BEFORE THE KANSAS CORPORATION COMMISSION OF THE STATE OF KANSAS

IN THE MATTER OF THE GENERAL INVESTIGATION REGARDING THE U.S. ENVIRONMENTAL PROTECTION AGENCY'S FINAL RULE ON CARBON POLLUTION EMISSIONGUIDELINES FOR EXISTING STATIONARY SOURCES: ELECTRIC UTILITY GENERATING UNITS

Docket No. 16-GIME-242-GIE

PETITION TO INTERVENE OF CLIMATE & ENERGY PROJECT

The Climate & Energy Project (CEP) hereby petitions for intervention in the abovecaptioned docket. In support of this petition the following is stated:

- On December 3, 2015, the Commission issued an order that opened the above-captioned docket to investigate in the context of the Clean Power Plan (CPP) "viable least-cost compliance options that maintain reliable electric service by conducting a comprehensive review of generation re-dispatch options." (Order Opening General Investigation, (hereinafter "Order") ¶ 1).
- 2. The Climate Energy Project ("CEP") is located in Hutchinson, Kansas. It began as a project of the highly-renowned Land Institute located in Salina, Kansas. CEP is now a separately incorporated nonprofit. Its goal is to support the cost-effective, sustainable deployment of energy efficiency and renewable energy to reduce greenhouse gas emissions.
- 3. The mission of CEP is to infuse certain core values into community, regional, and national discussion that include: 1) stewardship of the earth's resources, 2) developing

flexible energy systems, 3) balancing the benefits and burdens of energy technologies and 4) supporting the creative implementation of renewable and energy efficiency technologies that are environmentally and socially sustainable. CEP maintains an extensive website at <u>http://www.climateandenergy.org/</u> in order to pursue and accomplish its mission.

- 4. CEP has a demonstrated interest in energy efficiency and demand side management programs in Kansas. For example, CEP intervened in Docket No. 10-KCPE-795-TAR and Docket No. 12-GIMX-337-GIV that focused energy efficiency and demand side management programs and the regulatory treatment related thereto. Intervention in the instant docket will further CEP's demonstrated interests in energy efficiency and demand side management.
- 5. Pursuant to K.S.A. 65-3031(e)(2)(A-C) the Commission is to provide information to the Clean Power Plan Implementation Study Committee concerning: (A) each utility's redispatch options along with the cost of each option; (B) the lowest possible cost redispatch options on a state-wide basis; and (C) the impact of each re-dispatch option on the reliability of Kansas' integrated electric systems.
- 6. The term "redispatch option" is not defined in K.S.A. 65-3031(e)(2)(A-C). However, because the purpose of the CPP is to reduce carbon-based greenhouse gas emissions (See CPP final rule summary, 80 F.R. 64662) such may accomplished by various means such as fuel switching and efficiency improvements at existing electric generating units. However, demand reduction is a proven cost-effective means to reduce carbon emissions and can delay or eliminate the need for additional generating capacity irrespective of fuel source. Demand reduction achieved through efficient end-use of electricity helps meet

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demand for energy, reduces air and water pollution, helps reduce line loss and grid congestion, improves living conditions and reduces mortality and morbidity. (See: *Change is in the Air: How States Can Harness Energy Efficiency to Strengthen the Economy and Reduce Pollution*, American Council for an Energy Efficient Economy (ACEEE), p. iv, April 2014, that may be accessed at:

file:///F:/Clients/CEP%20GIME%20242%202015/ACEEE%20report.pdf.

- The ACEEE estimates that by 2030 Kansas could reduce electricity consumption approximately 23% (compared to 2012) by 1) implementing targets for savings from energy efficiency, 2) adopting national model building codes, 3) using combined heat and power systems and 4) adopting efficiency standards for products and equipment. Id. at p. 19.
- 8. CEP contends that demand reduction is the lowest-cost option for reducing carbon emissions. Reducing demand on a generating system presently dominated by fossil fuels will reduce emissions in the short-run by placing less demand for fossil-fueled generation and in the longer run by delaying or eliminating the need to build generation capacity of any type. Accordingly, this docket's investigation should include demand reduction through energy efficiency as a means to achieve compliance with the requirements of the CPP.
- 9. To the extent that carbon emission reduction is the objective of the CPP replacing fossilfueled generation with renewable fuels is the next most effective means of reducing carbon emissions. Accordingly, CEP contends that a study of the systematic transition to increased renewable fueled generation capacity should be made a focus of this docket's investigation.

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- 10. The combination of maximizing efficient use of electricity and increasing the proportion of renewable fuel generation stands the best chance of achieving compliance with the CPP requirements and doing so in an economically viable manner.
- 11. Energy efficiency has other benefits including introduction of a more diverse set of energy resources, making the electrical generation, transmission and distribution systems more economically and operationally robust. Energy efficiency can become even more cost-effective due to economies of scale as implementation of such increases.
- 12. Ratepayers benefit from energy efficiency through reductions in fuel consumption, expensive peak generation, and capital investments. Ratepayers also benefit from the creation of local jobs related to installation and maintenance of energy efficiency measures. All Kansans benefit by reduced pollution and mortality and morbidity rates.
- 13. CEP views the CPP as a challenge to the *status quo* by forcing a fundamental reordering of the means to meet demands for electricity. But the CPP is an opportunity to improve the efficiency of end-uses of electricity and embrace renewable fuels as the primary means to meet the energy needs of Kansas.
- 14. Accordingly, in order to meet the requirements of K.S.A. 65-3031(e)(2)(A-C) CEP contends the Commission should consider energy efficiency/demand-side reduction as a re-dispatch option on the premise that it is a low-cost means to meet the requirements of the CPP.
- 15. Further, in order to meet the requirements of K.S.A. 65-3031(e)(2)(A-C) CEP contends the Commission should consider the transition to renewable fuels generating capacities as a redispatch option that, next to efficiency, is the best means to meet the requirements of the CPP.
- 16. If this petition to intervene is sustained please include on the service list Dorothy Barnett, Executive Director, Climate & Energy Project, PO Box 1858, Hutchinson, Kansas 67504, <u>barnett@climateandenergy.org</u>.

WHEREFORE, Climate & Energy Project respectfully petitions for intervention in the abovecaptioned docket with all rights specified for intervenors in the Commission's December 3, 2015, Order Opening General Investigation.

Respectfully submitted,

Robert V. Eye, KS. Sup. Ct. No. 10689

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VERIFICATION

STATE OF KANSAS)	
)	SS:
COUNTY OF SHAWNEE)	

Robert V. Eye, of lawful age, being first duly sworn upon oath, deposes and states: That he is an attorney for the Climate Energy Project, that he has read the above and foregoing and that the statements therein contained are true and correct according to his knowledge, information and belief.

Robert V. Eye Subscribed and sworn to before me this $\frac{8^{th}}{2}$ day of $\frac{3}{2}$, 2015.

My appointment expires: 8/14/2019

	EMILY SCHNEIDER
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CERTIFICATE OF SERVICE

Undersigned hereby certifies that on January 8, 2016, the above and foregoing Petition to Intervene of Climate & Energy Project was emailed to the following:

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