NEW DECADE DEMANDS DECISIVENESS FOR ENVIRONMENT

Kansas leaders must have sharp foresight in 2020

As the popular saying goes, hindsight is always 20/20. Reflecting upon our decisions and evaluating our judgment – while critical for making better choices thereafter – is easy and evident. What is much harder is looking ahead, casting clear vision, and surpassing roadblocks that impede a better future (for us all).

Environmental challenges, unlike we’ve experienced ever before, not only demand a fresh courage and moral conviction, but decisiveness and bold leadership in an opportunity-of-a-lifetime kind of way. So, for 2020 and this decade, what we [as Americans, as Kansans] really need is 20/20 foresight.

UTILITY EXPERTS OFFER GREAT IDEAS TO REDUCE ELECTRIC RATES

Sierra Club breaks down key points from the 323-page LEI report

We all know that the cost of electricity in Kansas is too high, and higher than the cost in neighboring states. But the big question was what exactly policymakers could do to take action and bring prices under control. So, in 2019, a bipartisan effort – supported by numerous stakeholder interests – led to hiring a consultant, London Economics International (LEI), to identify steps the state could take to lower electric rates. (Here’s a link to the 323 page report, Study of Retail Rates of Kansas Electric Public Utilities, if you’d like to take a look.) We’ve dug through the report and found 5 major takeaways.

VOTERS WANT ACTION ON ENVIRONMENT

Recent polls reveal growing public sentiment on eco-related issues

As our world becomes increasingly aware of the costs of environmental destruction, it’s clear that many Americans are realizing the need for environmental action, particularly with regards to the climate crisis. You might be surprised to know that a rising demographic that is becoming more worried about the environment are young Republicans.

WANT TO SHOWCASE YOUR SUPPORT FOR A BETTER KANSAS?

Join the Sierra Club and participate in the popular KS WEALTH Day at the Capitol on Monday, Feb. 10th

Nearly 40 organizations and an expected 300+ people are expected to attend WEALTH Day. [See details on page 2]
WEALTH DAY
Environmental Advocacy and Education at the Capitol
WATER - ENERGY - AIR - LAND - TRANSPORTATION - HEALTH
Monday, Feb. 10, 2020

Register as a: Sponsor Attendee Legislator

Join Kansans to learn about and advocate for
Water, Energy, Air, Land, Transportation, and Health in Kansas
Monday, February 10, 2020
Kansas State Capitol Building - 300 SW 10th St., Topeka, KS 66612

Draft Agenda - subject to change
8:00am-8:45am Interfaith Climate Vigil
9:00am-10:15am Advocate Briefing
10:00am-3:00pm Solutions Showcase and Legislator Visits
10:30am-11am Water Dialog
11:00am-Noon Local Foods Luncheon
Noon-1:00pm Climate Change Hearing
1:15pm-1:30pm Climate Rally
1:30pm-2:30pm Cookies, Conversation, and more Legislator Visits

Lunch is complimentary for legislators and Sierra Club members. Additional contributions are welcome, as they help make the lunch local and healthy, help us reduce event waste, & help cover costs for all attendees.

For those who cannot make it to the Statehouse on Monday, February 10th, please help us by offering your voice to our call to action by sending your state legislators a message of support for the environment. To find out who your state Representative and state Senators are, visit KSLegLookup.org, and send them a comment like: “As your constituent, I kindly ask you to support the Sierra Club’s policy positions and help protect the environment of Kansas.”

You can also help by signing the Climate + Health Declaration at resilientkansas.org and sharing it on social media!
Utility Experts Offer Great Ideas to Reduce Electric Rates

[Continued from Front Page]

The experts at London Economics International (LEI) suggested big changes to how electric utilities operate in Kansas, so let’s first look back to see how we got where we are.

The Story So Far…

For a fifteen-year stretch, from 1990 through 2005, energy prices in Kansas were relatively stable, and broadly in line with prices in nearby states. In some cases, we even paid less for our electricity than our neighbors in Oklahoma, Missouri, Nebraska, and Colorado. Since 2005, though, electricity prices in Kansas have gone up...and up...and up some more.

Prior analysis leading up to London Economics’ report focused on the high rates of two major investor-owned utilities, Kansas City Power & Light and Westar Energy, who merged to form ‘Evergy’ in 2018, becoming the state’s main electric utility. The Sierra Club looked into these high prices in 2019, ultimately releasing a report on Kansas energy prices, *Kansas Pays the Price*. We found that high energy prices in Kansas were in part, due to:

1. Overinvestment into coal plants with expensive retrofits to try to clean up dirty air pollution, rather than phasing out and replacing those plants;
2. Overuse of in-state coal power, rather than opting for cheaper wholesale energy on the regional power market.

Knowing what’s causing the problem is a good first step, but we also need to know how to fix it. That’s why this new LEI report commissioned by the Kansas Legislature is so important.

What London Economics Recommends

The London Economics report offers dozens of recommendations to the Legislature and to state regulators to help address high electricity costs in Kansas. Here’s a summary of five of those that stand out:

1. **Requiring new analyses in rate cases for economical energy decisions, including the practice of expensive self-dispatch by utility of its coal power plants**

   London Economics suggests that utilities could be required to report on how power plants are offered into the electric market, and that those decisions could be audited by an external entity. If it is found that a utility purposefully operated a plant uneconomically, then those losses could be disallowed from being passed on to customers.

   This issue of self-dispatch was highlighted in the Sierra Club’s 2019 report, *Kansas Pays the Price*. That report found that from 2015 to 2018, **Evergy’s coal plants in Kansas lost $267 million** compared to market energy prices; Evergy could have saved money by simply buying power from others on the energy market, but instead chose to operate its own power plants at a loss. Future projections show that Evergy’s La Cygne and Jeffrey coal plants combined are expected to lose $847 million over the next 20 years. [Continued on next page]
2. **Allow utilities to refinance utility assets through a process known as ‘securitization’**

   The London Economics report recommends establishing a legislative framework in Kansas that would allow utilities to use a refinancing method known as securitization to refinance old debt with high interests rates to lower interests rates, saving customers money in the process. Through a process similar to refinancing a home mortgage or student loan, securitization allows utilities to pay down debt, retire coal plants that are no longer economically viable, reduce consumers’ rates, and provide funds for projects like worker and community transition and investments in cost-effective clean energy resources. Sierra Club supported securitization legislation in the 2019 legislative session; we agree that securitization would be a powerful tool in reducing Kansas electric rates.


   The London Economics Report correctly points out that Kansas is one of the few states in the nation that does not require utility long-range plans, commonly called “integrated resource plans.” Such plans are an industry best practice, and help utilities predict future electricity demand, plan for spikes or dips in the market, and prepare to build new facilities or replace aging infrastructure.

   Sierra Club successfully pushed state regulators at the Kansas Corporation Commission (KCC) to create a new IRP process as part of the merger of Westar and KCPL to form Evergy. The London Economics report expands on this by recommending that all utilities in Kansas be required to develop IRPs. It is time for all state utilities to conduct long range plans on a regular schedule, so that the public can see how these utilities are spending valuable ratepayer dollars.

4. **Develop a state energy plan**

   States across the country are developing energy plans to make sure that everyone in their state governments are on the same page. According to the National Association of State Energy Officials, Kansas is one of the 7 states without a comprehensive state energy plan yet, but Governor Laura Kelly just issued an executive reorganization order that establishes an independent Kansas Energy Office (now separated from the Kansas Corporation Commission) that can help convene stakeholders together to define and implement such a state energy plan.

5. **Create/expand energy efficiency programs to encourage conservation and save customers money**

   Kansas has no energy efficiency resource standard; a common way states guide energy efficiency programs across multiple utilities. For example, it is often much cheaper to invest money in LED lights in schools, or better heating and A/C systems in public buildings, than to keep building multi-million dollar power stations. Likewise, Kansas does not require utilities to offer energy efficiency programs, or to increase efficiency at power plants or along transmission lines. This new report for the Kansas Legislature found that utilities are interested in energy efficiency programs, as are ratepayers, but that efficiency efforts are inconsistent (and often ineffective) because there is no strong direction or support from the State of Kansas. This could be addressed by creating a statewide energy plan, empowering the KCC to push for energy efficiency, or by legislation to support energy efficiency.

**What Happens Next?**

Kansas is currently cursed with high electricity rates, but nothing says our rates must stay so high. High electric rates harm families and slow down the ability to attract new businesses and jobs to the state. The Kansas Legislature and the KCC must take concrete steps to address our too-high electricity prices, and this new report offers concrete recommendations on how to do just that. If state leaders act right away – for smarter energy planning with less coal use, plus more energy conservation and renewables – then Kansans will not only see better rates on their electric bills, but we’ll help build a better future and environment for all.
**Water Plan Still Underfunded; Legislature Needs to Add Supplemental Funding:**

The Kansas Legislature should throw a life preserver out to the State Water Plan Fund (SPWF). For another consecutive year, Governor Laura Kelly shorted traditional funding to chief plan for water protection in our state. This year, the Governor’s budget offered $4.5 million to the SWPF, down $3.5 million from the historical outlay of $8 million.

Indeed, for many years, dating back to the early 1990s, it was customary that the state would annually transfer $8 million to the State Water Plan Fund ($6 million from State General Fund (SGF) and $2 million from Economics Development Initiatives Fund (EDIF) [Lottery money]). Governor Kelly has yet to propose this full annual transfer. Yet, Governor Brownback was no better, shortchanging the State Water Plan Fund every year, despite his outspoken (mirage of) commitment to Kansas water. Of course, you may remember the situation in which Governor Brownback’s tax experiment broke the state’s bank, therefore undercutting funding capacities and giving lawmakers a more worthy excuse for snubbing these annual state transfers for water. In contrast, this year’s state revenue estimates are up $300+ million, making the choice by Governor Kelly to lessen full funding for our state’s most precious natural resource that much more perplexing.

If you add up the balance of all the diminished transfers over the last 12 years, you’ll realize that the State Water Plan Fund has been robbed $77 million, says the KS Water Authority. That’s a lot of money that could have been put to good use by multiple state agencies – KS Dept. of Agriculture, KS Dept. of Health & Environment, and the KS Water Office – as well as Conservation Districts that have fine programs that aim to address a myriad of water quality and water quantity concerns. State Water Plan Fund programs work on all sorts of water protection issues, including drinking water storage at our reservoirs, pollution controls from agricultural runoff, blue-green algae problems, preserving the Ogallala aquifer, and more.

Unfortunately, to make matters worse, the Environmental Protection Agency (EPA) recently loosened environmental protections of wetlands and streams with the rewrite of the Waters of the United States rule. So practically, with less Federal protection, the State of Kansas will need to step up to fill the void regarding protecting our precious water resources and ecosystems.

The good news is that there is still hope, as the Kansas Legislature as has time to appropriate more money to critical water protection programs and fully fund the State Water Plan. Please contact your Representative and Senator and tell them they should make water protection a top priority and give the State Water Plan the funding it deserves.

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**Earthquakes Shaking Lawmakers to Act?**

Kansas earthquakes are getting worse in severity, begging the question: when will the Legislature or the Kansas Corporation Commission hold the culpable industry wastewater injectors liable for these (un)natural disasters? Most recently, on January 19th, a 4.4 magnitude earthquake struck Hutchinson, KS. If you haven’t seen this KSNT video of a local church being rocked, it’s worth a look: [https://www.ksnt.com/news/kansas/church-video-shows-shaking-during-sundays-hutchinson-earthquake/](https://www.ksnt.com/news/kansas/church-video-shows-shaking-during-sundays-hutchinson-earthquake/)

For context regarding the severity of the earthquakes, I should point out that according to the United State Geological Survey’s earthquake catalog, Kansas had only one 4.0 magnitude or greater from 1960-2010. In comparison, our state has had FIVE 4.0+ earthquakes in the last year and a half alone, and 9 total in the last 5 years, including the largest recorded in modern KS history. We have had roughly 200 earthquakes that were 3.0 mag. or greater in the last 6 years, whereas we only had 14 of the same level prior to 2010. Three of the last 5 major earthquakes have centered around Hutchinson, where both Class 2 oil and gas wells, as well as a city-managed Class 1 industrial waste disposal wells, operate. Last week, in a presentation to the House Energy Committee, the Kansas Corporation Commission basically said they’re still studying the issue, but not taking any further action. [continued next page]
MAJOR STORIES ON KANSAS ENVIRONMENTAL ISSUES: (CONT.)

[Earthquakes Shaking Lawmakers to Act? continued.]

The newest concern is that hydrostatic pressure underground is increasing in some areas, causing major worries from the KS Geological Survey that this pressure could cause upward flow of contaminated wastewater into underground drinking water sources in some places potentially within 3 years. This is a serious issue that deserves more attention.

On Martin Luther King Jr. Day, I spoke with KSNT Topeka about the need for justice for Kansans when it comes to our earthquake problem. Here is the article they published: https://www.ksnt.com/capitol-bureau/kansas-sierra-club-looks-for-solutions-after-hutchinson-earthquake/

"If these are man-made earthquakes and they’re caused by an industry or industries, then we need to do something about it, because Kansans, whether it’s their homes or businesses, are feeling these earthquakes, and property is getting damaged, and taxpayers [are] having to pick up the bill" said Zack Pistora, Legislative Director for the Kansas Sierra Club.

The Kansas Sierra Club has introduced multiple pieces of legislation over the last several years aimed at addressing the earthquake and liability problem. So far, nearly all those bills have yet to receive a committee hearing.

**Voters Want Action on Environment:**

ATTENTION LEGISLATORS: You may be noticing more of your constituents, and more Americans in general, are paying extra attention to environmental issues. New surveys validate this growing trend. I’ve gleaned a few interesting findings:

**Public Sentiment on Environment is Reaching Record Levels**

According to a March 2019 Gallup Poll, the public sentiment for the environment is its highest in 20 years:

- 65% agree the protection of the environment should be given priority, even at the risk of curtailing economic growth
- 47% of those surveyed personally worried a ‘great deal’ about the quality of the environment
- 64% agree global warming is serious; 42% say the seriousness is ‘underestimated’

A CBS News 2019 showed that Climate Change is the becoming a top issue for American voters:

- Climate Change was ranked #2 on top issues for surveyed Democrats, behind health care
- Climate Change was ranked #5 on top issues for Republicans, behind immigration, economy/jobs, health care, and guns
- 4 out of 10 Independents reported Climate Change as very important

Finally, there has been a significant increase in ecological awareness in the last 5 years, according to a Reuters report that featured a study by Glocalities in August 2019.

- In the last 5 years, there was an 11% increase in people who identified as ‘worried about the damage people cause to the planet’ among Republicans (58% in total agreed or strongly agreed).
- In the last 5 years, a 9% increase among Democrats (83% total)
- Over the same timeframe, an 18% increase was seen among Republican voters aged 18-34, rising to 67% total, as ‘worried.’

After all, how could we ignore the mounting environmental troubles that continue to be shared across our tables and shown on our screens?

**Legislators: Help your chances for re-election this year by passing policy ideas in the ‘Eco-BINGO’!**
New Decade Demands Decisiveness for Environment: (cont.)

Circumstances in today’s age – a new era in which the world is experiencing unprecedented suffering from the degradation of global ecosystems – require an unabashed and sober examination to the highest degree if we hope to achieve a better future, for ourselves, our children, and frankly, the future of civilization.

I likely don’t need to remind you of the situation we’re in. You are probably cognizant that our oceans (and some freshwater bodies too) are in peril from being trashed with plastic, overfished, algae-bloomed, and increasingly warmer and more acidic. You are probably aware that we are losing treasured lands because of the loss of biodiversity, excessive resource extraction, and contamination. Most of us realize that an unstable climate perpetuated by society’s greenhouse gas pollution is leading to extreme weather disasters around the world and causing harm to communities everywhere. Our home, Earth, is literally on fire, drowning, and blowing away, all at the same time. Meanwhile, America, via a Presidential order, decided to be the only country to withdraw from an international commitment to essentially save the world on climate.

Let’s bring this conversation back home to Kansas. Our 2017 Kansas Response Plan ranks extreme weather events – flood, tornado, windstorm, winter storm, wildfire, hailstorm, and drought – as 7 of the top 10 major hazards that cause emergency situations for our state. We know all too well (from lessons learned) about the significant harm – economically and socially – of extreme weather events on our state, particularly upon agriculture. In that way, Kansas too is experiencing the consequences of both a country and a world not utilizing a sustainable system.

The future in question is not whether we will face incredible challenges and hardships (we most certainly will), but to what extent will its severity be? In other words, how hard will the hardship be? More importantly perhaps, how will we individually act, how will Kansas act, and how will America act in facing those challenges?

In sum, in 2020 and over the next decade, I hope we collectively have clear vision – of our environmental challenges, the need to act, and the opportunities for solutions (and yes, there are plenty of opportunities/solutions for Kansas [clean energy, carbon farming/regenerative agriculture, manufacturing and engineering, etc.]) – to usher in an improved society, a more ecologically-sustainable system, and a better future for all. To me, clear vision means seeing eye to eye with each other (cooperation), with our young ones, and even with nature.

Take the lesson attributed to the great Helen Keller, “it is a terrible thing to see and have no vision.”

Thank you for your attention and commitment to our environment:

Legislators: I am at your service for accurate information, partnership, and constituent support on all issues affecting the environment. Please reach out to me at the contact information below if I can be of any help.

Sierra Club members/supporters: I appreciate all your help in encouraging our legislators to consider our views and stand up for our environment. Your financial support to the Kansas Chapter directly benefits our work in the Statehouse. I appreciate each and every one of you. Your membership in Sierra Club really makes a difference. If you have any questions at all, or if I ever can be of service, please give me a call at the phone number below. Also, to receive my regular communications on Statehouse happenings (including future Kansas Legislative News) sign up for legislative updates on our website:

Your proud Kansas Lobbyist,
Zack Pistora
zackpistora@gmail.com
785-865-6503

The Sierra Club is the oldest and largest grassroots environmental organization dedicated to enjoying, exploring, and protecting our great outdoors. The Kansas Chapter represents our state’s strongest grassroots voice on environmental matters for over forty years.
### Eco-BINGO

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<thead>
<tr>
<th>Restore state funding for the State Water Plan Fund ($8 Million total)</th>
<th>Vote for a bill to allow refinancing of utility assets (securitization)</th>
<th>Meet with Zack to discuss your ideas and policy stances</th>
<th>Vote to enhance protections addressing Pesticide Drift</th>
<th>Eliminate Sales Tax on Food at Farmers’ Markets in KS</th>
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<tr>
<td>Sponsor a bill to help Kansans and the environment</td>
<td>Make a public statement to show your support for protecting the environment</td>
<td>Attend the KS WEALTH Day at the Statehouse: February 10th</td>
<td>Sign the Climate + Health Declaration</td>
<td>Support the reestablishment of an Energy Efficiency program</td>
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<td>Expand the Voluntary Renewable Energy Goal</td>
<td>Enact the Water Depletion Trust Fund</td>
<td>Green Space</td>
<td>Protect home rule for communities seeking local environmental improvements</td>
<td>Enjoy a meeting with your Sierra Club constituents</td>
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<td>Preserve or expand state protections for threatened wildlife &amp;/or land conservation</td>
<td>Modernize / Improve the public process at the KS Corporation Commission</td>
<td>Vote for a Financing Program for Water &amp;/or Energy Conservation</td>
<td>Expand the ability for Kansans to Vote (e.g. automatic or same-day registration)</td>
<td>Vote to add safeguards for Kansans against Large CAFOs</td>
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<td>Vote to expand funding for eco-friendly/alternative transportation projects</td>
<td>Enact a Property Tax exemption for landowners who put a Buffer Strip next to KS rivers</td>
<td>Take action in your own life to make an impact on the environment</td>
<td>Support state initiatives to assist conservation practices or local food systems in agriculture</td>
<td>Discuss solutions to eliminate manmade earthquakes in KS &amp;/or hold industry accountable for damages</td>
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Eco-BINGO Winners will be announced in our “Kansas Legislative News” and displayed on our website.

Zack Pistora | Legislative Director and State Lobbyist, Kansas Chapter of Sierra Club

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*We all count on our environment everyday... Can it count on us?*