



Since 1894

To: House Committee on Energy and Environment
Rep. Dennis Hedke, Chair

From: Aaron M. Popelka, V.P. of Legal and Governmental Affairs, Kansas Livestock Association

Re: **HB 2373 AN ACT concerning utilities; relating to the renewable energy standards act.**

Date: March 11, 2015

The Kansas Livestock Association (KLA), formed in 1894, is a trade association representing over 5,000 members on legislative and regulatory issues. KLA members are involved in many aspects of the livestock industry, including seed stock, cow-calf and stocker production, cattle feeding, dairy production, grazing land management and diversified farming operations.

Thank you, Chairman Hedke and members of the Committee, my name is Aaron Popelka and I am with the Kansas Livestock Association (KLA). KLA submits testimony today as a proponent of HB 2373.

KLA has a long history of favoring free market policies and discourages government policies that interfere with market principles. To this end, KLA members have adopted the following operating principles: "WHEREAS, the Kansas Livestock Association believes the livestock industry is best served by the process of free enterprise and free trade, and WHEREAS, even with its imperfections, free trade is relatively more equitable than regulated and subsidized markets which retard innovation and distort production and market signals"

In 2005, in keeping with these principles, KLA members adopted the following policy in regard to the Renewable Portfolio Standard (RPS) for wind energy: "BE IT FURTHER RESOLVED, the Kansas Livestock Association opposes renewable portfolio standards for wind energy." KLA members also adopted a similar stance in regard to all renewable energy sources: "THEREFORE BE IT RESOLVED, the Kansas Livestock Association supports transitioning to a market-based approach for the production and usage of renewable fuels produced from livestock feedstuffs." These policies apply to both federal and state laws and regulations.

While wind may be free, the infrastructure and land used to generate and transport the electricity is not. As a result of the RPS mandate, wind energy was given a guaranteed market share that supplants potentially lower cost generation. This has led to higher electricity bills for many participants in the Kansas livestock industry.

Thank you for the opportunity to submit testimony. KLA asks the Committee to pass HB 2373 favorably.