

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:00 A.M. on January 27, 2011, in Room 785 of the Docking State Office Building.

All members were present except:

Representative Joe Seiwert-excused

Committee staff present:

Matt Sterling, Office of the Revisor of Statutes
Cindy Lash, Kansas Legislative Research Department
Corey Carnahan, Kansas Legislative Research Department
Rena Hansen, Committee Assistant

Conferees appearing before the Committee:

Ron Gashes
Beth Jensen, Trans-Canada
Jim Prescott, Trans-Canada
Representative Tom Sloan, 45th District
Kimberly Gencur-Svaty, Electric generating companies of Kansas
Dave Springe, CURB

Others attending:

Thirty- Two including the attached list.

Chairman Holmes reminded the committee of the public hearing for the Westar rate case before the Kansas Corporation Commission scheduled for next Tuesday evening.

Representative Tom Sloan, ([Attachment 1](#)), presented the committee with an article on the EPA study of the pollution emission foot print of the extraction of Natural Gas.

Presentation by :

Trans-Canada

Ron Gaches introduced the representatives from Trans-Canada.

Beth Jensen, ([Attachment 2](#)), began the presentation by Trans-Canada noting that this Keystone project is one of the biggest projects in North America. It is a \$12 billion pipeline, covering three provinces, nine states, 110 counties and spans 4,000 miles. With this project they have to get 4,000 permits from various regulatory agencies along the project path. She noted that construction of this project in Kansas produced new spending of \$683 million, increased personal income by \$376 million, and generated more than \$17 million in tax revenue for state and local governments.

Trans-Canada Pipeline included various supporting pieces of testimony including:

- Map of pipeline in Kansas, ([Attachment 3](#))
- Map of pipeline in North America, ([Attachment 4](#))
- Media advisory, ([Attachment 5](#))
- Gains in Kansas Business Activity Stemming from Keystone Pipeline Investments, ([Attachment 6](#))
- Salina Journal article on Pipeline prosperity, ([Attachment 7](#))
- Augusta Daily Gazette article, ([Attachment 8](#))
- Keystone Pipeline System Project Update, ([Attachment 9](#))

Questions were asked and comments made by Representatives: Vern Swanson, Tom Sloan, Don Hineman, Carl Holmes, Forrest Knox, Reynaldo Mesa, Gail Finney, Annie Kuether,

Jim Prescott, Trans-Canada, and Ron Gaches, helped to answer questions brought up by the committee. Mr. Prescott noted that there are three parts to getting gasoline to the consumer: extraction, refining, and transporting. Their portion of the production is the transporting.

CONTINUATION SHEET

The minutes of the House Energy and Utilities Committee at 9:00 A.M. on January 27, 2011, in Room 785 of the Docking State Office Building.

Hearing on:

HCR 5005- Establishing targets for energy development, consumption and costs.

Proponent:

Representative Tom Sloan, (Attachment 10), spoke to the committee on **HCR 5005**. This bill would promote a 10 year state energy plan to help Kansas move towards becoming an energy exporter again. He noted that **HCR 5005** establishes energy targets in these areas: energy production, energy storage, conservation and efficiency, transmission, research, and workforce development. He commented that this resolution sets out a vision for the state on energy issues noting that this resolution is flexible for changes.

Neutral:

Jeff H. Risley, Climate and Energy Project, (Attachment 11), presented written only, neutral testimony in support in general of anything that helps promote using less energy contained in **HCR 5005**.

Opponents:

Kimberly Gencur-Svaty, Electric Energy Producers of Kansas, (Attachment 12), presented testimony in respectful opposition to **HCR 5005**. Ms. Gencur-Svaty walked through the resolution point by point refuting how the resolution approaches the target areas. The energy producers in Kansas noted how the state already meets the needs or is working towards meeting these target areas. Additionally, she noted that four of the recommended agencies suggested to come together to ensure these goals are achieved are in fact entities that have no working knowledge of this information and would spend a large amount of time getting educated in order to make intelligent recommendations.

David Springe, CURB, (Attachment 13), offered testimony in opposition to **HCR 5005**. Mr. Springe commented that CURB does appreciate a vibrant conversation about energy. He noted that the targets set forth in this resolution are not the result of public policy discussions and do not appear to be based on a consensus of relevant stakeholders. The targets are aggressive compared to current Kansas policy. He noted that putting this idea into a resolution instead of a law the legislature creates a lot of uncertainty about what is important to focus on. He commented that if you don't have some targets, you don't know where you are going and to that end one must have some sort of direction.

Questions were asked and comments made by Representative: Forrest Knox, Nile Dillmore, Carl Holmes, Tom Sloan, Annie Kuether, Joe Siewert, and Don Schroeder.

The hearing on **HR 5005** was suspended.

The next meeting is scheduled for January 28, 2011.

The meeting was adjourned at 10:46 A.M.