



Testimony Provided To
Senate Utilities Committee
Kimberly Svaty, Public Policy Director
January 25, 2023

In General Support of Senate Bill 46

Chairman Olson, Vice-Chairman Petersen, Ranking Member Francisco, and members of the committee,

This afternoon I appear before you on behalf of the Advanced Power Alliance and the forty-plus members of our organization which represent a diverse cross section of the world's leading energy companies, energy investors, energy consumers in the advanced power industry. Most of these organizations have business interests in Kansas via operating renewable energy projects or those under development, purchase power agreements, development headquarters or manufacturing facilities. Our member assets in Kansas span the state from the most densely populated to the least, from the fastest growing to those with the most rapid population decline. Since the first wind farm came online in 2001, the wind energy industry has invested more than \$15 billion private dollars in Kansas and created more than 20,000 direct and indirect jobs in both rural and urban Kansas with several billion dollars of new renewable energy projects in the pipeline. The State is home to the nation's first wind turbine technician certification program which has a 100% job placement rate.

The Advanced Power Alliance rises in general support of Senate Bill 46. This legislation is an outgrowth of the 2022 discussion on light mitigation efforts for wind turbines. SB 46 is similar to SB 49 with one significant difference – SB 46 looks retroactively, whereas SB 49 is prospective in its requirement to adopt light mitigation technologies.

The Advanced Power Alliance was engaged during the discussions of the language of this bill and we appreciate the finished product. We would point out the salient element in SB 46: The legislation is retroactive for all existing wind farms operating in the State of Kansas. Key to the bill is that within six months of a signing a new power offtake agreement the industry must apply to the FAA for consideration of light mitigation technology to be installed on the wind farm. There have been numerous conversations about how to determine at what point existing projects need to apply for FAA approval for light mitigation technologies. Other determinations, including at the point of repowering and upgrades, are unfortunately too confusing and indecisive. All existing wind farms operate with a power offtake agreement with a defined endpoint.

Furthermore, tying the possibility of installing light mitigation technology to a new power offtake agreement is also the most appropriate time because that is the time the economics of the project will change and can be adjusted for an additional cost. As we learned in testimony, on average costs for a 200MW wind farm is approximately \$2 million in today's dollars for system installation with at least \$100,000 in annual ongoing costs (also using today's dollars). Current power offtake agreements are

fixed, making the economics of current projects also fixed. The Kansas Legislature has been slow to force industries from any sector of the economy to incur a cost retroactive to their investment, and we would agree with that general policy principle.

There are a couple changes however, we would respectfully request for the committee's consideration:

Under the definition of power offtake agreement, we would request the re-insertion of the words "long-term" before contract. Secondly, under (B) adding "A contract for" is important. A contract for differences is how contracts are described and we believe this term of art was merely lost in translation. We believe these changes speak most accurately and are most reflective of the types of contracts in the power industry, specifically for clean energy projects.

Respectfully as well, on behalf of some member companies, they would like further consideration of the effective date of SB 46. Specifically, they would like to see the effective date be January 1, 2025 since this measure is retroactive.

The clean energy industry has proudly worked with state legislators, regulators and policymakers to work through important issues including the Flint Hills Box and its doubled expansion, moving to a voluntary renewable portfolio standard in 2015 and shifting tax policy as well as clarification on native intact prairie. Applying retroactivity to roughly 40 wind operational wind farms does not come without considerable cost to developers and our projects. We believe in being finding common ground to continue to make Kansas' clean energy story a truly successful one. We appreciate the Senate Select Committee's deliberation on wind turbine lighting and hope that this committee appreciates the effort involved in crafting this legislation and the commitment made on the part of the companies investing in Kansas. Thank you and I will stand for questions.