

Before the House Standing Committee on Energy and Environment
February 17, 2016

Written Proponent Testimony
On Senate Bill 318

Submitted By Jeff McClanahan, Director, Utilities Division
On Behalf of the Staff of the Kansas Corporation Commission

Chair Hedke, Vice Chair Corbet, Ranking Minority Member Kuether, and members of the committee, thank you for the opportunity to appear before your committee today on behalf of the Staff of the Kansas Corporation Commission (Staff). My name is Jeff McClanahan and I am the Director of the Utilities Division.

Senate Bill 318 (SB 318) repeals the Kansas Electric Transmission Authority Act statutes that established the Kansas Electric Transmission Authority (KETA). SB 318 also suspends all state agency activities that are in furtherance of the U.S. Environmental Protection Agency (EPA) docket EPA-HQ-OAR-2013-0602, codified as 40 CFR part 60 (Clean Power Plan). The suspension of state agency activities results from the February 6, 2016 stay issued by the United States Supreme Court and would continue until the stay on the implementation of the Clean Power Plan is lifted.

Staff supports the proposed amendment. However, Staff requests the legislature clarify its intent regarding the types of “agency activities” that are in furtherance of the Clean Power Plan. As presently drafted, Staff is concerned that its ability to perform certain necessary “agency activities” such as: (1) supporting the Kansas Attorney General’s office in its current litigation against the Clean Power Plan, (2) monitoring the status of the Clean Power Plan as it moves through the litigation process, (3) monitoring EPA’s activities regarding the Clean Power Plan, and (4) communicating with the Kansas Department of Health and Environment and affected utilities may be limited.

Staff's request for clarification is designed to ensure that Staff and the Commission follow the legislature's expectations of the efforts to be expended on the Clean Power Plan during the stay. The Commission has already put a hold on any billable activities by our outside consultant.¹ However, guidance regarding what if any activities Staff can perform internally would be very helpful in ensuring Staff follows the legislature's intent.

¹ See attached letter from Chairman Emler to The Honorable Rob Olson and The Honorable Dennis Hedke.