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February 15, 2013 House Energy and Environment Committee Neutral Testimony on HB 2101

Chairman Hedke & Members of the Committee,

Thank you for the opportunity to share some thoughts today on HB 2101 which would allow Kansas to participate in an electric transmission siting compact.

ITC Great Plains is fully committed to investing in transmission infrastructure in Kansas and the SPP region. As a fully independent transmission company, we are solely focused on investing in necessary transmission infrastructure for reliability needs and emerging long-term energy policy objectives.

First and foremost, ITC appreciates current Kansas policies that are pro-business, pro-energy and proinfrastructure, such as the Kansas siting law. Kansas siting laws are considered a model among the industry and ITC believes would be a great law for other regions to adopt.

HB 2101 would create an interstate compact for the siting of electric transmission lines across multiple state borders. ITC understands there are impediments to building transmission across the United States that the interstate compact is attempting to address. One of these impediments is the fact that not all states participate in a Regional Transmission Organization, such as SPP, or a planning process to identify needed transmission projects. The lack of participation by some states in an RTO, creates the issue of how do you allocate costs for transmission projects and associated facilities to all who benefit from the new transmission in the RTO footprint.

Rep. Sloan and the CSG working group should be applauded for their efforts to standardize the transmission siting process in all the states, so a line crossing multiple states doesn't have multiple processes and timetables. Any new siting process shouldn't slow down or increase the cost of transmission development.

The decision before you on HB 2101 is a public policy decision for the legislature to make about whether or not a process is needed for which a transmission line crosses multiple state lines. The proposed compact would not impact any transmission lines that connect only to the existing grid in Kansas. Current Kansas siting statutes would cover such projects. We would ask that this committee and the Kansas Legislature avoid any amendments to the current siting laws in Kansas if the compact is adopted.

As long as the electric transmission siting compact is an option for Kansas utilities, ITC would remain neutral. ITC is not supportive of the compact if it were mandated on transmission companies to use.

Thank you for the opportunity to appear today.

Michael L. White, Manager, State Government Affairs

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