# Compiled Public Comments
# Presented at the Kansas Energy Council Public Hearing
# October 10, 2007

**Kansas Energy Council**
**October 10, 2007, 9:00 a.m. to 12:00 p.m.**
**Public Hearing on Draft Policy Recommendations**
**Kansas State Capitol, 300 SW 10th Avenue, Topeka, Kansas**
**Old Supreme Court Hearing Room, Room 313-S**

## Agenda

9:00 Opening remarks – KEC Co-Chairs Ken Frahm and Lt. Governor Mark Parkinson

9:10 Overview of KEC draft recommendations – Ken Frahm

9:15 Determination of number of people to present comments – Ken Frahm

9:20 Comments, beginning with those listed below:

1. Nancy Jackson, Land Institute Climate & Energy Program
2. Margaret Thomas, Prairie Village Environmental Committee
3. Joe Spease, Pristine Power (Krystal Energy)
4. Craig Volland, Sierra Club
5. John Strickler, KACEE
6. Jim Ludwig, Westar Energy
7. Phil Morse, Kansas Sierra Club
8. Al Dorsey, Kansas Housing Resources Corporation (KHRC)
9. Paul Johnson, Kansas Catholic Conference
10. Paul Snider, KCP&L
11. Dan Nagengast, Kansas Rural Center

11:45 Closing remarks – Ken Frahm

12:00 Adjourn

Public comment period ends October 19, 2007.
KEC will meet again on November 16, 2007.
More information available online: http://www.kec.kansas.gov/

**Public Comment**
by the Climate and Energy Project (CEP)
of The Land Institute
delivered by
Nancy Jackson, Executive Director
10 October 2007

*regarding*

Kansas Energy Council's Draft Policy Recommendations

Thank you for the opportunity to provide comments on Draft Energy Policy Recommendations for 2008, and for the Council's work toward a comprehensive, long-term energy plan. Your work is critical and welcome.

The Climate and Energy Project (CEP), a project of the Land Institute, supports lively, informed conversations about the energy future. We seek to raise awareness about the risks of climate change, the potential of renewable energy, and the need for increased energy efficiency.

CEP's mission is to foster certain core values in these energy discussions:

- *Stewardship*. Safeguarding the earth's resources for future generations.
- *Resilience*. Developing flexible energy and food systems that have the strength and diversity necessary to survive disruptions in climate or national security.
- *Balance*. Acknowledging that all energy technologies have benefits and burdens, and that citizenship demands weighing this balance carefully.
- *Innovation*. Supporting creative implementation of renewable energy and energy efficiency technologies that are both environmentally and socially sustainable.

Given our mission, it will surprise few that, though the Council has chosen not to pursue action on Chapter 2: Greenhouse Gas Emissions, I'd like to start there.

Our two topics of conversation today – Energy Conservation and Efficiency, and Biofuels – have gained interest and support in part because their pursuit has the potential to reduce greenhouse gas (GHG) emissions. Not incidentally, both also provide substantial economic promise.

Today, I would encourage the Council and Kansans in general to consider the tremendous economic advantage of aggressively pursuing both mitigation of and adaptation to global warming. This issue is frequently couched in negative terms: GHG emissions must be *reduced*, mitigation and adaptation will *cost* money.

Yet the money we spend on an issue that must be addressed sooner or later – and will be considerably less expensive to handle sooner – could be a boon to the Kansas economy with substantial returns on investment.

Consider first that Kansas possesses a tremendous wind resource, often rated third in the nation, and enjoys many more sunny days than Germany, the world's leader in solar-generated electricity.

Renewable energy is more secure than fossil fuel in many ways: the feedstock is local, plentiful and free and energy can be produced near point of use. Distributed wind machines and photovoltaic arrays are also dramatically less vulnerable to acts of terrorism than centralized power plants.

Better still, the distributed operations and maintenance jobs to support renewable energy tend to be high-earning and they are not exportable. *These jobs cannot move overseas*. And their multiplier effect is substantial, both in terms of goods and services sold but also from the perspective of workforce development, from community colleges and vo-techs to university engineering programs.

Consider second that Kansas agriculture stands to benefit from a low-carbon economy. Indeed, the monetization of carbon may provide an important key to rural economic development.

- In terms of natural geography and agricultural resources, Kansas has great potential to participate in the emerging technologies of carbon sequestration – both (1) underground storage in exhausted aquifers, mines, and former oil fields, and (2) carbon fixed in the soil through no-till agriculture, reducing summer fallow, rotational grazing, converting marginal croplands to grasslands and wetlands, etc.

- A carbon tax or cap-and-trade system would turn that GHG into a commodity. The higher the price of this commodity, the higher the profit – or credits earned – by those Kansans who sequester it. Kansans can then trade these credits (whose values are set at a clear, predictable price) on the market.

CEP would also like to add the following points to the content of **Chapter 2, Greenhouse Gas Emissions**.

1. *Coal plants.* Many legal experts believe utilities who build traditional coal plants now, with the specter of carbon monetization hovering, will be held responsible for the massive liability their sizeable emissions would create. For shareholders and ratepayers, it seems prudent to pursue efficiency and renewable energy to absorb demand while capture-and-sequester technology is developed. As evidence of global warming mounts and scientific consensus builds, we have a moral obligation to our children and theirs to proceed with utmost caution.

2. *Methane*. Carbon is only one of many GHGs. Methane is 21 times more potent than CO2 in warming the earth's atmosphere. In Kansas, digestion in cattle and decomposition of organic waste in landfills are significant sources. Kansas has an opportunity to capture methane – at feedlots, landfills, and waste treatment facilities – and use it to generate electricity. Methane capture works by separating the gas from solid waste, using the gas to create electricity that can power the facility. The remaining solids also make excellent fertilizer. *We encourage the KEC to consider the potential of methane capture technologies, and recommend providing incentives (such as tax credits and/or net metering) to assist producers in implementing such systems.*

**3.** *Nitrous Oxide*. This powerful GHG makes up 63% of all GHG emissions from U.S. agriculture. These emissions come from the breakdown of nitrogen fertilizers, as well as from natural processes of manure decomposition and legume releases. Nitrogen run-off affects water quality. *For recommendations on reducing nitrous oxide emissions, see* Soil Conservation, *below*.

4. *Soil Conservation*. Soil that is disturbed – by tillage, erosion, run-off, deforestation, etc. – loses its ability to fix carbon through plant roots.

   *We encourage the KEC to acknowledge the critical importance of soil conservation to GHG reduction.* Some conservation programs exist, primarily at the federal level, and they are often underfunded. Users complain that the programs are too disparate and complicated, each with its own income requirements and paperwork. Part of the Kansas approach to energy should include the Governor working with the federal delegation to encourage their support for fully funded, streamlined conservation programs.

5. *Renewable Portfolio Standard (RPS)*. An RPS is a powerful tool for promoting the development of renewable energy, potentially limiting GHGs. The KEC has not included an example of an RPS on its otherwise comprehensive list of Existing Policies and Programs. This is a substantial omission, since according to DOE's Office of Energy Efficiency and Renewable Energy (EERE), 24 states plus the District of Columbia have RPSs.

   Whether Kansas chooses to consider a traditional RPS or to create its own unique state action plan for renewable energy, CEP would like to point out some of the benefits:

   - *Sending clear signals to potential investors in renewable energy*. An RPS represents a state's firm, long-term commitment to supporting renewable energy development, and provides credibility to the state's promises to support necessary infrastructure improvements, such as new transmission lines. In Kansas, with one of the strongest wind resources in the nation, billions of dollars are on the line.

   - *Raising Kansans' awareness about RPSs*. Whether Kansas ever passes an RPS, the fact that 24 other states HAVE done so provides substantial opportunity for Kansas. An RPS or state energy plan discussion could positively motivate Kansas entrepreneurs.

6. *Climate Action Plan*. Only 14 states are currently without climate action plans or progress toward them. Climate Action Plans create a baseline inventory of GHGs along with projections of future consumption so that success in mitigation can be accurately measured. They engage emitters and interested parties in a stakeholder process that produces consensus goals for emission reductions. In all 36 states where this process has been pursued, it has produced positive and unexpected long-term partnerships as well as ambitious but achievable goals. The Center for Climate Strategies is already working with KDHE toward an inventory and projection. *We encourage the KEC to begin the full climate planning process as soon as possible.*

**Chapter 5: Biomass-Biofuels**

On this topic, new research, technologies, and questions emerge daily.

- CEP questions the Draft Recommendation's overly broad claim on page 3, that "biofuels are often considered carbon neutral." While biofuels do substantially reduce GHG emissions, it is hard to evaluate evidence for neutrality given ongoing scientific debate over how to calculate life cycle emissions and quantify fossil fuel inputs into fertilizer production and transport. CEP could not find evidence that NREL, EPA, DOE went so far as to often call biofuels carbon neutral.

- The primary source for biofuels is currently corn. This is an issue for the Kansas farm economy, where corn prices are a concern for both farmers and livestock producers. High corn prices are good for farmers but a problem for cattlemen, especially smaller producers.

- Ethanol production technologies appear to be on the verge of a transition from corn-based to cellulosic. *We encourage the KEC to consider investments in this transition.* Likewise, the biorefinery concept (a facility that combines fuel and electric generation from biomass) deserves consideration.

CEP believes that biomass and biofuels have great potential **if developed sustainably**. This criteria involves:

- *True cost accounting that considers energy inputs and emissions over the full life cycle of the fuel.* Deciding whether a fuel is sustainable means evaluating it as thoroughly as possible, from its birth as a feedstock through transportation, refining, distribution, and end use.

- *Recognizing that biomass stocks and processing have enormous consequences for human health and the environment.*
    - Positive: Deep-rooted perennial energy crops - such as switchgrass, native prairie grasses, biomass from CRP lands, as well as scrub, brush, and treelines – require little tilling, create little erosion, require little pesticide, herbicide, and fertilizer, provide wildlife habitat, and protect soil and water quality.
    - Negative: Iowa, the nation's leading exporter of ethanol, is experiencing significant controversy over water pollution and unsustainable drawdown of groundwater. *CEP encourages the KEC to consider depletion of the Ogallala Aquifer, which sustains considerable grain production in western Kansas and is threatened by climate change, when confronting decisions about biofuel development.*

- *The biomass industry can be developed to benefit the regional Midwestern economy, freeing it from dependence on energy imported from other states and countries*.
    - By treating biomass as a local fuel source - part of the prairie heritage, to be produced and processed here - we can use this industry to strengthen rural economic development.

*Specific Recommendations and Additional Suggestions*

1. CEP concurs with KEC's excellent suggestion that the KCC, Commerce, and Revenue conduct a thorough review of existing biofuels programs and incentives. *We encourage the KEC to provide a detailed review of who receives subsides and whether those funds contribute to rural small business support.* Biomass incentives should support smaller cooperatives and a wide range of biomass producers as well as large corn-growers.

   *CEP encourages the Council to consider expanding review of this issue to include legislation that might help jump-start biomass for electrical generation*. For example, net metering would assist livestock producers in implementing technologies of methane capture (please see our comments on Chapter 2, **Greenhouse Gas Emissions**).

2. Kansas has heartily encouraged biofuel producers. *CEP encourages the Council to consider stronger incentives for consumers to support biofuels by offering tax credits for purchasing flex fuel, biodiesel, and fuel-efficient vehicles*.

**Chapter 9: Energy Conservation and Efficiency**

Great Plains Energy's Mike Chesser calls energy efficiency our "first fuel" – the least-cost, most benign resource available to us to meet new demand. Better yet, the majority of dollars spent to achieve energy efficiency tend to stay in the local economy, benefiting local retailers, contractors, laborers.

CEP heartily supports each of the KEC's draft recommendations.

- Expansion of the weatherization program is welcome, needed, and eminently affordable as compared to new generation.

- KACEE does terrific work in the state and is the ideal choice to conduct teacher training on efficiency and conservation.

- KSA 66-1227 should be amended as necessary to enable KCC enforcement.

- Energy efficiency standards for all new publicly funded structures should compare to LEED Gold, a standard achieved in publicly funded buildings in Portland, Oregon with great success.

- The KEEP program deserves dramatic expansion on the model of Nebraska's proven Dollar and Energy Savings Loan Program. *CEP strongly encourages the KEC to remove the income requirements from KEEP altogether.* If the goal of this program is to reduce energy use, it should be made available to all Kansans. Since loans will in fact be repaid, with interest, this program should not be viewed in terms of public assistance, but as appropriate incentive.

- Building codes provide our best opportunity to realize substantial future savings. We know that it is now economic to build structures that require at least 50% less energy than their predecessors. Johnson County recently built its own award-winning building remarkably cost-effectively. *CEP supports the KEC's encouragement of ambitious local building codes.* Building to new standards brings challenges, of course, but such challenges have been repeatedly met over the years as materials like asbestos and lead paint fell from favor and catastrophic events like hurricanes, earthquakes and tornadoes provoked calls for stronger structures. Kansas is equal to this challenge and could lead the nation in meeting it, attracting families to energy-efficient communities with a higher quality of life.

*Additional Suggestions*

1. Utilities should be not only enabled but encouraged to pursue energy efficiency. Their relationship with and access to their customers and their expertise in energy delivery make utilities ideal purveyors of efficiency. *CEP encourages the KEC to consider decoupling rates from sales volume while providing performance-based incentives so that utilities can earn a return on investment in energy efficiency similar to what they currently earn on new generation. Such incentives could be structured so that one portion is guaranteed and another is payable upon confirmation of actual reductions and the cost-effectiveness of measures taken.*

2. Many citizens would like to "do the right thing" when it comes to energy efficiency but when faced with expensive decisions, defer them. *CEP encourages the KEC to consider meaningful tax incentives for citizen investments in energy efficiency.* Such credits, especially when effectively promoted, have notably spurred purchase of Energy Star appliances and highly efficient air conditioners and furnaces in many states, aiding widespread reductions in energy use.

3. Finally, while citizen education at all levels is useful and welcome, work in several states has shown that the most effective way to reduce energy use in the long-term is to affect the entire supply chain – from wholesalers to retailers to consumers at point-of-sale – in such a way that it is actually difficult for consumers to make a "bad" decision. *CEP encourages the KEC to consider creating a workforce development effort – perhaps collaborative between Commerce and the Energy Office – that provides training, certification, and tax incentives for contractors, retailers, and wholesalers to provide energy efficiency goods and services and to inform consumers about tax incentives and rebates available to them.*

Thank you for the opportunity to make this comment.

**SOURCES**

**Greenhouse Gas Emissions:**


Pew Center for Climate Change
- Policy Center, What's Being Done In the States, http://www.pewclimate.org/what_s_being_done/in_the_states/, visited 9/24/07.
- Policy Center, Agriculture's Role in Addressing Climate Change, http://www.pewclimate.org/policy_center/policy_reports_and_analysis/brief_agricultures_role/, visited 9/26/07

Carbon Tax Center, Environmental Law and Policy Center of the Midwest
- http://www.carbontax.org

Environmental Protection Agency
- Climate Change, State and Local Governments, http://epa.gov/climatechange/wycd/stateandlocalgov/index.html, visited 9/23/07.
- Carbon Sequestration in Agriculture and Forestry, http://www.epa.gov/sequestration/overview.html, visited 9/25/07.
- Methane, http://www.epa.gov/methane/sources.html, visited 9/23/07.
- Nitrous Oxide, http://www.epa.gov/nitrousoxide/scientific.html, visited 9/23/07.

DOE Office of Energy Efficiency and Renewable Energy (EERE)
- State Activities, http://www.eere.energy.gov/states/maps/renewable_portfolio_states.cfm, visited 9/24/07.

National Renewable Energy Laboratories
- Biomass Energy Basics, http://www.nrel.gov/learning/re_biomass.html, visited 9/25/07.

Union of Concerned Scientists
- Global Warming Emissions Target Report, http://www.ucsusa.org/global_warming/science/emissionstarget.html, visited 9/25/07.
- "Findings of the 4th IPCC Assessment Report, http://www.ucsusa.org/global_warming/science/ipcc-highlights3.html, visited 9/25/07.
- The Impact of Land Use on Climate Change, http://www.ucsusa.org/global_warming/science/land-use-and-climate-changeimpacts.html
- visited 9/24/07.


**Biomass-Biofuels**


Pew Center for Climate Change
- Policy Center, Agriculture's Role in Addressing Climate Change, http://www.pewclimate.org/policy_center/policy_reports_and_analysis/brief_agricultures_role/, visited 9/26/07

National Renewable Energy Laboratory
- Biomass, http://www.nrel.gov/biomass/, visited 9/25/07.

DOE Office of Energy Efficiency and Renewable Energy (EERE)
- State Activities, Biofuels, http://www.eere.energy.gov/states/alternatives/biofuels.cfm, visited 9/24/07.
- Biomass, http://www1.eere.energy.gov/biomass/, visited 9/25/07.

Union of Concerned Scientists
- The Impact of Land Use on Climate Change, http://www.ucsusa.org/global_warming/science/land-use-and-climate-changeimpacts.html
visited 9/24/07.
- Principles for Bioenergy Development, http://www.ucsusa.org

- Growing Energy on the Farm, http://www.ucsusa.org/clean_energy/renewable_energy_basics/growing-energy-on-the-farm-biomass-and-agriculture.html, visited 09/25/07.

**Energy Conservation and Efficiency**

- Governor Kathleen Sebelius, State of the State Address, January 19, 2007, http://www.governor.ks.gov/news/sp-stateofstate2007.htm
- ACEEE, http://www.aceee.org/
- Alliance to Save Energy, http://www.ase.org/
- Midwest Energy Efficiency Alliance, http://www.mwalliance.org/
- KDHE, http://www.kdheks.gov/
- Efficiency Vermont, http://www.efficiencyvermont.org/
- U.S. DOE Energy Efficiency and Renewable Energy, http://www.eere.energy.gov/

# Remarks to the Kansas Energy Council Public Hearing Oct 10, 2007
# Room 313S, State Capital Building, Topeka, KS
**Margaret Thomas, 8401 Roe, PV, KS 66207 913-341-5805**

Good morning. I am Margaret Thomas and I live in Prairie Village. I am Chair of the Prairie Village Environmental Committee, a board member of the Kansas Natural Resource Council, a member of the Johnson County Environmental Task Force and the True Blue Women's Environmental Committee, and a founding member of the Sustainable Sanctuary Coalition.

Thank you for your work for us all. It must often seem like a thankless task most days.

I have 3 comments.

My first comment is that the KEC was charged by Governor Sebelius with formulating and coordinating a comprehensive, long-term state energy plan. While we appreciate the work involved in developing policy recommendations, these are not a plan, and certainly are not long-term or comprehensive. A long term plan would address our state's energy needs in 30, 40, or 50 years. A comprehensive plan would respond to the challenges posed by global warming and the related opportunities for promoting rural economic development and protecting our water resources by development clean energy. It would address the relationship between energy, greenhouse gas emissions, the economies of our rural communities, and how a sustainable future can best be achieved. Failing to do long term and comprehensive planning promises a hodge-podge of legislation on each topic, be it biofuels or energy efficiency, and leaves citizens and legislators alike with no common framework with which to compare and evaluate initiatives.

My second comment is that we all know greenhouse gas emissions are one of the most important issues facing us all. How could it be that this plan has no recommendations on reducing greenhouse gas emissions? What possible justification is there for a state energy plan in 2007 that does not recommend specific ways to reduce greenhouse gas emissions? In just our little city of Prairie Village, volunteers have been working all year on a greenhouse gas emission reduction plan for the city. Other cities in Johnson County are doing this as well. We have been compiling information on our contributions to these emissions, and will be recommending specific actions for city government, homeowners, businesses, and officeworkers to take. If a group of volunteers can do this, what justification is there for the KEC and associated staff not doing the same on a statewide level?

My final comment is related to the fact that our state is still embroiled in what progressive states know is clearly a false choice between economic development and coal-fired power plants. In order to educate our economic development community, the KEC could, through its energy plan, take the bold step of recommending a rural economic development initiative. This initiative would be 2-fold. It would train a region's work force in the skills the 21st century is going to need to offer the goods and services for the design, manufacture and application of state-of-the-art energy solutions. And it would provide financing and technical assistance for entrepreneurs to launch the kinds of companies that will be needed in renewable energy development and energy efficiency services. KEC could still make a valuable contribution by recommending a rural economic development demonstration project in one rural community. Such a project would offer job training and business development assistance to

capture the future's potential for sustainable jobs and income. My recommendation for the location of the first demonstration project would be the city of Holcomb.

TO: KEC
FROM: Joe Spease, President Pristine Power
DATE: 10/10/07
RE: State incentives for renewable energy

The American Council for an Energy-Efficiency Economy (ACEEE) released a study on September 27, 2007 that focused on how on-site renewable energy can help meet peak energy demands, stimulate the economy, create thousands of jobs, and clean up the environment. The report is available at http://aceee.org/pubs/e078.htm ("Role of Energy Efficiency and Onsite Renewables in Meeting Energy and Environmental Needs").

In a study done for Texas, ACEEE showed how investments by state and local governments, through the use of rebate and tax incentive programs for solar and small wind products, could meet future energy needs, create 38,000 new jobs, and contribute in a huge way toward reducing harmful emissions from coal plants. The same results would be seen in Kansas, with smaller numbers proportionate to our population.

ACEEE's Executive Director, Steve Nadel, said, "By becoming energy efficiency and renewable energy leaders, state governments can show fiduciary responsibility with taxpayers' dollars. . .These policies can meet most of the projected electricity needs over the next 15 years and could result in net consumer electricity expenditure savings of $37 billion statewide over that period."

The website www.dsireusa.org under the heading Financial Incentives for Renewable Energy (listed by state) shows that 39 states have rebate and tax incentive programs in place for homes and businesses that encourage the installation of solar and small wind products. Kansas offers only a property tax allowance that helps some but not enough. Kansas needs a program to help offset product costs. I recommend that the state set a rebate offer of $2.50 per watt for systems under 10 kw, and $1.50 per watt for systems up to 500 kw.

As the ACEEE studies have shown, the savings from an investment by the state, such as the one recommended above, is recycled through the economy with tremendous economical and environmental, benefits and in lower healthcare costs. Please consider supporting such a rebate program for Kansas.

**Comment to the Kansas Energy Council, Oct 10, 2007**

My name is Craig Volland. I'm presenting this comment on behalf of the Kansas Chapter Sierra Club.

**Biofuels.** The Kansas Chapter Sierra Club is mindful of the economic benefits of ethanol production to farmers in Kansas. Also It's hard to argue against the draft recommendation for an internal program review, when there are some 20 different state and federal incentive programs for the ethanol industry. Ten of these are tax credits or exemptions, two are production or use mandates, three are grant and loan programs, two are direct subsidies, and then there are high tariffs on competing imports, accelerated depreciation benefits and state sponsored financing.

The siting of new ethanol plants in western Kansas appears to have as much to do with using distillers grain byproducts in feedlots as it does with accessing crops for plant inputs. Also the water used directly by ethanol plants is not large compared to existing levels of crop irrigation.

However the influx of ethanol plants still has a strong potential to accelerate the decline of the High Plains Aquifer. This can occur in two ways. More irrigated grain sorghum and corn production directly bound for ethanol plants will increase the draw on the aquifer, while at the same time increased crop prices will cause farmers to plant more water intensive crops and put more land into production.

It makes no difference that water appropriations are closed in many areas of western Kansas. I have analyzed hundreds of water right records in recent years where the withdrawal has been much less than the allowed amount year after year. There are several possible reasons. Some of the related land might be out of production. The land might have been sown to less water intensive crops. It may have been too expensive to pump out a lot of water given low crop prices. It's quite likely that the enhanced demand generated by ethanol and resulting higher crop prices will cause many farmers to increase their withdrawals. At a minimum the KEC should recommend that this effect be monitored closely.

Conventional ethanol production based on fossil fuels achieves little or no benefit in offsetting carbon emissions. The industry needs to transition as soon as possible to cellulosic ethanol technology that is married to

renewable energy for power needs. Transmission limitations will be minimal because wind farms can be located quite close to ethanol plants and irrigated croplands in western Kansas.

**Global Warming Policy**. The Sierra Club was disappointed when the staff recommendation on global warming was rejected. This very modest proposal simply asks the Governor and the legislature to call on the US Congress to enact regulation of GHG emissions using market-based policies (i.e., a cap and trade or GHG tax ). According to the Harris News Service the KEC rejected this proposal because of fears that it would encourage industry to move out of the country. Opponents of the recommendation said it should be left to international negotiations, considering China (& India's) lack of cooperation.

We believe that a resolution from the Kansas legislature asking Congress to regulate greenhouse gas emissions is exactly the right thing to do. We hope that the legislature will resurrect this idea in the coming session.

Opponents have a point about China and India but, of course, the US isn't doing anything either. Until we do, China and India will sit on their hands. As the largest emitter of GHG's, we must take the lead and show by example. Over the long term US industry would become much more energy efficient than China & India. In a climate of spiraling energy costs jobs and industry would likely return to the US.

There are also ways to offset any short-term disincentives for US industry. For example we could establish energy standards for imported products, like a requirement to meet Energy Star. This is no different than safety standards for autos and would pass muster with the WTO. We could also educate the public about products from offending countries. This would only be feasible, of course, after the US cleans up its own act.

Thank you for the opportunity to present his comment.

***JOHN K. STRICKLER***
***1523 University Drive***
***Manhattan, KS 66502-3447***
***Phone: 785/565-9731***
***Fax: 785/532-3305***
***jstrickl@oznet.ksu.edu***

October 10, 2007

TO: Kansas Energy Council

FROM: John K. Strickler, Board Member and Treasurer, Kansas Association for Conservation and Environmental Education (KACEE)

SUBJECT: 2007 Draft Energy Policy Recommendations

I am a retired forester who serves as a volunteer member on the Board of the non-profit Kansas Association for Conservation and Environmental Education (KACEE). I am speaking in support of Recommendation 2 Requiring Legislative Action to provide funding for energy conservation education in the public schools (K-12).

In fifty years of working in the natural resource area, I have been convinced that better education is the key to dealing with the complex and often controversial issues associated with the environment including energy. Adoption of this recommendation and approval by the Legislature would be an important step toward a broader formal and non-formal energy education effort needed to address our future energy needs.

I have been involved with KACEE since it was formed in 1969. KACEE is an association of state, federal, and local agencies, schools and universities, non-profit organizations, businesses, and individuals committed to promoting effective, non-biased, science-based conservation and environmental education throughout Kansas. Currently, KACEE's diverse membership includes over 200 organizations and 250 individuals (attached is a list of the member organizations). KACEE's membership ranges from the Sierra Club to the Kansas Farm Bureau to Weststar Energy. The public/private partnerships represented by KACEE's diverse membership and network have allowed it to successfully support and deliver quality programs through a broad base of public and private funds.

KACEE does not become involved in specific environmental issues, but rather promotes a full understanding of environmental issues through the education process. The focus of the environmental education we promote is on processes that enhance critical thinking, problem solving, and effective decision making. We like to say that our goal in conservation and environmental education is not to teach young people "what to think, but rather how to think" about environmental issues. Energy education is already integrated into many of the materials that KACEE promotes.

Laura Downey, Executive Director of KACEE, has previously shared with the Council a 2002 summary of findings on a national Roper Survey on energy knowledge, attitudes, and behavior conducted for the National Environmental Education and Training Foundation. Among the significant findings of this study is that "Three Americans in four rate themselves as having 'a

lot' or 'a fair amount' of knowledge about energy, even though only 12% could actually pass a basic test on energy." While I suspect that awareness and knowledge on these issues has increased in the past five years since this report, I'm not sure it has done so significantly.

Last week I attended the "Conversation on Energy" which was attended by over 200 citizens. I commend ConocoPhillips and the partnering organizations for this educational effort. I would note, however, that during the two hours of conversation about energy issues facing us, I do not remember the word "education" being mentioned once. Yet, during this conversation with a knowledgeable panel, there was a great deal of evidence of lack of information—including my own—or very narrow perspectives on the various energy issues discussed. One of the questions asked by the audience was what single thing other than conservation would do most good in solving our energy problems? I didn't really hear a very specific answer to that question. My answer would have been more effective energy education—formal and non-formal, youth and adult—will do more to improve our decision making about complex energy issues in the balanced, informed manner needed. I am sure the issues related to energy are only going to become increasingly complex. The need for a better educated public that understands the various sides of the issues in order to support and personally make the balanced decisions required about energy can only grow. Consider the difficulties presented to you and our other public and private decision-makers by a public that doesn't understand the complexities of the energy issues or have the basic understanding to think critically about them. All entities—public and private—have a role to play in this educational effort. I would commend the Council for putting an energy education chapter in its plan, and I would urge the Council to begin to flesh out the various elements needed for a comprehensive educational effort. KACEE looks forward to assisting any way it can as the Council works through this process.

We are happy to see the recommendation directed at the public schools as a good start in this effort. Developing a better informed general public begins with our youth.

Thank you for the opportunity to express our opinions regarding your draft recommendations.

## 2006 KACEE ORGANIZATIONAL MEMBERSHIP

### COLLEGES AND UNIVERSITIES

Baker University
Biology Department

Barton County Community
College Library

Benedictine College
Education Department

Emporia State University
Division of Biological Sciences

Fort Hays State University
Department of Biological Sciences

Fort Hays State University
Sternberg Museum of Natural History

Friends University

Kansas Biological Survey
University of Kansas

Kansas City Kansas Community College
Campus Child Care Center

Kansas City Kansas Community College
Department Biological Sciences

Kansas State University
College of Education Secondary Education

Kansas State University
Horticulture Forestry & Recreation Resources

Kansas State University
Kansas Agricultural & Rural
Leadership Program

Kansas State University
Kansas Environmental Leadership Program (KELP)

Kansas State University
PRIDE Program/Project PRIDE

Kansas State University
KCARE

Kansas State University
Office of Local Government

Kansas State University
Research and Extension
Agricultural & Natural Resources

Kansas State University
Pollution Prevention Institute

Pittsburg State University
Department of Biology

University of Kansas
Center for Science Foundation

University of Kansas
Facilities Operations

University of Kansas
Natural History Museum

University of Kansas
School of Education

Wichita State University
College of Education, C & I

### ORGANIZATIONS

Acorn Naturalists

Audubon of Kansas

Blue River Watershed Association

Bridging the Gap

Earth Awareness Researchers
for Tomorrow's Habitat
E.A.R.T.H.

Exploration Place
Adolescent & Adult Education

Friends of Finney Game Refuge

Golf Course Superintendents
Association of America

Grassland Heritage Foundation

Great Plains Society of
American Foresters

Hillsdale Water Quality Project

Kansas Alliance for Wetlands & Streams
Kansas Arborists Association

Kansas Association of Teachers
of Science (KATS)

Kansas Association of Biology Teachers

Kansas Cattlewomen

Kansas City Zoo

Kansas Earth Science Teachers Association

Kansas Energy Council

Kansas Geographic Alliance
Fort Hay State University

Kansas Geological Foundation

Kansas Natural Resource Council

Kansas Park Trust

Kansas Recreation and Park Association
Kansas Sierra Club

Kansas Tree Farm Committee
Kansas Forest Service

Kansas Underground Salt Museum

Kansas Wildlife Federation

Kansas Wildscape Foundation

Kaw Valley Heritage Alliance

Kansas Streamlink

KCEEN/Mid-America Regional Council

KS Institute for Peace and Conflict
Resolution (KIPCOR)

Konza Prairie Biological Station

Mid-America Association of
Conservation Districts

National Wildlife Federation

Ogallala Aquifer Institute

Operation Brightside, Inc

Pheasants Forever
Playa Lakes Joint Venture

Project Learning Tree - Kansas

Project WET - Kansas

Project WILD - Kansas

Rock Springs 4-H Camp

Rolling Hills Wildlife Adventure

Safari Club International
Kansas City

Science Pioneers, Inc.

Southeast Kansas Nature Center
Of Galena-Schermorhorn Park

State Association of Kansas Watersheds

Sunflower RC & D Area, Inc

The Nature Conservancy

The Watershed Institute, Inc

Topeka Audubon Society

Wildwood Outdoor Education Center

Wonderscope Children's Museum

Youth Friends of Kansas City Kansas

**FEDERAL, STATE & LOCAL AGENCIES**

Board of Public Utilities
Kansas City Kansas

Bourbon County Conservation District

Brown County Conservation District
Butler County Conservation District

City of Overland Park

City of Overland Park
Arboretum & Botanical Gardens

City of Rossville

City of Salina
Household Hazardous Waste

City of Topeka
Department of Public
Works/Water Division

City of Topeka
Water Pollution Control

City of Wichita
WATER Center

Clay County Conservation District

Cowley County Conservation District

Crawford County Conservation District

Dickinson County Water
Improvement Program

Dickerson County Conservation District

Dillon Nature Center

Douglas County Conservation District

Dyck Arboretum of the Plains

Ellis County Conservation District

Finney County Conservation District

Flint Hills RC & D

Franklin County Conservation District

Geary County Conservation District

Grant County Conservation District

Gray County Conservation District

Great Plains Nature Center

Harvey County Conservation District

Jackson County Conservation District

Jefferson County Conservation District

Johnson County Conservation District

Johnson County Park & Recreation District
Ernie Miller Nature Center

Kan-Ed

Kansas Association of Conservation Districts

Kansas City District Corps of Engineers
Milford Lake Project Office

Kansas City Kansas Public Library

Kansas Corporation Commission

Kansas Department of Agriculture
Public Information Office

Kansas Department of
Commerce and Housing

KS Department of Health & Environment

Kansas Department of Wildlife & Parks

Kansas Forest Service

Kansas Geological Survey
University of Kansas West Campus

Kansas Rural Water Association

Kansas State Department of Education

Kansas State Historical Society

Kansas Water Office

K-State Research & Extension
Reno County

Kickapoo Environmental Office

Lane County Conservation District

Lee Richardson Zoo

Marshall County Conservation District

Milford Nature Center

Miami County Conservation District

Mitchell County Conservation District

Natural Resource Conservation Service

Nemaha County Conservation District

Neosho County Conservation District

Ness County Farm Service Agency
Ness County Conservation District

Osage County Conservation District

Phillips County Conservation District

Pottawatomie County Conservation District

Prairie Park Nature Center

Quivira National Wildlife Refuge

Rawlins County Conservation District

Riley County Conservation District

Rush County Conservation District

Salina Parks & Recreation
Lakewood Discovery Center

Saline County Conservation District

Sedgwick County Zoo

Shawnee County Conservation District

Shawnee County
Recycling Department

Soil & Water Conservation Society
Kansas Council of Chapters

State Conservation Commission

Sunset Zoological Park

Thomas County Conservation District

Topeka Zoo
Friends of Topeka Zoo

Twin Lakes Water Quality Project
US Environmental Protection Agency Region 7
Environmental Education

US Fish and Wildlife Service

US Geological Survey
Water Resource Division

USDA Forest Service
Cimarron National Grasslands

Wabaunsee County Conservation District

Washington County Conservation District

Wilson County Conservation District

Wyandotte County Conservation District

**BUSINESS AND INDUSTRY**

Bass Pro Shops
BRB Contractors, Inc.

Bucher Willis & Ratliff Corp

Chapman Creek Cattle Co

Chatter's Restaurant

Coleman Company Inc

Crawford County Convention &
Visitors Bureau

Deffenbaugh Industries, Inc

Downey Ranch, Inc

Educational Credit Union

Family Books at Home

Hutchinson Convention Visitors Bureau

Independent Insurance Agents

Integrated Solutions, Inc

Kansas Agribusiness Retailers Association

Kansas Chamber of Commerce & Industry
Kansas Farm Bureau
Natural Resources Division

Kansas Gas Service

Kansas Land Improvement Contractors Association

Kansas Petroleum Council

Koch Industries, Inc

Mid-America Lumbermens Association

Midwest Energy

Monarch Cement Company

Nestle Waters of North America

Salt Institute

Schlitterbahn Vacation Village

Science City at Union Station

Shawnee County Farm Bureau
Sprint

Sunflower Diversified Services
1st Step Recycling

Tall Oaks Conference Center

Taylor & Associates, Inc

The Development Company

The Pathfinder-Manhattan

Vulcan Chemical Company

Westar Energy

Western Resources/KGE

Wolf Creek Nuclear Operating Corporation

**ELEMENTARY AND SECONDARY EDUCATION**

Central Middle School

John Dewey Learning Academy

Kickapoo Nation School

Lawrence Public Schools #497

Morse Elementary School
Smokey Hill Education Service Center

South Central Kansas Educational Service Center
USD #202 Turner

USD #229
Blue Valley School District

USD #233 Olathe District Schools

USD #307
Ell-Saline High School

USD #335 North Jackson
Jackson Heights High School

USD #340 Jefferson West
Jefferson West Elementary

USD #355
Ellinwood Grade School

USD #495

USD #500 Kansas City

USD #500 Kansas City
Professional Development Center

USD #506 Labette County

West Indianola Elementary School

Wichita West High School

**Individual Memberships 220**

**Comments before the Kansas Energy Council**
**October 10, 2007**
**James Ludwig, Executive VP Public Affairs and Consumer Services**
**Westar Energy**

Chairmen Frahm, Parkinson and members of the Kansas Energy Council: Thank you for the opportunity to provide comments on the Council's energy efficiency policy draft for legislative action.

Westar supports the efforts of the Council to incorporate energy efficiency as part of a statewide energy policy. I especially applaud the draft policy to expand weatherization assistance to low income households. This segment of our population has the least ability to take advantage of new efficient technologies and typically live in much older and inefficient homes. Westar has been in discussions with the Kansas Catholic Conference about how we can aid their efforts to identify the housing stock most in need of improvement. Our Community Partners program has used volunteer employee and retiree labor to weatherize homes across our territory. Although we intend to expand this program and solicit the help of civic and faith-based organizations, the need is great and the additional funding suggested in the draft policy will increase the impact of the Weatherization Assistance Program.

The second draft policy requests funding for energy efficiency education in the public schools. The first policy concentrated on the immediate needs of our low income, elderly and disabled residents. This second policy addresses our future. Westar believes by educating our youth in wise energy use they will become exemplars of that message in the future. For any policy to be successful it must be sustained. Education is the key. Westar, as part of its energy efficiency initiative, has taken the energy efficiency message into schools through our School Connections program. This program has been used successfully in the past to emphasize energy efficiency and electric safety, among other things, and I believe will be a complement to the Council's statewide policy. We have worked with KACEE in the past and have found them to be professional and competent in their instruction and delivery. In fact, we plan to consult with them for our own educational efforts. This organization is a great choice as the entity to implement this Council's educational initiative.

The third draft policy addresses enforcement of statutory building codes for new commercial and industrial structures. These codes adopt energy efficiency standards. Statutes that require specific codes to be followed should be amended to allow for enforcement. Westar believes that new buildings should be built to a higher standard of energy efficiency than previous buildings. We are currently in the process of renovating our service center in Lawrence. This project will incorporate LEED design and we hope it will become a showcase for others to learn from as they build new structures. LEED stands for Leadership in Energy and Environmental Design, also referred to as "Green Building Rating," and designates the state-of-the art in energy efficient, environmentally

sound construction. We have recently adopted a policy that when doing construction, to build our new office buildings or renovate existing ones to the LEED standards.

The Council has also drafted policies for administrative action. Westar supports the development of energy efficiency standards with the involvement of all interested parties. Having guidance when building new structures should improve new housing stock. Acceptance and compliance will be critical and that is why we suggest all parties be involved when developing the standards.

The expansion of the low interest loan program (KEEP) to include more Kansans is a good idea. We believe this could help the penetration of energy efficient technologies into the residential market. As neighbors see neighbors making their homes more energy efficient, the momentum to improve spreads. We and other utilities are partnering with the Kansas Energy Office in a DOE grant proposal to use this concept of customers comparing with their peers in regard to their energy usage. If approved, we will be initiating a pilot project to test its effectiveness.

Energy efficiency is an important piece of our statewide energy policy. I encourage the Council to move forward with their recommendations. Thank you for the opportunity to address you this morning. I will be glad to stand for questions at the appropriate time.

**Testimony of Phil Morse for the Kansas Sierra Club on Energy Conservation and Efficiency at the KEC Public Hearing – October 10, 2007**

In the latest *National Geographic* Bill McKibben asserts what we all know..."global warming presents the greatest test we humans have yet faced...It is our coming of age moment...(We have) Only a window of possibility, closing fast but still ajar enough to let in some hope." Climate change and global warming are a reality... Energy efficiency and conservation can make a difference, but only with a major effort begun today...not tomorrow.

1) The Kansas Sierra Club supports the KEC staff policy recommendations for Energy Conservation and Efficiency...but we strongly urge more aggressive initiatives...including...

2) Increase the recommended funding for low income weatherization from $2,000,000 to $4,000,000 with some of the increased funding devoted to insuring the program is sufficiently staffed and advertised to achieve maximum coverage and effectiveness.

3) Creation of a state funded revolving loan program to finance energy efficiency renovations and investments by Kansas homeowners with payback funded by energy savings... The Nebraska program might serve as a model for such a program. Since the Nebraska program's inception in 1979, $98.22 million has been spent to make energy efficiency improvements in 58,468 homes.

4) Kansas must also develop a significant tax credit incentive program for energy efficiency investments by both Kansas homeowners and Kansas businesses.

5) The time has come for a **major** program to inform and educate Kansans on need for energy conservation and actions Kansans can take...funded directly by the State and executed by qualified staff specifically hired, or subcontracted, to perform such a program. As an alternative the state might mandate the same program be executed by the utilities and funded in the utility rates.

6) Finally, the KEC should work with the Kansas Board of Education to develop curriculum to advance student understanding of energy efficiency and conservation.

**Al Dorsey, Kansas Housing Resources Corporation**
**Talking Points for the KEC Public Hearing**

**Recommendation #1: Expand weatherization assistance to low-income households**

27% - 30% of income from low-income households is spent paying for heating and cooling costs

**The Weatherization Assistance Program provides a method for low-income households to become energy efficient though a proven, technical method approved by the Department of Energy.**

In addition to making low-income homes energy efficient, the program reviews health and safety, measures at the homes prior to weatherizing them:

Trained and certified inspectors check for moisture, indoor air quality, furnace safety, removal of unvented heaters, check for gas leaks and lead based paint hazards.

**The increased costs of labor and materials has made it difficult to weatherize some of the older housing stock in Kansas**

Increased funding will allow for:

- Installation of compact florescent lamps
- Additional work to homes that would not otherwise qualify for weatherization services by federal rule (have been weatherized to lower standards since 1993).
- Higher efficiency furnaces to be installed
- Foundation insulation to be installed that increases the energy efficiency of homes
- Consideration of the installation of additional energy efficient appliances as part of DOE's latest initiative

**A total of 1725 homes were weatherized last year.**

**Annual funding from the state would help stabilize the local non-profit agencies which provide weatherization services across the state.**

**KANSAS ENERGY COUNCIL**
**OCTOBER 10, 2007**
**PAUL JOHNSON – KANSAS CATHOLIC CONFERENCE**

Thank you for this opportunity to comment on the legislative and administrative proposals of the Kansas Energy Council for 2008. The Kansas Catholic Conference supports an energy policy built on the wisest, most efficient use of energy and the expansion of renewable, sustainable energy sources.

The Kansas Catholic Conference supports the proposal of expanded weatherization assistance to low-income households as we did two years ago. This KEC recommendation deserves a full discussion by Kansas' lawmakers so that everyone is aware of this program and the number of households assisted in their districts. These additional funds should be directed to the households of greatest energy consumption. This could be accomplished by tracking the usage data of the 45,000 households that receive a Low Income Home Energy Assistance Program (LIHEAP) payment from the Department of Social and Rehabilitation Services. The LIHEAP program along with the Kansas Weatherization Program is now sharing information with Westar to assist with such targeting. One other strategy may be to target the homes that have high energy consumption and are repeatedly disconnected for non-payment. It will be particularly important for the largest supplier of residential natural gas service – Kansas Gas Service – to assist in identifying homes of greatest energy usage for the Kansas Weatherization Program and the Kansas Housing Resources Corporation low-interest energy efficiency loan program (KEEP).

Beyond amending existing laws relating to energy efficiency standards for commercial and industrial structures, the Kansas Catholic Conference supports developing a financing mechanism to make these energy efficiency improvements. Similar to the Facilities Conservation Improvement Program for public agencies, a private version should be established that connects new or existing companies with qualified energy service companies that identify and evaluate energy-saving opportunities. This economic development effort should be supported by dedicating a portion of Kansas' $250 million Private Activity Bond funds similar to the energy conservation bonds made to our universities.

The Kansas Catholic Conference is monitoring the Kansas Corporation Commission's Docket No. 07-GIMX-247-GIV *In the Matter of a General Investigation Regarding Energy Efficiency Programs.* The Kansas Catholic Conference supports the conclusions that the Commission has general authority to approve energy efficiency and conservation programs of utilities under its jurisdiction. Now is the time to develop a comprehensive energy efficiency and conservation program through an 'integrated resource plan' based on actual energy usage patterns in Kansas. This effort should be coordinated through the

Kansas Energy Office in conjunction with the energy potential studies being conducted by Westar, KCP&L, Midwest Energy and compared to similar studies done in several states. Kansas has a summer peaking electrical load pattern with a significant portion of this summer peak caused by air conditioning. What percentage of this air conditioning load is residential versus commercially based and how efficient are these air conditioners? What is the cost and potential benefit to the Kansas economy to change out these inefficient cooling units versus constructing natural gas peaking units to meet this costly demand? This is essential information for the Kansas Corporation Commission to meet their statutory mandate that the most 'efficient and sufficient' service is provided.

There will be no one silver bullet to improve the energy efficiency of the Kansas economy and especially the housing stock. In 2000, Kansas had 1,043,808 housing units with over 250,000 of these households being cost-burdened by paying over 30% of their income for housing and utility costs. 49% of all these housing units were built prior to 1960 with 28% built prior to 1940. Within the 30% spent for housing, 6% is for utility costs. In 2001-02, low-income household utility bills exceeded the 6% by $122 million while SRS's LIHEAP program was $14.8 million. Since 2001-02, natural gas cost has increased from $2 to $6/mcf. Catholic Charities across Kansas are deluged with utility assistance requests.

Sedgwick County administers Kansas' mortgage revenue bond for first-time homebuyers. In 2006, there were 2,138 issuances with 1,210 of these in Sedgwick and Shawnee Counties. Would it be possible to build an energy audit provision into these first-time loans with extra loan dollars such as KEEP available for cost effective energy efficiency improvements?

The Kansas Catholic Conference supports community based wind projects where local residents could invest in such projects and a significant portion of the economic benefits would stay in Kansas. Is anyone else disturbed that our wind farms are financed and owned by foreign and out-of-state corporations with a vast majority of the economic benefits leaving the state? I understand that the KEC is concerned about the subsidies involved in community wind legislation. Has a comparison been done to the state subsidies to the ethanol industry?

In summary, the Kansas Catholic Conference supports a balanced energy system where energy is used most efficiently and the full economic costs/benefits of energy conservation and production are factored into future energy investments.

# Testimony of Kansas City Power & Light
# Before the Kansas Energy Council
# October 10, 2007

Lieutenant Governor, Chairman Frahm and members of the Council, good morning and thank you for allowing Kansas City Power & Light the opportunity to comment on the Council's policy agenda.

My name is Paul Snider and I focus on government and public affairs efforts for KCP&L.

KCP&L commends your efforts to emphasize energy efficiency and fully supports the slate of energy efficiency plans that have been presented for comment.

Starting several years ago with the conception of our Comprehensive Energy Plan, KCP&L has strived to change the way energy efficiency is talked about and thought about. We've sought to change the way energy efficiency is used in our business and our customers lives, and importantly, how it's regulated.

The problem we're grappling with is how to meet increasing electricity demand, while at the same time reducing carbon emissions. This problem is bigger than KCP&L: it's a community and regional problem, and it requires a community and regional approach and collaboration to solving it. One piece of the solution is, we believe, energy efficiency.

KCP&L has over a dozen energy efficiency and demand response programs approved by the KCC for use in Kansas. These various programs are targeted and tailored toward residential consumers, including low-income customers, and commercial and industrial businesses.

These programs are working. Over the latter part of the summer when this region endured excessive heat, most expected us to surpass our system peak. We didn't. By working with customers and realizing the full benefit of our load reduction programs, we avoided setting a record.

While our results have been positive, they aren't good enough. Deployment of energy efficiency options needs to be more robust, reach more customers, and reach them faster.

Energy efficiency is not a short-term game. If energy efficiency is to be a significant component of the state and region's energy and environmental future, the commitment must be for the long run and it must be certain.

Utilities, customers, and those supplying the equipment, hiring weatherization installers, starting new businesses, or investing in new technologies, need to know that these programs will be around for the long run. Ramping up and then down of these programs is detrimental to the cost and efficiency of deploying these programs.

Sustainable programs also require aligning interest and incentives of all stakeholders. Removing disincentives for investment in energy efficiency is key to this initiative. Providing utilities the ability to consider returns for investments in energy efficiency, on the same level as new generation, is a critical component of ensuring the future success for the deployment of energy efficiency through fair and equitable regulatory treatment.

And this isn't just our view. Some of the nation's best business and regulatory minds have studied the issue and come to the same conclusions. The best example of this is the National Action Plan for Energy Efficiency, which has been endorsed by the KCC.

On the environmental front, energy efficiency reduces the emissions related to the production of energy from carbon sources. Of the options that KCP&L and the electric industry are considering, energy efficiency represents the best and lowest cost option to reduce carbon in the next ten years. Segments of the electric industry are also discovering energy efficiency is the lowest cost way to meet new demand.

Aggressive energy efficiency adoption, married with increased renewable energy, is the preferred solution to bridge us to the evolution of new base-load technologies that will be utilized in the future.

KCP&L has made a commitment to work collaboratively with stakeholders to find the optimal solution to ensure energy efficiency is a success. Key stakeholder collaboration worked extremely well with our emission control investments that have been made earlier than required, as well as with our investments in renewable energy.

On September 14 we convened an Energy Efficiency forum in Kansas City to discuss the challenges and opportunities with energy efficiency. The forum was co-sponsored by the Sierra Club, Aquila, the Mid-America Regional Council, The Greater Kansas City Chamber of Commerce, AARP, and the Kansas Energy Council. Over 500 citizens, environmental advocates, business people, elected officials and regulators attended this forum.

We plan to reengage these groups to socialize legislative and regulatory policies that will allow energy efficiency investments to be made over the long term. We look forward to working with the Kansas Energy Council and a coalition of other interested parties to make energy efficiency a priority for the state.

Clearly, we're sold on the benefits of strong investment in energy efficiency. But long-term success will take more than legislative and regulatory policy. Education – and shared definitions – are important. Money and being able to attract investment is important in any endeavor. We need more research. And finally, we need manufacturers to have a clear vision where the market is headed to be able to supply efficient appliance and products.

Investing in efficiency also helps the state and local economy, more so than building traditional generation, even renewable generation. The parts, supplies, labor and expertise for many of the wind farms in Kansas came from out of the state and out of the country. Investments in energy efficiency are localized, such as working with local HVAC dealers to install efficient equipment.

Like last year, the Energy Council is pushing an agenda with energy efficiency components, and you are to be commended. KCP&L stands ready to assist the adoption of these policy components and a broader state policy that will allow greater utility company investment in energy efficiency.

###

Submitted by: Paul Snider, Kansas City Power & Light | 816-556-2111 | paul.snider@kcpl.com

# Comments of Dan Nagengast, Kansas Rural Center

Members of the Energy Council:

My name is Dan Nagengast and I am the Director of the Kansas Rural Center. Thank you for hosting this session to solicit public comment. I would also like to thank you for your service to the state on these important issues.

I will confine my comments to the draft issue description paper on Green House Gas Emissions.

I participated in a public hearing last week hosted by Conoco Phillips. The issue, generally, concerned the energy problems confronting this nation. Some in the audience perceived the problem to be energy independence, e.g. this nation needs to be producing as much of its energy as possible. Solutions include biofuels, drilling in ANWR, permitting more coal plants, wind energy, nuclear energy, coal gasification, etc.

But many in the audience perceive the issue differently. They are concerned about our reliance on combusting hydrocarbons, our lack of frugality or thoughtfulness about how we use up our precious energy resources, the acknowledged increase in the amount of carbon in the atmosphere, and the belief held by more and more governments, scientists and individuals, that our climate may be changing due to green house gas emissions.

Everyone in this room uses energy, and more of it than almost any other population of people in the world. It has given us a comfortable life style, much more comfortable than our parents, or the existence of almost everyone else in the world. Interestingly though, European cultures that have put their attention to conservation and efficiency find themselves living as comfortably as we do, with greatly reduced consumption of energy and resultant emissions.

Your paper is a helpful discussion of taxing systems, cap and trade, and other mechanisms used to begin limiting our green house gas emissions. The Kansas Energy Council is a forum for discussion about these kinds of issues. But really, we need some leadership and we need it now. Other states have taken steps to begin limiting their emissions. This is one reason they are so highly critical of Kansas concerning the proposed new coal plants. Many utilities, including some in our state, have come to a similar conclusion that we cannot continue to incrementally add to our green house gas emissions. They are adjusting their power procurement plans accordingly The time is now to begin turning this boat away from the course we've been on for the last century.

The Kansas Energy Council needs to acknowledge that change is upon us and we need to press our Governor, our legislature and our agencies to begin the hard, practical work that comes from acknowledging their is a problem with how we power up, and finding solutions that address the problem. We need an action plan based on the discussion paper.

Thank you for your attention.