

REPORTS OF STANDING COMMITTEES

MADAM PRESIDENT:

The Committee on **Utilities** recommends **HB 2233**, As Further Amended by House Committee, be amended on page 2, in line 11, after "efficiency" by inserting "improvements to any affected electric generating unit"; by striking all in lines 36 and 37; in line 38, by striking all before "that" and inserting "such standards through flexible regulatory mechanisms, including the averaging of emissions, emissions trading or other alternative implementation measures"; in line 39, by striking "shall"; by striking all in lines 40 through 42;

On page 3, in line 11, before the period by inserting "may enter into voluntary agreements with utilities that operate fossil-fuel based electric generating units within Kansas to implement such carbon dioxide emission standards. Such agreements may aggregate the carbon dioxide emissions levels from electric resources in this state, including coal, petroleum, natural gas or renewable energy resources as defined in K.S.A. 2014. 66-1257, and amendments thereto, that are owned, operated or utilized by power purchase agreements by utilities for purposes of determining compliance with such carbon dioxide emission standards";

Also on page 3, also in line 11, by striking "In order to"; by striking all in lines 12 through 40;

On page 4, by striking all in lines 10 through 25; in line 26, by striking all before the period and inserting:

"(d) The secretary and the state corporation commission shall enter into a memorandum of understanding concerning implementation of the requirements and responsibilities under the Kansas air quality act";

Also on page 4, in line 27, by striking "(f)" and inserting "(e) (1)"; also in line 27, by striking "and the state corporation commission";

On page 5, in line 2, by striking all after the first "the"; in line 3, by striking all before the colon and inserting "clean power plan implementation study committee"; in line 4, by striking "(1)" and inserting "(A)"; in line 5, by striking "and"; in line 6, by striking "(2)" and inserting "(B)"; in line 8, after "2016" by inserting "; and

(C) any information requested by the chairperson.

(2) The state corporation commission shall submit information to the clean power plan implementation study committee concerning:

(A) Each utility's re-dispatch options along with the cost of each option;

(B) the lowest possible cost re-dispatch options on a state-wide basis; and

(C) the impact of each re-dispatch option on the reliability of Kansas' integrated electric systems";

Also on page 5, in line 9, by striking "interim or final"; in line 11, by striking all after "to"; by striking all in lines 12 through 13; in line 14, by striking all before "for" and inserting "the clean power plan implementation study committee"; also in line 14, after "input" by inserting "pursuant to section 2, and amendments thereto, at least 30 days"; in line 16, by striking all after the period; by striking all in lines 17 through 21; in line 22, by striking all before the period and inserting "If a proposed plan is disapproved by the clean power plan implementation study committee, the secretary shall resubmit a revised plan to the study committee. The secretary may submit any proposed plan to the environmental protection agency that has been submitted to the study committee and that has not been disapproved by the committee within 30 days of the committee receiving such proposed plan";

Also on page 5, in line 23, by striking all after "the"; in line 24, by striking all before "of" and inserting "clean power plan implementation study committee";

Also on page 5, following line 33, by inserting:

"(h) Notwithstanding any other provision of law, prior to submitting any state implementation plan to the environmental protection agency, the secretary shall: (1) Submit such state implementation plan as proposed rules and regulations pursuant to K.S.A. 77-415 et seq., and amendments thereto. Such submission shall be expedited by any agency reviewing such proposed rules and regulations pursuant to K.S.A. 77-415 et seq., and amendments thereto;

(2) request a review of the proposed state implementation plan by the office of the attorney general. The attorney general review may certify to the secretary that the plan will not hinder, undermine or in any way harm the position of the state of Kansas in any current or pending litigation relating to the environmental protection agency docket EPA-HQ-OAR-2013-0602. The attorney general shall also review the proposed state plan concerning any impacts on the protections guaranteed by the constitutions of the United States or the state of Kansas; and

(3) not submit a state implementation plan if the attorney general review indicates that the proposed plan would adversely impact the state's legal position in any current or pending litigation relating to the environmental protection agency docket EPA-HQ-OAR-2013-0602 or if the attorney general review indicates that the proposed state plan adversely impacts protections guaranteed by the constitutions of the United States or the state of Kansas.

(i) The secretary shall be responsible for submitting a state implementation plan to the environmental protection agency in a timely manner. Notwithstanding any other provision of this act, the secretary shall prepare and submit a state plan to the environmental protection agency four calendar days prior to the federal submission deadline established by the environmental protection agency if the secretary has previously submitted such plan for review by the clean power plan implementation study committee pursuant to this act.";

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

Also on page 5, following line 35, by inserting:

"New Sec. 2. (a) (1) There is hereby established the clean power plan implementation study committee. The committee shall hold informational hearings and receive updates from the department of health and environment, the state corporation commission and the attorney general about the implications of the adoption of a state implementation plan pursuant to docket EPA-HQ-OAR-2013-0602 concerning the impact to: (A) Electric ratepayers; (B) electric utilities; (C) the reliability of the electric grid in Kansas; and (D) the overall sovereignty of the state.

(2) Upon development of a state implementation plan pursuant to K.S.A. 2014 Supp. 65-3031, and amendments thereto, the secretary of health and environment shall submit the plan to the study committee for review. Within 30 days of receiving any proposed state implementation plan, the committee shall hold a committee meeting and review the impact of the plan pursuant to this section and may approve or disapprove the submission of the plan. If the study committee disapproves the submission of the plan, the committee shall provide the secretary the reasons for such disapproval.

(b) (1) The study committee shall be composed of 11 voting members. Five members shall be from the senate committee on utilities as follows: (A) The chairperson, vice-chairperson and ranking minority member; and (B) two members appointed by the president of the senate.

(2) Six members shall be from the house committee on energy and environment as follows: (A) The chairperson, vice-chairperson and ranking minority member; and (B) three members appointed by the speaker of the house of representatives.

(3) A quorum of the clean power plan implementation study committee shall be six members. All actions of the committee shall be taken by a majority of all of the members of the committee. Any vacancy in the membership of the committee shall be filled by appointment in the same manner prescribed by this section for the original appointment.

(c) Members shall be appointed to the study committee on or before July 1, 2015, for a term

ending on June 30, 2017. On and after the first day of the regular legislative session in odd-numbered years, the chairperson of the study committee shall be the chairperson of the house committee on energy and environment and the vice-chairperson of the study committee shall be the chairperson of the senate committee on utilities and, after the first day of the regular legislative session in even-numbered years, the chairperson of the study committee shall be the chairperson of the senate committee on utilities and the vice-chairperson of the study committee shall be the chairperson of the house committee on energy and environment. The chairperson and vice-chairperson of the study committee shall serve in such capacities until the first day of the regular legislative session in the ensuing year. The vice-chairperson shall exercise all of the powers of the chairperson in the absence of the chairperson. The first meeting of the study committee shall be called by the chairperson of the committee following the conclusion of the 2015 regular session of the Kansas legislature. The committee shall have the authority to meet at any time and at any place within the state on the call of the chairperson.

(d) The provisions of the acts contained in article 12 of chapter 46 of the Kansas Statutes Annotated, and amendments thereto, applicable to special committees shall apply to the clean power plan implementation study committee to the extent that the same do not conflict with the specific provisions of this act applicable to the study committee.

(e) Members of the clean power plan implementation study committee shall receive compensation, travel expenses and subsistence expenses as provided in K.S.A. 75-3212, and amendments thereto, when attending meetings of the committee.

(f) The staff of the office of the revisor of statutes, the legislative research department and the division of legislative administrative services shall provide such assistance as may be requested by the study committee.

(g) The provisions of this section shall expire on June 30, 2017.";

In the title, in line 3, after "standards" by inserting ", legislative review"; in line 4, before "amending" by inserting "creating the clean power plan implementation study committee;"

And by renumbering sections accordingly; and the bill be passed as amended.

_____Chairperson