

**KEC Electricity Committee Meeting Notes
January 17, 2008**

KEC Electricity Committee Members Attending: Rick Anderson, Sarah Dean (*via phone*), Steve Dillard (*via phone*), Carl Holmes, Steve Johnson, Stuart Lowry, Committee Chair, Mark Parkinson, Bill Riggins, Mark Schreiber, Michael Volker

KEC Staff: Liz Brosius, Ray Hammarlund, Dana Maher, Corey Mohn

Opening remarks

Chair Stuart Lowry welcomed the committee members and thanked them for attending despite the weather. He suggested the committee's job at this meeting was to refine the study topic, lay out the process. He expressed hope that the committee could agree on its primary objectives.

Additional remarks

KEC Co-Chair Lt. Governor Mark Parkinson noted that the KEC has recently been criticized in the media for its size and perceived lack of effectiveness. He explained that although he disagrees with criticism of the KEC's size, the KEC has not taken some key issues and perhaps has not spoken as clearly as it could. He noted he met recently with Co-Chair Ken Frahm, Liz Brosius, and Ray Hammarlund, and everyone agreed that the KEC serves three primary purposes: (1) it is a forum for discussion of energy topics and issues, (2) it has a fact-finding role in that it provides information on relevant energy topics and issues, and (3) it makes energy policy recommendations. He commented that KEC appears to be unique in its function as a statewide forum. Parkinson also noted that staff and Co-Chairs were reviewing the current Executive Order to see if changes might be necessary. He acknowledged that he might support dissolving the KEC if these purposes can't be achieved in the coming year.

KEC Co-Chairman Ken Frahm agreed that he was not worried about the criticism in the press, but noted that they were correct to point to issues of relevance and willingness to tackle hard issues. Frahm acknowledged that he may have lead the KEC away from tough issues at times and said he wanted to encourage the Council to take stands, even if the decisions are divided. Regarding the Executive Order, Frahm said he supported dropping the language regarding a comprehensive energy plan.

Parkinson noted that although he and Frahm had now reiterated the same points at two committee meetings, the lack of press coverage might necessitate another recitation at the February KEC meeting. Audience member and KCC Executive Director Susan Duffy offered to have the KCC public relations officer generate a press release.

Carl Holmes stressed that he disagreed with some of the media comments, even though he had been quoted in some articles. He said he thought the work of this Committee was so important that he was here rather than at the Statehouse.

Rick Anderson asked the KEC and the Committee will function as a fact finding group? Would only committee member expertise and existing KEC resources be tapped, or would funding be needed for further research? Parkinson replied that in the past the KEC has contracted with outside groups if KEC expertise was insufficient, and Brosius added that very little extra funding is available this year. Lowry said that the committee should be able to rely on available state resources for its work.

Discuss and Determine Committee Objectives

Lowry restated the need to revisit and refine the objectives of the Electricity Committee, The Committee then discussed and agreed upon the following points and objectives (which were projected onscreen during the discussion):

- 1) Pare down electricity committee objectives to baseload generation.
- 2) Study baseload on a utility-by-utility (or unit-by-unit) basis using available KCC resources (determine how baseload demand is being met).
- 3) Study considerations that drove past baseload investment (why were those decisions made?).
- 4) Identify CO₂ emissions from existing units by MWh of actual production, and estimate emissions from future options.
- 5) How will utilities meet anticipated demand, not limited to baseload, on a 5 to 20 year planning horizon?
 - a) Address the issue of sale of available generation capacity from Kansas resources.
 - b) How will energy conservation affect generation planning?
 - c) Study on a utility-by-utility basis the cost impacts of the available generation resources. Will those impacts be significantly changed when transmission costs are considered?

After the list was finalized, committee members took a short break.

Discuss and determine committee work plan, including future meeting schedule and direction to staff

Regarding the objectives, Mark Schreiber wanted to clarify that the Electricity Committee was not trying to dictate to utilities the decisions they should make regarding future decisions, but rather to better understand what goes into such decisions and see if there are state policy implications.

Lowry asked that the committee focus on generating a task and topic for the next committee meeting.

Parkinson asked whether the KEC can cover the topics generated with its current staff, and Brosius replied that elements of Objective 5 will require assistance from Electricity Committee members and utilities.

Michael Volker asserted that the information for Objectives 2, 4, and 5 should be readily available from the KCC Utilities Division staff. Holmes added that the best way to accomplish Objective 3 would be to ask the utilities directly. Lowry thought that the committee should get data from the KCC, provide it to the utilities to review, and then determine what is still needed from the utilities or elsewhere. The committee decided to focus on Objectives 2, 4, and 5a before the next meeting, using KCC resources as much as possible.

Discussion then shifted to the difficulty of acquiring information on non-regulated utilities and the barrier of confidential utility information. Volker thought that data for the non-regulated utilities should be available, and Lowry suggested that non-baseload capacity utilities be eliminated from consideration, leaving the Kansas City Board of Public Utilities (KCBPU) as the sole non-regulated utility. Anderson said that it should be possible to use or work around any confidential utility information. Frahm asked about the possibility of releasing a combined report built from confidential utility data without disclosing individual utility information. Lowry responded that this should be possible.

Brosius said that staff would update the Committee on progress towards accomplishing the work plan by February 25th.

The Committee agreed that their next meeting would be Friday, February 22, 2008, 9:30 a.m. to 12:30 p.m., at the KCC. Westar will present on the chosen topics at this meeting, and the Committee hopes to have presentations from the other utilities at future meetings.

Meeting adjourned.