

Approved: 02/20/08

Date

MINUTES OF THE SELECT COMMITTEE ON ENERGY & ENVIRONMENT FOR THE FUTURE

The meeting was called to order by Chairman Don Myers at 1:30 PM on February 18, 2008 in Room 784 of the Docking State Office Building.

All members were present except:

Vaughn Flora, Excused
Jason Watkins, Excused.

Committee staff present:

Mike Corrigan, Revisor of Statutes Office
Melissa Doeblin, Revisor of Statutes Office
Raney Gilliland, Kansas Legislative Research Department
Mary K. Galligan, Kansas Legislative Research Department
Ryan Hoffman, Kansas Legislative Research Department
Barbara Lewerenz, Committee Assistant

Conferees appearing before the committee: none

Others attending:

See attached list.

Chairman Myers introduced the representatives from the Revisor of Statutes Office and the Kansas Legislative Research Department. He announced that the Select Committee on Energy and Environment for the Future will be held at 1:30 p.m. in the Docking Building, Room 784. He asked that members with conflicting meeting dates ask to be excused.

A bill has been introduced by Federal and State that will be assigned back to this committee for work. Work on the Agenda continues with speakers Larry Holloway, Chief of Energy Operations, Kansas Corporation Commission and Liz Brosius, Director, Kansas Energy Council speaking to the committee on February 20, and Rep. Tom Sloan on February 21. Paul Genoa, Director, Environmental Policy, Nuclear Energy Institute, Washington, D.C. will speak on March 6.

Chairman Myers recognized Rep. Carl Holmes who gave a briefing on the present base load power supply and the projected increase for Kansas, present electric transmission and future needs. Rep. Holms presented information on the major electric generation facilities currently operating in Kansas using data from the Department of Energy's Energy Information Administration for 2006 and 2007 (See Attachment 1).

Discussion revealed that Kansas is currently using about the same amount of energy as is being produced in the state. Transitioning to more wind power, with gas to back it up, will increase the price of gas. Today gas has tripled from ten years ago. Ten years ago the price of gas and oil were equal. Today oil is double the price of gas. If gas prices reach the level of oil prices, heating cost will double. This will have a negative effect on the economy.

There are proposals being formed with Canada for pipelines that would bring synthetic oil into the United States going through Northeastern Kansas and possibly Western Kansas. Two out of every three barrels of oil that go through Kansas refineries come from sources outside of Kansas. China is lobbying for Canadian oil also. The U.S. uses 25 percent of the world's oil supply. Extraction of shale oil is being explored, but so far the cost is prohibitive.

The United States has 25-27 percent of the world's coal supply. Russia has close to the same amount. It is estimated that there is a 250 to 400 year supply of coal in the U.S. The global economy determines the price of imported gas and oil.

CONTINUATION SHEET

MINUTES OF THE Select Committee on Energy & Environment for the Future at 1:30 PM on February 18, 2008 in Room 784 of the Docking State Office Building.

France depends on nuclear power for 80 percent of energy needs. About 95 percent of the fuel can be reprocessed. SE New Mexico is building a processing plant for uranium to be made into fuel rods for nuclear power plants. They also have a site where nuclear waste from the military is buried. Russia is sending nuclear war heads for reprocessing into nuclear fuel to a plant in Savannah.

Rep.Holmes spoke about the Kansas Energy Commission. The commission consists of three subcommittees with the following goals: define the direction the energy council should go; look at the agreement signed by Kansas and the Midwest Governors Association on greenhouse gases; and dealing with electricity by looking at base load and the future demands of electricity for the next 20 - 30 years.

Chairman Myers asked that, due to time constraints, the committee refrain from discussion on the Holcomb Plant, global warming, carbon tax and ancillary items that will bog down the committee.

Meeting Adjourned.

The next meeting will be February 20, 2008.