

Approved: March 1, 2012

(Date)

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairperson Carl Holmes at 9:00 a.m. on Thursday, January 12, 2012 in 785 of the DSOB.

All members were present except:

- Representative Rob Bruchman-excused
- Representative Nile Dillmore-excused
- Representative Stan Frownfelter-excused
- Representative Annie Kuether-excused
- Representative Mesa Reynaldo-excused

Committee staff present:

- Cindy Lash, Kansas Legislative Research
- Brian Turnbull, Kansas Legislative Research
- Mike Sterling, Kansas Revisor of Statutes
- Tamara Lawrence, Kansas Revisor of Statutes
- Renaë Hansen, Committee Administrative Assistant

Conferees appearing before the Committee:

- Bill Eastman, Westar
- Phil Wages, KEPCo
- Whitney Damron, Empire District Electric Company
- Kimberly Svaty, Kansas Power Pool
- Patrick Cassidy, Kansas City Board of Public Utilities
- Wayne Penrod, Sunflower Energy

Others in attendance:

Twenty including the attached list.

Presentation by Electric Utilities on the Effects of the New EPA Regulations

Bill Eastman, Director of Environmental Services, Westar, ([Attachment 1](#)), spoke to the committee on where Westar stands in relation to the new EPA regulations. He noted that the recent change in deadline for compliance was a huge relief for them.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

Minutes of the HOUSE ENERGY AND UTILITIES Committee at 9:00 a.m. on Thursday, January 12, in 785 of the DSOB.

Phil Wages, KEPCo, ([Attachment 2](#)), spoke briefly to the committee on the effects of the EPA regulations on their member companies.

Whitney Damron, Empire District Electric Company ([Attachment 3](#)), offered detailed information about the EPA regulations and how it is affecting their production of energy and compliance to the rules set forth. He also gave some estimated costs to the company of complying with these new regulations.

Kimberly Svaty, Kansas Power Pool, ([Attachment 4](#)), offered information to the committee about the effects of the EPA regulations on their production and costs. She noted there are 306 electric generation plants affected by the Reciprocating Internal Combustion Engine (RICE) rules. She spoke about some of their efforts in how they have been working to overturn the rules for municipal electric utilities by introduction of bills in the U.S. House and Senate.

Patrick Cassidy, Director of Environmental Services, Kansas City Board of Public Utilities, ([Attachment 5](#)), spoke about the specific costs to their company and customers of moving their energy generation facilities into compliance with the EPA rulings. He noted the time frame that was given them by the EPA was not even one budget cycle and basically made it virtually impossible to come into compliance within the time frame recommended.

Wayne Penrod, Sunflower Energy, ([Attachment 6](#)), spoke to the committee about the effects of the EPA rules on their operations. The rules affecting them are: Cross State Air Pollution Rule (CSAPR), Mercury and Air Toxic Standards (MATS) rule, Performance Standards for Greenhouse Gasses, and the Coal Combustion Residuals.

Paul Ling, KCPL, ([Attachment 7](#)) offered written testimony explaining the affects of the EPA rules on their company.

Earnie Lehman, Midwest Energy, ([Attachment 8](#)), presented a written explanation of the effects of the EPA rules on their company.

Questions were asked and comments made by Representatives: Joe Seiwert, Don Hineman, Phil Hermanson, Tom Sloan, Carl Holmes, Forrest Knox, and Vern Swanson.

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Bill Eastman, Whitney Damron, Wayne Penrod, Mark Schreiber, Phil Wages, Kimberly Svaty, Patrick Cassidy, and Dave Springe helped answer questions posed by the Energy and Utilities committee.

It was commented that a lot of these EPA rules are about closure of these plants and not about replacement of these units.

The next meeting is scheduled for Tuesday, January 17, 2012 at 9 a.m.

The meeting was adjourned at 10:46 a.m.

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