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Written Testimony of KCP&L/Westar (Evergy) Daniel R. Wilkus, Environmental Services, Westar Energy

For the Senate Committee on Utilities

Support for SB170

February 21, 2019

Chairman Masterson and members of the Committee:

Westar Energy (Westar) is pleased to support Senate Bill 170, which proposes to amend portions of the Kansas Asbestos Control Program (K.S.A. 65-5309 and K.S.A. 65-5314) to redirect revenue to the Air Quality Fee Fund to create a self-sustaining Asbestos Control Program (Program) without the need of state general funding. We believe this action will help strengthen the State's ability to maintain an effective and efficient Program for the benefit of the citizens of Kansas and its industry partners.

Currently, all fees collected by the Program for items such as the issuance and renewal of asbestos business licenses as well as any penalties imposed by the program are remitted to the state treasurer for deposit into the State General Fund (SGF). Since the Program does not have a dedicated source of revenue and it experiences annual shortfalls in funding, it could make it challenging for the Program to continue carrying out its statutory duties to protect the health of Kansans. As noted by the Kansas Department of Health and Environment (KDHE), the Program is currently underfunded and utilizes funding from the Air Quality Fee Fund to meet annual expenses. In fact, according to KDHE, on average an additional \$40,000 per year is used from the Air Quality Fee Fund to support the Program. We are concerned this shortfall in annual funding from the SGF could jeopardize the ability of the Program to issue timely permits, thereby resulting in project delays involving asbestos abatement-related work at Westar facilities.

Westar supports the proposed amendments to the Kansas Asbestos Control Program to redirect all revenue collected under the Program from the SGF to the Air Quality Fee Fund. This change will ensure the Program has adequate funds to effectively operate and allow the Program to continue to provide the high level of service the citizens of Kansas are accustomed to receiving from the Program.

Daniel R. Wilkus, P.E., Senior Manager, Air Programs, KCP&L/Westar, 818 S. Kansas Ave., Topeka, KS 66612 785-575-1614 www.evergyinc.com

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