



Renew Kansas Biofuels Association
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February 23, 2021

To: House Committee on Utilities
From: Randy Stookey, Senior Vice President of Government Affairs and General Counsel
Re: **Proponent Testimony with Proposed Amendment on House Bill 2381, establishing the state energy plan task force to develop a comprehensive state energy plan.**

Chairman Seiwert and members of the committee, thank you for the opportunity to provide testimony on House Bill 2381. This testimony is submitted on behalf of Renew Kansas Biofuels Association (Renew Kansas).

Renew Kansas is the trade association of the Kansas biofuels processing industry with membership encompassing the ethanol and biodiesel processing, storage, and transportation industries in Kansas. Renew Kansas' mission is to promote the biofuels industry and demonstrate the positive impacts of biofuels on the Kansas and national economy.

Located across the state, Kansas currently boasts 11 fuel grade ethanol plants, one biodiesel plant, and two renewable diesel plants. These facilities process hundreds of millions of gallons of vehicle fuel annually. They also contribute to the Kansas economy, provide gainful employment for hundreds of Kansans, and pay millions in property taxes.

Biofuel processors are high industrial users of energy, and it is understood that Kansas has the highest electric rates in our region. The ability of our members to operate a competitive or profitable business is often dependent upon the amount of costs they must cover, such as utilities.

Paying higher energy rates than similar facilities in the Midwest causes our industries to be less competitive. In addition, as biofuel processors operate continuously, they are assessed surcharges at industrial peak use rates. Unfortunately, these high energy costs have become unsustainable – so much so, that many in the industry are considering investments in on-site cogeneration to remain viable.

HB 2381 would establish a *State Energy Plan Task Force*. The Task Force would be charged with developing a state energy plan providing statewide strategies specified in the bill, and make recommendations regarding the plan. The bill would require the task force to create and submit a comprehensive state energy plan and recommendations by January 31, 2023. Renew Kansas appreciates being given a seat on this task force.

Renew Kansas supports many of the goals set forth in this bill. One concern we have, however, is in regard to the stated strategy to “*enhance energy efficiency and electric vehicle infrastructure.*” (Section 1(b)(2)). Our association does not oppose electric vehicles (EVs). However, as EV technology directly competes in the open market against traditional internal combustion vehicles, and the use of biofuels, we would not support a strategy that promotes one technology over another. **For that reason, we would ask that the bill be amended to recognize biofuel infrastructure along with electric vehicle infrastructure.** Our proposed amendment is attached to our testimony.

Renew Kansas seeks forward-looking electric energy policy to lead Kansas to regionally competitive electric rates and reliable electric service. For this reason, and to ensure Kansas remains a competitive state to do business in the future, we would support this measure if amended as we have proposed.

Thank you for allowing us the opportunity to testify.

**HB 2381 – Proposed Amendment
Renew Kansas Biofuels Association**

This proposed amendment would retain the current statewide strategy in Section 1(b)(2) of enhancing “electric vehicle infrastructure,” but would amend the language to place planning for electric vehicle infrastructure in the context of a comprehensive motor vehicle fuel infrastructure strategy that includes investments in biofuel and alternative fuel infrastructure.

This amendment is intended to recognize that biofuels and alternative fuels will remain a part of the overall motor vehicle platform in our state for years to come, and that strategic investment in biofuel infrastructure, as well as electric vehicle infrastructure, is important for the Kansas transportation network, Kansas consumers, and the Kansas economy.

Proposed Amendment: HB 2381, Section 1(b)(2)

(b) The task force shall develop a state energy plan that provides statewide strategies to: (1) Assess current and future energy technologies and needs; (2) enhance energy efficiency, and plan for electric vehicle infrastructure as part of a comprehensive strategy for vehicle fueling infrastructure that includes biofuels, alternative fuels, and petroleum fuels;