

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:00 A.M. on January 26, 2011, in Room 785 of the Docking State Office Building.

All members were present except:

Representative Annie Kuether-excused

Committee staff present:

Matt Sterling, Office of the Revisor of Statutes
Cindy Lash, Kansas Legislative Research Department
Corey Carnahan, Kansas Legislative Research Department
Renaë Hansen, Committee Assistant

Conferees appearing before the Committee:

Tom Gross, KDHE
Heidi Zimmerman, Legislative Post Audit
Wayne Penrod, Sunflower Electric
Rick Brunetti, KDHE

Others attending:

Thirty including the attached list.

Informational Presentation on:

Issues related to the Permitting Process in the Bureau of Air and Radiation

Heidi Zimmerman, Legislative Post Audit, gave the committee a briefing on the performance audit report on the Department of Health and Environment which reviews issues related to the permitting process in the Bureau of Air and Radiation. This report can be found with Legislative Post Audit. She spent time talking about the permit process and about the history of the Sunflower Power Plants permitting process for the power plant they are seeking to build in Holcomb. She briefed the committee on the post audit questions that were asked and their answers. The two questions they asked were: Have there been significant changes in the process for approving permits in the past year, and are those changes increasing the length of time it takes to approve permits?; How does the basic process of approving the air-quality permits in Kansas compare to the process in a sample of other states?; and How does recent turnover in KDHE's upper-management position compare with previous years? Answers are contained in the report.

Informational Hearing on:

Air Quality Permitting Process and Issues

Tom Gross, KDHE, ([Attachment 1](#)), briefed the committee on the transport rule, the tailoring rule and mercury monitoring and how that applies to Kansas. He noted that the transport rule is proposed and would replace the EPA's 2005 Clean Air Interstate Rule (CAIR). The tailoring rule is in effect and requires the state to make the state regulations fit the EPA rules. He noted that KDHE is authorized by K.S.A. 75-5673. His power point included a map that pin pointed where their data is collected from within the state.

Questions were asked and comments made by Representatives: Tom Sloan, Forrest Knox, Carl Holmes, Vern Swanson,

Rick Brunetti, KDHE ([Attachment 2](#)), spoke to the committee about the air permitting process and how the different facilities go through the permitting procedure. He talked about the potential-to emit (PTE) and the types of air construction permits that are issued. He walked the committee through the permit issuance timeline goals. Mr. Brunetti gave figures about the Title V active operating permits regarding Class I and Class II.

Status of the Holcomb Air Permit

Wayne Penrod, Sunflower Electric, spoke to the committee about the Sunflower Holcomb power plant permit that was issued. Additionally, there is an impending appeal to the permit, that is being litigated.

CONTINUATION SHEET

The minutes of the House Energy and Utilities Committee at 9:00 A.M. on January 26, 2011, in Room 785 of the Docking State Office Building.

This litigation appeal was began by the Sierra Club. Mr. Penrod walked the committee through the permit process and noted the reason why they were not able to pull through and use the permit that was issued to them in 2002 for the Sand Sage facility. He noted that they submitted a second permit for three power plants in 2006 which was denied by KDH&E Secretary Bremby even though the staff decided that the application met all the requirements for the permit. And now finally, they have been approved for the 895 megawatt facility that has come under litigation.

Questions were asked and comments made by Representatives: Joe Seiwert, Tom Sloan, Reynaldo Mesa, Carl Holmes, and Forrest Knox.

The next meeting is scheduled for January 27, 2011.

The meeting was adjourned at 10:46 A.M.