



# ENERGY PROGRESS

JOBS. PROSPERITY. SECURITY.



## Community Impact

*"In addition to wheat and cattle, I want Kansas to become known as the Renewable State."  
- Governor Sam Brownback in remarks to WindPower in June 2012*

### Local Dollars

- Landowner payments from wind turbines average \$4,635 per installed megawatt.
- Wind turbines installed in Kansas in 2012 ranged from 1.6 to 2.3 megawatts of installed capacity.
- Landowner payments from current Kansas wind farms total over \$13 million dollars annually.

### Donation Agreements

Donation agreements contribute more than \$10 million dollars annually to local communities and schools.

**Elk County** - will receive \$913,000 in 2013 from the Caney River project (200 MW). This amount will increase by 2% annually and is equivalent to a 50% increase to the county's annual budget.

**Cloud County** - created a fund to distribute an average \$300,000 annual donation from the Meridian Way wind farm. This donation has supported the installation of several fueling stations in communities that had none, a downtown beautification project and the renovation of a historic theater.

**Lincoln County** - created a Wind Energy Benefits fund from the donation agreements received from three wind farms. The principal from these funds is set aside and the interest is dispersed to non-profits including hospital boards, the historical society, economic development organizations and local schools.

### Indirect Benefits

Construction of wind farms brings a burst of activity. Access roads must be carved out; foundations poured; towers, turbines and blades installed; underground cables laid and substations built; trees cut and land cleared for transmission; and transmission towers raised and wired. The workers required for all those tasks are locally based or fill local motels and restaurants and boost other businesses.

- Two new hotels are under construction in Harper and Kingman Counties.
- All 10 Kansas Counties with wind farms put in to service in 2012 show increased sales tax revenue over the previous year.

### School Impacts

Kansas school districts, community colleges and universities have experienced many financial benefits from the Kansas wind industry.

**Spearville USD 381** - will receive \$535,000 in 2013 (escalating at 2% annually), from four wind projects. Thanks to their donation agreement a recently approved \$8.284 million dollar bond issue will likely result in no increase in the mill (projected to be approximately 21.24 mills).

**Hutchinson Community College** - *"With the coming of Siemens and Draka, we met with folks from these companies to assess their needs. For their assembly positions, our Manufacturing Skills Certificate was a great fit. We added sections of the MSC class to accommodate the workforce training. Several of our completers ended up with jobs at Siemens and Draka. In addition we have added a Renewable Energy Technology Certificate program that covers wind, solar and geothermal."*

## School Impacts

**Colby Community College** - Offers a Certificate in Renewable Energy, along with other training programs in demand by renewable energy manufacturers.

**Cloud County Community College** - Wind Energy Technology Program

- Offers a two-year Associate of Applied Science degree in wind energy technology (WET) and a one-year WET certificate served by five full time faculty and four part-time instructors. Currently 90 students are enrolled.
- Is one of only seven programs nation-wide to receive the American Wind Energy Seal of approval for Wind Turbine Service Technician Programs.
- Is adding a Substation Technician program in 2013 to meet the needs of a retiring workforce.



**K-State** - Wind Application Center

- Started in 2007 to educate electrical engineers on the basics of wind energy and to increase understanding and acceptance of wind energy among rural Kansans.
- Oversees the Wind for Schools program in Kansas which has enabled 20 schools to install their own small wind turbines. Schools have received financial assistance from Smalley Energy of Topeka, Orinoco Wind of Atlanta, Kansas, USDA, TradeWind Energy, EDP Renewables, Westar, KCP&L, and their own local rural electric coops.
- Helped train five Wind Senators - teachers who now hold training sessions in state as well as coordinate KidWind Challenges, wind turbine design competitions for students in Kansas.
- Partners with Midwest Energy (who provided \$100,000) and Colby Community College on the High Plains Small Wind Testing Center near Colby. One of four small wind test centers awarded a \$280,000 subcontract under the U.S. DOE National Renewable Energy Lab to test wind turbines up to 50 kW.

## Renewable Portfolio Standard

In May of 2009, Governor Mark Parkinson signed into law Senate Bill 108, the *Economic Revitalization and Reinvestment Act* which included a provision enacting a Renewable Portfolio Standard (RPS) for the state of Kansas. The RPS requires every regulated public utility to own or purchase renewable generation based on their nameplate capacity. The standard set minimum threshold percentages of the utility's average three-year annual peak retail sales:

- 10 percent for 2011-2015
- 15 percent for 2016-2019
- 20 percent for 2020 and beyond

A key component of the RPS is a one percent cap on the rate impact of complying with this policy. The Kansas Corporation Commission is permitted to exempt any utility that can demonstrate that compliance with the RPS would cause retail rates to increase by one percent or more.

Thirty states have mandatory Renewable Portfolio Standards and seven states have voluntary renewable energy goals. The benefits of this policy go beyond earning revenue for local communities, generating low-cost domestic electricity and creating jobs for Kansas residents and companies.

In today's highly competitive effort to attract new businesses, many factors come in to play. The Kansas RPS is one visible way to demonstrate the value a state places on sustainability. The appeal of states that value renewable energy can be seen in both wind manufacturing companies as well as those who value sustainability like Google and Mars. Ed McCallum, a Senior Principal of McCallum Sweeney Consulting was recently quoted in *Trade and Industry Development Magazine*;

*"Having been involved in several site searches for renewable energy companies, wind in particular, the question always arises about the finalist state's position regarding the RPS. Many times it makes the difference between winning and losing the project".*

The Kansas Renewable Portfolio Standard is a smart way to encourage renewable energy projects, spur job growth and keep Kansas' businesses competitive.