

**Kansas Energy Council  
February 21, 2008, Meeting Notes**

**KEC Members Attending:**

Ken Frahm, Co-Chair  
Lt. Gov. Mark Parkinson, Co-Chair  
Rick Anderson  
Rex Buchanan  
Sarah Dean  
Steve Johnson  
Stuart S. Lowry  
Galen B. Menard  
Deb Miller

Hans Nettelblad  
Adrian Polansky  
Bill Riggins  
Steve Weatherford  
Bruce Snead  
David R. Springe  
Michael Volker  
Curt Wright

**KEC Staff:** Liz Brosius, Jennifer Knorr; and KCC Energy Programs Division staff Dana Maher and Leslie Uhl

**Opening remarks, introductions**

Co-Chair Ken Frahm thanked all for attending, stated that the KEC is on its way to becoming more relevant, and suggested that the meeting finish as soon as possible because of weather concerns.

**Update on KEC 2008 recommendations**

Liz Brosius, KEC Director, reviewed the handout summarizing the status of the recommendations adopted by the Council in December and included in this year's *Kansas Energy Plan*.

*Establish biofuel incentives program review:* Commerce had completed the review of biofuels programs and reported to the House Energy & Utilities Committee and will report to the Senate Utilities later in the session.

*Monitor KCC EE dockets (08-GIMX-441-GIV and 08-GIMX-442-GIV):* Brosius pointed out that the deadlines for comments and reply comments had recently passed and that staff would keep the Council apprised of further developments. Michael Volker added that these comments, though voluminous, were worth reading.

*Provide \$2 million in annual state funding for WAP:* Brosius reported that a bill had been introduced by Sen. Reitz in the Senate Utilities Committee (SB 580) and that Frahm and several others had testified in support of the bill. Steve Weatherford noted that predictable state funding may become even more critical in the face of the proposed elimination of Weatherization Assistance Program (WAP) funding from the Department of Energy (DOE) budget for 2009. Deb Miller asked whether this is the first time the White House has tried to cut this funding, and Weatherford said that funding fluctuates and had been previously cut by the White House and reinstated by Congress. Weatherford also noted that these fluctuations affect the local providers and may cause some to get out of the weatherization business altogether. Rick Anderson asked if there was a disconnect between the Governor's budget and her stated support for energy

efficiency given that State funding is not being provided to fill the gaps left by Federal cuts. Weatherford replied that the state did not know about the federal cuts until after the Governor's budget was prepared, and that the Governor has requested that all cabinet members study the effects of cutbacks on their respective budgets. Anderson stated that the weatherization program is vital and that its loss will be a major blow to Kansas' efficiency efforts. Weatherford encouraged KEC members to voice support for continued funding to Kansas' federal delegation. Council directed Brosius to coordinate with KHRC on draft letter to the state's Congressional delegation supporting continued federal funding of weatherization.

*Expand low-interest EE loan program (KEEP):* Brosius reported that KHRC had removed income limits and raised total loan amount in December 2007. Weatherford noted that KHRC was partnering with Midwest Energy to link the loan program to the utility's How\$mart program; he also mentioned that they were working to get other banks involved in the program.

*Develop model EE building codes and promote adoption by local units of government:* Brosius noted that Ray Hammarlund, KCC Energy Programs Division Director, will be coordinating this program, which will cover residential and commercial & industrial model codes.

*Require all new publicly funded buildings to meet minimum EE standards:* Brosius reported that this recommendation is one of the provisions in SB 452, which establishes standard for all state-owned buildings as well as schools.

*Provide \$30,000 in annual funding to KACEE to support energy conservation education:* Brosius noted that this funding was not included in the Governor's budget and that she is coordinating with KACEE staff on the best way to move forward with this funding proposal.

### **Wind Working Group**

Lt. Governor Parkinson noted that this group was formed when Larry Flowers, head of the DOE National Renewable Energy Laboratory (NREL) Wind Group, was favorably impressed with Kansas' commitment to wind generation and offered to fund a Kansas Wind Group. This group has a modest budget with a half-time staffer (Jennifer Knorr). Parkinson noted that the state had 364 MW of current capacity and 650 MW of capacity to be completed by the end of 2008 for a total of 1014 MW, making Kansas the 7<sup>th</sup> state to exceed 1,000 MW and possibly the first state to do so without a Renewable Portfolio Standard (RPS). The Wind Working Group has three goals: (1) Make wind-generated electricity more competitive by addressing issues such as transmission and the possibly cessation of the Federal production tax credit; (2) take a serious look at community wind; develop wind manufacturing in Kansas. Parkinson commented that the state is sometimes viewed as anti-wind, perhaps due to the controversy over building wind farms in the Flint Hills. The first meeting occurred in Wichita and the second will be in Salina. Frahm mentioned his attendance at a Southwest Power Pool (SPP), where he was favorably impressed by the SPP's consideration of wind generation.

### **KEC Committee Updates**

#### **MGA Committee**

Committee Chair Bruce Snead summarized the first meeting of the MGA Committee on January 15, featured a presentation by the Lt. Governor. He noted that the Committee directed staff to

review where Kansas stands with respect to the policy options under consideration by the MGA; Brosius noted that this summary was included in the meeting notebooks all Council members received. Snead stated that the document is an excellent piece of work and should be reviewed by the KEC members. He reported on the morning's MGA Committee meeting, which included a presentation from Jennifer Knorr on the goals and timelines of the MGA Energy Security & Climate Stewardship Platform and presentations on climate change from Nate Brunzell of KU and Chuck Rice of KSU. [All three presentations are available on the KEC web site (<http://www.kec.kansas.gov/mga/index.htm>), under the February 21, 2008, meeting heading.] Snead noted that the MGA Committee hoped to wrap up its meeting after the KEC meeting adjourns and that all members were welcome to attend.

### **Electricity Committee**

Committee Chair Stuart Lowry said that the Electricity Committee has a good cross-section of stakeholders, and explained that the committee decided early on to initially focus on baseload generation. Lowry then summarized the Electricity Committee study topics presented in the January 17 meeting minutes (included in the notebooks and available online at <http://www.kec.kansas.gov/electricity/index.htm>). Lowry reminded everyone that the Electricity Committee meeting, originally scheduled for February 22, 2008, had been postponed due to conflicts with legislative members' schedules. Staff will inform KEC members when a new date for the next meeting has been chosen. Hans Nettelblad asked Lowry to explain the criteria for distinguishing generation as baseload, to which Lowry and Volker replied that baseload is continuous production. A brief discussion of baseload, intermediate, intermittent, and peak generation ensued.

### **Summary of Energy-related Legislation**

Brosius highlighted the bills that contained KEC recommendations (SB 580, SB 452). She noted that the bills contained proposals for at least 3 alternate energy councils or commissions. Nettelblad asked about the House and Senate bills regarding the two coal plants near Holcomb; Springe clarified that those proposals were now contained in House Sub for SB 327 (formerly HB 2711) and Senate Sub for HB 2066 (formerly SB 515). Brosius noted that the Select Committee on Energy and Environment for the Future had requested testimony on what KEC had and was doing with respect to electric generation and transmission and that she'd delivered that testimony on Feb. 20, 2008 and included a copy in the meeting notebook.

### **Other business, announcements**

Parkinson thanked the members for their attendance and hoped they found the day's meetings to be useful. He said that, wherever possible, future KEC meetings will be scheduled so as to minimize travel for those attending committee and full Council meetings. Lowry suggested that teleconferencing should be an option; Miller said videoconferencing should be possible in the Eisenhower building. Brosius thanked Leslie Uhl and Dana Maher for their help with the meeting and noted that Maher had moved from the KEC staff to the FCIP. She also noted that the KCC staff wind study is now available and is posted on the KEC Reports page (<http://www.kec.kansas.gov/reports.htm>) as well as on the KCC home page. Frahm reminded KEC members to keep an eye out for the rescheduled Electricity Committee meeting and adjourned the KEC meeting.