Testimony before the
Senate Utilities Committee
by
Bill Griffith
Sierra Club
bgriff@lvnworth.com

Thank you Mr. Chairman and members of the committee for the opportunity to testify in favor of HB 2084. My name is Bill Griffith and I am chair of the Kansas Chapter of the Sierra Club. I work on energy policy for the Club in our state.

Energy efficiency is the hidden "power plant" that we rarely think of. For example, if we save 600 MW of power in the state that is the equivalent of not building a power plant of that size. Coal is our main supplier of electricity in the state. However, because of the inefficiencies in burning it, every Btu we save in our home or business saves 3 at the generating facility. Because of our dependence on this source it makes sense to look for savings with efficiency.

Another striking fact concerning energy efficiency (EE) is that it is the most inexpensive form of new power. EE programs are generally considered to project at 1.5 to 2 cents per kWh. Wind comes in at 3-4 cents, natural gas varies between 5-7 cents, and a new coal plant is around 7 cents wholesale per kWh.

To bring the abstract into the realm of reality, I would note that KCPL is asking for a 20% rate increase to pay for a proposed coal-fired facility they would like to build along the Missouri River. If a proven ee program had been implemented 10 years ago, how much smaller would their rate request be? What if you combined that program with a wind project? It gives one pause to think of the possible savings for consumers. Our present situation in Kansas is much like the mechanic talking about investing in a new air filter. He looks at the camera and says, "The choice is your. You can pay me now, or pay me later." Currently we are being penny wise and pound foolish.

Why do we find ourselves in this situation? A good place to search for answers is a study done by the ACEEE entitled "State Scorecard on Utility and Public Benefits Energy Efficiency Programs". If you look at Section 1, "Spending per Capita" you will find that Kansas ranks tied for dead last. Section 2, "Spending as a Percentage of Total Revenues" finds us again tied for last with a "0". Section 3 offers little solace with a ranking of 50th that we share with no other.

This study points out how poor of a job our public utilities are doing with their customers in this area. Since they are designed to be a monopoly the consumer cannot change companies and can only accept what is offered. For those serviced by these companies they have decided we don't need anything.

We do believe that these public utilities should be allowed to recover their costs and a true partnership exist between them and their customers by the offering of proven ee programs. This will put money in customers pocket, cut air pollution, hold off building new power plants, and boost local economies. We urge you to vote yes on HB 2084.

APPENDIX B. RANKINGS BASED ON 2000 DATA

Section 1. Spending per Capita

State Ranking by Spending per Capita					
Rank	State/Region	Spending per Capita	Rank	State/Region	Spending per Capita
1	Connecticut	\$19.48	27	Colorado	\$0.81
2	Massachusetts	\$15.60	28	Dist. of Columbia	\$0.80
3	Rhode Island	\$13.33	29	Arizona	\$0.71
4	New Jersey	\$13.20	30	New Mexico	\$0.62
5	Vermont	\$10.30	31	Michigan	\$0.61
6	Maine	\$9.87	32	Maryland	\$0.61
7	Wisconsin	\$9.16	33	West Virginia	\$0.36
8	Hawaii	\$9.07	34	Indiana	\$0.34
9	New York	\$8.57	35	Alaska	\$0.34
10	California	\$8.43	36	Illinois	\$0.33
11	Washington	\$6.65	37	Ohio	\$0.33
12	Minnesota	\$6.65	38	Kentucky	\$0.32
13	lowa	\$6.32	39	South Dakota	\$0.23
14	Oregon	\$5.58	40	Georgia	\$0.13
15	Montana	\$5.21	41	Nevada	\$0.13
16	New Hampshire	\$4.00	42	Missouri	\$0.11
17	Idaho	\$3.81	43	Oklahoma	\$0.08
18	Florida	\$3.69	44	Mississippi	\$0.08
19	North Dakota	\$3.37	45	Alabama	\$0.07
20	Delaware	\$1.91	46	Arkansas	\$0.05
21	Wyoming	\$1.59	47	Nebraska	\$0.05
22	South Carolina	\$1.37	48	Louisiana	\$0.05
23	Pennsylvania	\$1.28	49	North Carolina	\$0.03
24	Tennessee	\$1.18	50	Kansas	\$0.00
25	Utah	\$1.16	51	Virginia	\$0.00
26	Texas	\$1.11	United Sta	tes	\$3.88

Section 2. Spending as a Percentage of Total Revenues

State Ranking by Energy Efficiency Program Spending as a Percentage of Annual Total Revenues					
		Spending			Spending
		as % of			as % of
Rank	State/Region	Revenues	Rank	State/Region	Revenues
1	Connecticut	2.33%	27	Texas	0.11%
2	Massachusetts	2.02%	28	New Mexico	0.09%
3	Rhode Island	1.88%	29	Arizona	0.08%
4	New Jersey	1.68%	30	Michigan	0.08%
5	Wisconsin	1.32%	31	Maryland	0.08%
6	California	1.24%	32	Dist. of Columbia	0.06%
7	Vermont	1.08%	33	West Virginia	0.05%
8	Maine	1.07%	34	Illinois	0.04%
9	New York	1.01%	35	Indiana	0.04%
10	Washington	0.94%	36	Alaska	0.04%
11	Minnesota	0.93%	37	Kentucky	0.04%
12	Hawaii	0.81%	38	Ohio	0.04%
13	lowa	0.80%	39	South Dakota	0.03%
14	Oregon	0.78%	40	Nevada	0.02%
15	Montana	0.65%	41	Georgia	0.01%
16	Idaho	0.52%	42	Missouri	0.01%
17	Florida	0.44%	43	Oklahoma	0.01%
18	New Hampshire	0.43%	44	Mississippi	0.01%
19	North Dakota	0.42%	45	Alabama	0.01%
20	Utah	0.23%	46	Nebraska	0.01%
21	Delaware	0.22%	47	Arkansas	0.01%
22	Pennsylvania	0.15%	48	Louisiana	0.00%
23	Wyoming	0.15%	49	North Carolina	0.00%
24	Colorado	0.14%	50	Kansas	0.00%
25	South Carolina	0.13%	51	Virginia	0.00%
26	Tennessee	0.13%	United S	States	0.47%

Section 3. Savings as a Percentage of Total Retail Sales

State Ranking by Energy Efficiency Annual Program Savings as a Percentage of	of
Total Annual Retail Sales	

		Savings as			Savings as
Rank	State/Region	% of Sales	Rank	State/Region	% of Sales
1	Connecticut	6.79%	27	Ohio	0.55%
2	Wisconsin	5.52%	28	Pennsylvania	0.48%
3	Minnesota	5.46%	29	Maine	0.42%
4	Rhode Island	5.13%	30	Virginia	0.36%
5	California	4.66%	31	Georgia	0.26%
6	Massachusetts	3.96%	32	North Dakota	0.24%
7	Washington	3.70%	33	West Virginia	0.24%
8	New Jersey	3.65%	34	Oklahoma	0.20%
9	Maryland	3.64%	35	Kentucky	0.20%
10	Oregon	3.59%	36	Alaska	0.14%
11	Florida	3.52%	37	New Mexico	0.14%
12	Vermont	3.08%	38	Mississippi	0.14%
13	Utah	2.45%	39	Alabama	0.12%
14	Dist. of Columbia	2.35%	40	Michigan	0.09%
15	Idaho	2.34%	41	Nebraska	0.08%
16	New York	2.26%	42	South Dakota	0.08%
17	lowa	2.17%	43	Arkansas	0.06%
18	Tennessee	1.89%	44	Illinois	0.05%
19	Montana	1.80%	45	Arizona	0.04%
20	Wyoming	1.79%	46	Nevada	0.04%
21	New Hampshire	1.60%	47	North Carolina	0.03%
22	Texas	1.30%	48	Missouri	0.02%
23	Colorado	1.15%	49	Louisiana	0.02%
24	Indiana	0.79%	50	Kansas	0.00%
25	South Carolina	0.60%	NA	Delaware	NA
26	Hawaii	0.57%	United S	tates	1.66%

Source: Data indicators derived from data sets presented in Appendix A.