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**Senate Utilities Committee
Neutral Testimony on SB151
February 17, 2015**

Mr. Chairman and members of the committee, I am Phil Wages, Director of Member Services, Government Affairs and Business Development for Kansas Electric Power Cooperative, Inc. (KEPCo).

KEPCo is a not-for-profit generation and transmission electric utility serving the wholesale power requirement needs of nineteen member rural electric cooperatives encompassing the eastern two-thirds of Kansas.

Under the proposed Clean Power Plan (CPP), KEPCo does not have an affected generating unit in Kansas. However, KEPCo has a financial interest in the proposed CPP, as KEPCo purchases approximately 40 percent of its energy from Westar Energy and approximately 17 percent from Sunflower Electric Power Corporation. Costs incurred by Westar and Sunflower from complying with the CPP will flow through to KEPCo and KEPCo's member cooperatives, in addition to concerns regarding the impact to grid reliability.

KEPCo believes the best course of action for the State of Kansas is to file a State Implementation Plan (SIP) by the prescribed deadline. The proposed rule impacts the jurisdictions of both the Kansas Department of Health and Environment (KDHE) and the Kansas Corporation Commission (KCC). As such, it is important for SB151 to foster collaboration and expediency between the KDHE and the KCC in order to meet the filing deadline.

KEPCo acknowledges the difficult and challenging task that has been placed upon the KDHE and KCC, in particular writing and submitting the SIP by the deadline, not to mention the controversial and complicated subject matter of the SIP itself. In its current form, SB151 potentially inhibits KDHE from filing a SIP by the prescribed date. However, the suggested amended language offered by the KCC allows for and encourages interagency input, thus mitigating many concerns of a SIP not being timely submitted. It is critical that any additional statutory requirements placed upon the KDHE or the KCC do not hinder either agencies ability to file a SIP by the deadline. If the deadline is not met, the Environmental Protection Agency will issue Kansas a Federal Implementation Plan (FIP), which is not in the best interests of Kansas utilities and Kansas ratepayers.