

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Jay Emler at 9:30 A.M. on February 7, 2008 in Room 526-S of the Capitol.

Committee members absent:

Committee staff present: Raney Gilliland, Kansas Legislative Research Department  
Cindy Lash, Kansas Legislative Research Department  
Mike Corrigan, Revisor of Statutes  
Ann McMorris, Committee Secretary

Conferees appearing before the committee:

Sen. Chris Steineger  
Walt Chappell, Wichita  
Scott Heidner, American Council of Engineering Companies (ACEC)  
Reid Nelson, Topeka  
Tim Liebert, Professional Engineer, Overland Park  
Margaret Thomas, Kansas Natural Resource Council  
Brian Sifton, Lawrence  
Rick Jenkins, Overland Park  
Dr. Richard Gordon, Independent Scientist, KC, Mo.  
Robert Eye, Attorney, Topeka for Sierra Club  
Grover Norquist, Americans for Tax Reform  
Alan Cobb, Americans for Prosperity, Kansas  
Karl Peterjohn, Kansas Taxpayers Network

Others in attendance: See attached list

Chair continued hearing on **-HB 515- electric generation, transmission and efficiency and air emissions**

Opponents

Senator Chris Steineger offered an amendment from **SB 553** Clean Coal Compromise which focuses on developing the best and final generation of coal-fired power plants; building the Kansas power grid to enhance power exports; and developing methods to harvest and reuse Co<sup>2</sup> and other pollutants. (Attachment 1)

Walt Chappell, Wichita, stated **SB 515** is being set forth as an economic development bill which it is not. Advantages of wind and solar energy in Western Kansas would bring far more economic development. He quoted statistics as to the number of jobs this type of development would bring and the number of craftsmen that would be needed.

Scott Heidner, American Council of Engineering Companies (ACEC), spoke only to new sections 6 and 7 of the bill. He pointed out in new Section 6 the problem with the word “certified” and urged this be amended to remove the word “certified”. He strongly urged the committee to clarify the language so the direction will be more clear. He also endorsed the amendment for new Section 7 which was offered by Corey Peterson . (Attachment 2)

Reid Nelson quoted KSA 65-3012 language regarding the powers of the Secretary of KDHE to deny permits for the proposed coal plants. He also noted the provisions for carbon tax are without any practical effect; the only thing uncertain in the regulatory framework is coal; Sunflower should be audited prior to consideration of this bill. (Attachment 3)

Tim Liebert, Professional Engineer, Overland Park, questioned the proposed CO<sup>2</sup> to algae to biodiesel process. He recommended the House and Senate take prudent and responsible action to search out the best science and engineering that can be found to advise them on matters of energy policy. He provided copy of an article on CO<sup>2</sup> Sequestration by Algae Reactors which he had researched and written. (Attachment 4)

Margaret Thomas, Kansas Natural Resource Council, advocated sustainable rural development and sustainable use of our natural resources. (Attachment 5)

Brian Sifton, Lawrence, spoke for students in general and their concerns about the future when they would be the leaders. What could they look forward to if this bill based on the need for short term economic development and equity for Western Kansas were passed and overlooks the much larger issue of long term quality of life and equity among generations? (Attachment 6)

Rick Jenkins, Overland Park urged the committee to “First do no harm”. He stated that free- market capitalism is the

## CONTINUATION SHEET

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best thing that could happen in our state. ([Attachment 7](#))

Dr. Richard Gordon, Physicist, Kansas City, Mo., asked the committee to consider his points within the context of economic consequences of global warming. He noted the IPCC (Intergovernmental Panel on Climate Change) 4<sup>th</sup> Assessment Report contained three points which are more forceful than previous reports. He asked the committee to put aside calls for increased coal fueled energy production and move toward a future where climate change is no longer a threat to the economic and social vitality of the state. ([Attachment 8](#))

Robert Eye, Attorney, Topeka for Sierra Club, stated **SB 515** would be the first state legislation to accelerate global warming and undo 2007 gains. This bill would require the state to issue a permit even if the pollution would cause imminent harm. He argued that this bill will ensure Kansas continues to lag far behind other states who are promoting clean energy, creating green-collar jobs, and solving global warming. ([Attachment 9](#))

Grover Norquist, Americans for Tax Reform, voiced concern that **SB 515** would be extremely damaging from a taxpayer's standpoint and would have lasting disastrous ramifications for businesses and consumers alike. He felt the carbon tax was not the only troublesome provision but that additional burden would arise from statutory regulations on consumers and businesses. He summed up his remarks by stating the long term ramifications of this bill would set a bad precedent. ([Attachment 10](#))

Alan Cobb, Americans for Prosperity, Kansas, opposed **SB 515** because of the creation of an emissions cap and the creation of a "carbon tax". ([Attachment 11](#))

Karl Peterjohn, Kansas Taxpayers Network, spoke against the new carbon charge which he felt is for all intents and purposes a new tax. The people of Kansas do not need new taxes. ([Attachment 12](#))

The following presented written testimony only:

### Opponents:

Donn Teske, President, Kansas Farmers Union ([Attachment 13](#))

Jack Glaves, DCP Midstream ([Attachment 14](#))

Trudy Aron, AIA Kansas ([Attachment 15](#))

Colin Hansen, Kansas Municipalities ([Attachment 16](#))

Paul Snider, Kansas City Power & Light ([Attachment 17](#))

Jim Ludwig, Westar Energy ([Attachment 18](#))

Hudson Luce, Topeka ([Attachment 19](#))

Dr. John Heinrichs, Fort Hays State University ([Attachment 20](#))

Proponent:

Leslie Kaufman, Kansas Cooperative Council ([Attachment 21](#))

Questions from the committee; global warming survey, alternates on conservation, wind and nuclear; who would pay the carbon tax; how is a tax different from a fine or fees? How are rules enforced if there isn't a fine to use to enforce it.

### Introduction of Bills

Senator Reitz described two bills

1. Relates to conservation 7rs2089
2. Directed at nuclear energy and move in the right direction 7rs1880

Moved by Senator Reitz, seconded by Senator Apple, the committee introduce 7rs2089 and 7rs1880. Motion carried.

Senator Petersen requested an electric generation bill.

Moved by Senator Petersen, seconded by Senator Apple, introduce an electric generation bill as requested by Senator Petersen. Motion carried.

Adjournment. `

Respectfully submitted,

Ann McMorris, Secretary

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