

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:00 A.M. on February 9, 2011, in Room 785 of the Docking State Office Building.

All members were present except:

Representative Stephen Alford-excused
Representative Phil Hermanson-excused
Representative Mike Slattery-excused

Committee staff present:

Matt Sterling, Office of the Revisor of Statutes
Cindy Lash, Kansas Legislative Research Department
Corey Carnahan, Kansas Legislative Research Department
Rena Hansen, Committee Assistant

Conferees Appearing Before the Committee:

Representative Rick Billinger
Tom Tunnell, Kansas Association of Ethanol Processors
Mike Chisam, Kansas Ethanol
Tom Willis, Conestoga Energy Partners
Chris Standlee, Abengoa Bioenergy

Twenty-six including the attached list.

Hearing on:

HB 2122-concerning agricultural ethyl alcohol producer incentive fund.

Matt Sterling presented a memorandum (Attachment 1) explaining **HB 2122**. The bill would continue the transfer of funds to the new production account until 2018.

Questions were asked by Representatives: Vern Swanson and Don Hineman.

Proponents:

Representative Rick Billinger spoke in favor of **HB 2122** (Attachment 2), noting how Western Plain Energy benefitted from the fee fund to help them start their business.

Tom Tunnell, CEO and President, Kansas Association of Ethanol Processors, (Attachment 3) spoke in favor of **HB 2122**. He also introduced some of the other members of the Ethanol processing community that is here today in support of **HB 2122**.

Mike Chisam, General Manager, Kansas Ethanol, (Attachment 4) presented testimony in support of **HB 2122** noting the benefit that ethanol production has towards the economy of Kansas.

Tom Willis, CEO, Conestoga Energy Partners, (Attachment 5) offered testimony in favor of **HB 2122**. Mr Willis gave some specifics positive economic figures that the ethanol industry contributes to Kansas.

Chris Standlee, Executive Vice President, Abengoa Bioenergy, (Attachment 6), presented testimony in support of **HB 2122**. Mr Standlee noted the specific facilities that Abengoa is involved in, including: the ethanol plant in Hugoton and a new Cellulosic ethanol plant developed in Hugoton, Kansas that will derive ethanol from wheat stubble, corn stover, milo stubble, prairie grasses and similar nonfood items.

Written Proponents:

- Thomas Palace, PMCA (Attachment 7)
- Leslie Kaufman, President/CEO, Kansas Cooperative Council (Attachment 8)
- Brad Harrelson, Kansas Farm Bureau, (Attachment 9)
- Jere White, Kansas Corn Growers, Sorghum Producers (Attachment 10)

CONTINUATION SHEET

The minutes of the House Energy and Utilities Committee at 9:00 A.M. on February 9, 2011, in Room 785 of the Docking State Office Building.

Questions were asked and comments made by Representatives: Annie Kuether, Rob Bruchman, Stan Frownfelter, Don Hineman, Nile Dillmore, Joe Seiwert, Forrest Knox, Reynaldo Mesa, Mike Burgess, and Carl Holmes.

Tom Robb, Abengoa, and Mary Jane Stankiewicz helped to answer questions regarding questions asked by the committee.

The hearing on **HB 2122** was closed.

The next meeting is scheduled for February 11, 2011.

The meeting was adjourned at 10:36 A.M.