to grow and provide more economic benefits in the future. Kansas is ranked second in the nation for wind energy potential,² being able to produce ninety times our electricity needs through continued investment in wind energy technology.³ Such growth could enable Kansas to sell electricity across the entire United States. Surely the people of Kansas recognize this, as 91% of Kansans surveyed support wind energy.⁴

There are costs associated with the RPS, but they are nowhere near the benefits. Based on the self-reported profits and expenses from affected cooperatively-owned and investor owned utilities,⁵ the Kansas Corporate Commission concludes that the rate impact of the RPS is only about 0.21 cents per kilowatt hour, requiring "less than 2.2% of the revenue requirement of

¹ *State Wind Energy Statistics: Kansas*, American Wind Energy Ass'n (Mar. 6, 2014), <http://www.awea.org/Resources/state.aspx?ItemNumber=5223>.

² *Alternative Energy*, Kansas Dept. of Commerce, <http://www.kansascommerce.com/index.aspx?NID=468> (last visited Mar. 14, 2014).

³ American Wind Energy Ass'n, *supra*.

⁴ *Renewable Energy Poll Confirms 91% of Kansas Voters Support Renewable Energy*, Climate + Energy Project (Feb. 2014), <http://www.climateandenergy.org/resources/CEPFeb2014NewsletterFINAL.pdf>.

⁵ Kan. Admin. Regs. 82-16-4 (2010).

utilities while renewable generate supplies about 15% of the peak demand in the state.”⁶ Naysayers dispute this figure, but such claims fall victim to poor methodology and logical fallacies.⁷ Thus, with so many benefits and little no downsides, it makes no sense why Kansas should attack one its hugest economic assets.

Second, the RPS was in part passed as deal amongst Kansas legislators. In return for the RPS, a law was passed guaranteeing that the Holcomb power plant, operated by Sunflower Electric Power Corporation, would be approved by the Kansas Department of Health and Environment (KDHE).⁸ That the KDHE failed to approve the Holcomb plant in accordance with federal law speaks nothing to the deal made in this Capitol.⁹ The deal was made, and if the word of this legislature is to mean anything, then the agreement should be honored.

In sum, SB 253 should be rejected because it is an attack upon one of Kansas’ greatest economic assets and the integrity of the Kansas Legislature’s word.

⁶ *Retail Rate Impact Report*, 2014, available at http://www.kcc.state.ks.us/pi/2014_retail_rate_impact_report.pdf.

⁷ Caleb Hall, *Remain Involved in Political Engagement with these Helpful RPS Facts*, Climate + Energy Project (Nov. 25, 2014), <http://climateandenergy.org/blog.1050050.remain-involved-in-political-engagement-with-these-helpful-rps-facts?act=view>.

⁸ See Kan. Stat. Ann. § 65-3029 (2009).

⁹ See *Sierra Club v. Moser*, 298 Kan. 22 (2013).