

**Kansas Energy Council
Minutes, December 15, 2005**

The meeting was called to order by Chair Colin Hansen at 2:05 p.m., Thursday, December 15, 2005, at the Department of Agriculture Training Room, Topeka, Kansas.

KEC members present:

Colin Hansen, Chair	Carole Jordan (designee for Adrian Polansky)
Tim Carr	Greg Krissek
Patty Clark	Stuart Lowry
David Dayvault	Richard Nelson
Sarah Dean	Bruce Snead
Susan Duffy (designee for Brian Moline)	David Springe
Mike Hayden	Tracy Streeter
Donna Johnson	Michael Volker

Visitors:

Jessie McCurry	Jennifer States, JW Windpower
Joe Spease	Jerry VanAllen

Staff:

Liz Brosius	Jerry Lonergan
Ernie Dominguez	Jim Ploger, KCC
Joe Harkins, Governor's office	Scott White, KGS

Arrangements for Staff Support

Chair Hansen reported that he and Joe Harkins had been discussing plans for the KEC in 2006 and asked Harkins to describe these plans.

Harkins stated that the KEC will be provided staff support for policy development and noted that the intention was to build a firewall between policy development and operations. Liz Brosius will staff the KEC; Harkins has been assigned by the Governor to work with Liz and the KEC.

Additional staffing needs will be determined. KEC will have office space at the KCC next to the Energy Office to share resources and have access to information provided by the Kansas Energy Office. The KEC budget will continue to go through the KCC.

Reflections on the Select Joint Committee on Energy Meeting

Hansen asked the members to look at pages 12–14 from the handout of Rep. Carl Holmes' slide presentation. Hansen asked the Council members for their thoughts about the hearings.

Bruce Snead stated that the subjects he heard discussed at the meeting were: demand transfer dollars, low-interest loans, BTU value tax vs. cents per gallon tax, RPS study, and landlord's weatherization programs.

Joe Harkins said that the future of the KEC will be on the Select Committee's agenda in a future meeting. A concept that is being discussed right now is the possibility for the KEC to be institutionalized by law.

Hansen informed the council that Rep. Tom Sloan asked for more information on some of the KEC recommendations in this year's report (specifics such as dollar figures, etc.).

Proposed 2006 Planning Process

Hansen asked Harkins to take the lead on the discussion of the proposed planning process.

Harkins said he had met with Representatives Sloan and Holmes and posed the question, "if you are the customer, what do you want?" The answer is that they want the KEC to look into the future, and want the KEC to give them a framework (that is, do some planning). They do not want the KEC to spend time on short-term issues; instead, they would like the KEC to be talking about big issues and the future.

Based on that conversation and conversations with the Governor's staff, Harkins and Hansen developed a planning taxonomy in an effort to develop a framework for a comprehensive energy plan, with the intention of developing the plan piece by piece, not all at once.

Harkins informed the council of the Governor's priorities:

1. Residential Sector: look at this sector holistically because there are various dimensions;
2. Agriculture Sector: due to how devastating high energy costs are for the Ag industry;
3. Transportation Sector: in its largest sense, in holistic terms (i.e., public transportation); and
4. RPS: because the Governor's office has been hearing a lot of interest expressed in looking into this topic.

Harkins said that these priorities are in alignment with Rep. Holmes' priorities, but he has not had a similar conversation with Rep. Sloan yet to see if they align with his.

Harkins stated that the KEC was developed as a policy making body, period. The fundamental issue is to have the goods here on time and with enough detail in order to give them (Governor, Legislature) a credible product. The KEC should consider that they have three customers: Governor, Legislature, KCC, and give policy recommendations to each.

Susan Duffy emphasized the need to communicate to the Legislature about what the KEC is doing and why, so that they do not assume that the KEC is neglecting everything else there is out there (because the KEC will have more of a focus on three or so topics in 2006).

Energy Plan Priorities for 2006

Hansen referred Council members to the draft Taxonomy handout as a framework for developing an energy plan.

Donna Johnson suggested making the taxonomy the table of contents for such a plan. The Council agreed to use the taxonomy as the initial planning blueprint.

Tim Carr felt that carbon management, gasification, increasing energy supply, and integrated energy systems needed to be included in the taxonomy. Carr suggested that gasification might be included in chapter 2, but probably needs to be with the coal section.

Hansen told the Council that the goal of the meeting was to pick two or three topics to study in 2006; he asked the Council for their suggestions.

David Springe recommended that the Council study RPS, as it has been on the list of KEC actions in past years. Suggested that the Council look at the impact on ratepayers and the impact on the economy as a whole as part of such a study. Michael Volker and Richard Nelson also expressed support for studying RPS.

Carr said he'd like to see increasing energy supply as a priority.

Mike Hayden suggested that energy use in transportation was an important topic.

Bruce Snead recommended that energy efficiency and conservation be studied.

Susan Duffy brought up residential energy use and the importance of residential affordability.

Johnson suggested energy use in the agricultural sector be a topic of study.

The Council agreed to put all the topics up on the board and vote for their top three priorities. Hanse called a vote on the topics, reminded everyone they had 3 votes. The results of the voting are noted below:

Topics:

RPS – 13

Transportation – 9

Residential/EEC – 9

Gasification – 2

Ag – 11

Runoff vote:

Transportation – 9

Residential/EEC – 6

Priority topics for 2006 will be RPS, Transportation energy use, and Agriculture sector energy use. Residential energy conservation will be the alternative topic, if time allows.

Greg Krissek said he assumed that the Legislature was going to address the residential issue this session; therefore, he wanted to make sure that the Legislature understood that the KEC knows/holds this sector important, but that the KEC is assuming that the Legislature is moving forward and already working on this sector for this session.

Following some discussion about how to narrow down these three very broad topics, the Council agreed to form committees to assist staff in the development of scoping statements on each topic.

For the RPS topic, Richard Nelson, Patty Clark, Mike Volker, David Springe, and Sarah Dean volunteered to serve on the committee.

For the Agriculture energy use topic, Carole Jordan and Greg Krissek, and Carole suggested Secretary Polansky as a participant.

For the Transportation energy use topic, the Council suggested Galen Menard, Curt Wright, Mike Hayden (all of whom were absent at this time) would be good candidates for this committee. Staff will contact these three to see if they can participate.

The Council agreed that Jan 17 would be the deadline for the scope of work to be narrowed down for each item.

2006 Energy Report

Brosius told the Council the 2006 Energy Report draft would be sent out electronically by noon on Dec. 16, and asked that all comments be submitted by noon, on Dec. 19, noon. The printing date is set for Dec. 21 and delivery on Dec. 22.

Hansen said the next KEC meeting will be in March. A date will be set soon, avoiding Mondays and Fridays.

Meeting Adjourned.

