

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Pat Apple at 1:30 p.m. on January 28, 2010, in Room 548-S of the Capitol.

All members were present except
Sen. Masterson, excused.
Sen Emler, excused

Committee staff present:

Kristen Kellems, Office of the Revisor of Statutes
Matt Sterling, Office of the Revisor of Statutes
Raney Gilliland, Kansas Legislative Research Department
Cindy Lash, Kansas Legislative Research Department
Ann McMorris, Committee Assistant
Jeannine Wallace, Sen. Apple's Office Assistant

Conferees appearing before the Committee:

Ed Cross, Kansas Independent Oil & Gas Association
Wayne Penrod, Sunflower Electric Power Corporation

Others attending:

See attached list.

Chair opened the hearing on:

SR 1805 - Directing state and federal leaders to consider fair approaches to possible global climate change regulations

Proponents

Ed Cross, KIOGA, expressed support of **SR 1805** and referred to areas to keep in mind in debating this issue. (Attachment 1)

Wayne Penrod, Sunflower Electric Power Corporation, voiced their concern about the language affirming global climate change and offered suggested changes. (Attachment 2)

Chair closed the hearing on **SR 1805**.

Committee members offered various changes and additions to the language. Shari Albrecht of KDHE was asked about the availability of statistics on GHG (greenhouse gases) and Ms. Albrecht indicated she would prepare a chart for the committee. Senator Brownlee urged caution in moving on this resolution. No action was taken until more information is available.

The next meeting is scheduled for February 1, 2010.

The meeting was adjourned at 2:15 p.m.

Respectfully submitted,

Ann McMorris
Committee Assistant

Attachments - 2

**SENATE UTILITIES
COMMITTEE GUEST LIST
JANUARY 28, 2010**

NAME	REPRESENTING
Danz Holtman	REC
WALTER PERRO	Sun/Power
ED CROW	KIPGA
Mark Schwedler	Westar
Kimberly Slaty	KMU
Corey Phelan	KDOC
Melvin Kruger	SARE West
Mike Usher	ONEK
Leshi Kaufman	KS CO-op Council


- Regulatory oversight of any GHG emissions program would be expensive. Big government would get bigger;
- Claims of increased jobs are misplaced;
- Loss of free market. Markets would be set by government through allocation of emission allowances;
- Creates competitive disadvantages for U.S. companies;
- Economic loss with very little attendant environmental gain would result;
- And more.

The bottom line is this. If the industrialized nations have a carbon tax or other emission control system and that same tax or system is not applied identically in less developed nations, more manufacturing products consumed by the industrialized nations will come from countries without a comparable tax or system. Industrialized nations will appear to have lowered emissions when in reality they will have just exported the emissions along with the manufacturing jobs. We agree that our State and nation should address global climate change and GHG emissions in a manner that promotes American jobs, save American citizens and industries from higher energy prices, and champions the global competitiveness of American industry. As such, KIOGA is supportive of SR 1805. Thank you for your time and consideration.

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SUNFLOWER ELECTRIC POWER CORPORATION

A Touchstone Energy® Cooperative 

**TESTIMONY OF
WAYNE PENROD, EXECUTIVE MANAGER, ENVIRONMENTAL POLICY
SUNFLOWER ELECTRIC POWER CORPORATION
ON SENATE RESOLUTION 1805
BEFORE THE SENATE UTILITIES COMMITTEE
POSITION: NEUTRAL
January 28, 2010**

We have reviewed the language of SR 1805 and appreciate the spirit of this resolution. We certainly agree that no legislation – energy or otherwise - should cost jobs in the U.S.

We are concerned about the language in the resolution affirming global climate change is a problem that needs to be addressed. Given the recent news about the researchers at East Anglian University in England and recent global cooling temperature trends, it seems additional study and research should be conducted to determine if the recorded climate changes (warming, now cooling) are, in fact, related to manmade greenhouse gas emissions.

Given the uncertainty surrounding this research, we believe the resolution would be strengthened if the language were modified as enclosed. This change in language supports the spirit of the resolution but will not jeopardize U.S. jobs and economic recovery.

**Senate Utilities Committee
January 28, 2010
Attachments 2-1**

SENATE RESOLUTION No. 1805—

A RESOLUTION urging the leaders of the state of Kansas and the United States to only address global climate change if it can be done while safeguarding American jobs and America's global competitiveness.

WHEREAS, The greenhouse gas emissions of developing countries are rising more rapidly than the emissions of the United States and have surpassed the greenhouse gas emissions of the United States and other developed countries;

WHEREAS, Kansas's greenhouse gas emissions account for only 0.23% of global greenhouse gas emissions; and

WHEREAS, Any system to regulate greenhouse gas emissions must not eliminate American jobs nor diminish the ability of American industry to compete in the global marketplace; and

WHEREAS, Any system to regulate greenhouse gas emissions must reward, not punish, early adopters of energy efficient technologies and practices; and

WHEREAS, Any system to regulate greenhouse gas emissions must adopt an international component to prevent "emissions leakage" and ensure that emissions do not simply migrate to another state or nation; and

WHEREAS, The only manner to quantify these emissions is through a domestic and international greenhouse gas emissions registry that is uniform, transparent, and verifiable; and

WHEREAS, Any system to regulate greenhouse gas emissions must ensure that the adopted regime does not result in the off-shoring of international trade sensitive industries; and

WHEREAS, Manufacturing accounts for \$15.2 billion of Kansas's gross state product and is the number one contributor to the state's economy. Kansas has already lost 20,700 manufacturing jobs since 1998; and

WHEREAS, Any system to regulate greenhouse gas emissions must ensure the availability of sufficient, affordable energy, including clean energy, before restricting emissions in a manner that could reduce the volume of energy available to consumers; and

WHEREAS, Any system to regulate greenhouse gas emissions must provide credits or allowances to support operations that reduce greenhouse gas emissions:

Now, therefore,

Be it resolved by the Senate of the State of Kansas: That the Senate of the state of Kansas and the United States should ~~combat global climate change and reduce greenhouse gas emissions~~ support continued improvements in energy technologies in a manner that further reduces all emissions, promotes American jobs, saves American citizens and industries from higher energy prices, rewards early adopters of efficient practices and technologies, prevents “emissions leakage” and champions the global competitiveness of American industry; and

Be it further resolved: That the Secretary of the Senate be directed to send enrolled copies of this resolution to the governor of the state of Kansas, Mark Parkinson, and the Kansas Congressional delegation.