

House Committee on Energy and Environment

Written testimony submitted by:

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Chairman Hedke and members of the Committee:

Thank you for the opportunity to provide written testimony on HB 2241.

Being a farmer and one interested in seeing our rural economies prosper, it is easy for me to see the tremendous potential for wind energy to support our farms and rural communities therefore, I stand opposed to the passage of HB 2241, a bill to modify the Renewable Portfolio Standard (RPS).

Having the good fortune to have oil and gas development on my land, I know firsthand what supplemental income means to farm families. Wind farm development works similarly as a minimal amount of agricultural production is sacrificed for the benefit of financial stability provided by royalty payments.

Kansas only lags Texas in wind energy potential and thus far has developed 2,600 megawatts. The US Department of Energy (DOE) estimates that Kansas has the potential to economically develop nearly 1,000,000 megawatts, some 400 times more than current production.

This committee has heard testimony stating that continuing the current RPS would force utilities to pay multiple times more for wind energy by the year 2020 than they do now. The methodology involved assumes all the economically viable resources in the state have been utilized resulting in future development being exponentially more expensive. This argument runs counter to the above DOE data and common sense that somehow Kansas, particularly western Kansas, has run out of low cost wind resources when the land mass of all the current wind farms in the state would consume the equivalent of a fourth of a typical county. Furthermore, the RPS statute eliminates the obligation of utilities to comply if costs rise above 1%, making such assertions moot.

If wind energy is as costly as has been suggested before this committee, why are the affected parties not here supporting modifying/repealing the RPS as one committee member asked during a previous hearing? Perhaps a better question is why has Citizens' Utility Ratepayer Board (CRRB) not been before this committee testifying on the ratepayer's behalf? If rates are going up as suggested due to the RPS, one would think CURB would have testified based on their mission statement: "Our mission is to protect the interests of residential and small commercial utility ratepayers in the state of Kansas."

Let's not shoot ourselves in the foot by modifying the RPS and risk the Kansas wind energy economic boon without sound cost data supporting a change. As it stands now, the RPS is one of the best bargains going in industry incentives; no taxpayer cost and little or no consumer cost as wind energy provides a hedge against natural gas price volatility.

As a farmer who understands what energy royalty payments mean to rural communities, I ask those on this committee who represent rural areas of the state having wind development potential to seriously consider your constituents' economic prosperity when voting on the RPS legislation.