

Study measures wind energy's impact on Kansas, hopes to influence policy debate

BY DANIEL MCCOY

Wind energy projects have created more than 13,000 jobs in Kansas, and meant more than \$273 million for landowners and \$208 million for communities and local governments in the state.

Those are the findings of a new study outlining the economic benefits of wind energy in Kansas. The authors of the study hope their findings will inform lawmakers' decisions about the wind industry.

Conducted by the Kansas City, Mo.-based law firm of Polsinelli Shugart LLP and the Kansas Energy Information Network, the study examined 19 operational wind farm projects across the state to better gauge the true benefit of such projects.

In the past, says Polsinelli Shugart's Luke Hagedorn, an associate attorney with the firm's energy practice group, much of this type of research has focused on forecasts of what pending projects' impact might be. Studies have also examined the negative impacts of the industry.

Hagedorn says the new study shows the other side — the economic benefits — in as concrete a way as possible.

"We went and dug into actual data wherever we could find it to determine what the actual impact had been," Hagedorn says.

Those responsible for the study plan to take their findings to town-hall-style meetings around the state in hopes of underscoring the importance of the industry to state and local leaders.

The first such meeting was held earlier this month in Newton.

The meetings are important, Hagedorn says, because there has been a recent push by some state lawmakers to push back some of the compliance dates involved with Kansas' renewable energy standards.

"We really tried to have an educational focus with this," Hagedorn says. "We're not trying to advocate one form of energy over another. We just don't want to see inaccurate data have influence in the state."

INDUSTRY IN THE CROSSHAIRS

A bill introduced in the Kansas Senate this session would push back requirements for the state's utilities to produce certain amounts of their power from renewable sources, such as wind energy.

Under the legislation, renewable energy would have to account for 15 percent of a utility's total portfolio by 2018, instead of 2016, and 20 percent by 2024, instead of 2020.

The industry has also faced pressure at the national level.

It fought last year to gain a one-year ex-



FINDINGS FROM "THE ECONOMIC BENEFITS OF KANSAS WIND ENERGY" STUDY

13,484 total jobs created: **3,484** construction jobs,

263 operational jobs and **9,737** indirect jobs.

\$273 million in revenues to landowners over 20 years.

\$208 million in revenues to local governments and community organizations.

Cost per megawatt hour of \$44.87 for utility-owned wind farms.

tension to the Production Tax Credit program, seen by many in the industry as vital to driving new wind development.

Among those critical of the program — which was extended by the "fiscal cliff" legislation — has been Congressman Mike Pompeo of Wichita.

His stance has long been that energy industries should all compete on a level playing field. He introduced a bill last month that would eliminate all energy tax credits, including the PTC.

Scott White, founder of the Kansas Energy Information Network, says the pressure could get even greater at the state level.

He's heard there is a push by some in Topeka not just to roll back compliance dates, but to possibly repeal the renewable standard altogether.

In his opinion, that would hurt the state, both in terms of the wind energy produced here and the amount exported to other states.

Like Hagedorn, White says his hope is the new study will paint a fuller picture of the industry and give lawmakers a better understanding of it.

"I just hope they make decisions with their eyes open," White says. "My goal in all of this is just to educate folks."