

THE Energy Council Quarterly

SUMMER

2022

An Array of Energy Experts Convened for The Energy Council's first-ever meeting in Kansas City for the 2022 State and Provincial Trends in Energy and the Environment Conference

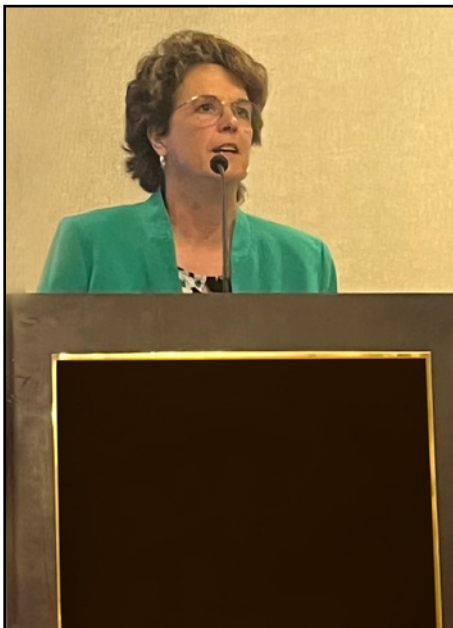
The Energy Council's 2022 State and Provincial Trends in Energy and the Environment Conference took place June 9-12 in Overland Park, Kansas.

Arkansas Representative Rick Beck, Chairman of The Energy Council, presided. He was assisted in his leadership duties by Alaska Senator Click Bishop, Chairman of the Center for Legislative Energy and Environmental Research (CLEER), and the Co-Vice Presidents for the State Conference, Kansas Senator Carolyn McGinn and Kansas Representative Kyle Hoffman.

Delivering the Opening Address was U.S. Senator Roger Marshall from Kansas.



United States Senator Roger Marshall of Kansas delivered the Opening Address at The Energy Council's 2022 State and Provincial Trends in Energy and the Environment conference.



Kansas Senator Carolyn McGinn, Co-Vice President for the 2022 State and Provincial Trends in Energy and the Environment Conference, welcomed attendees to Kansas City.

Senator Marshall warmly welcomed meeting attendees and guests to Kansas City. "I believe energy independence is critical to the United States' national security, and energy security is national security," he said. The importance of affordable, abundant and reliable energy has always been and will continue to be a pillar to success of the American economy, according to Senator Marshall. In 2010, Kansas made a commitment to wind energy.

Kansas went from a coal dominant state to a wind energy state, Marshall noted, with Kansas producing over 50 percent of its electricity through wind. And, the plan is currently to go beyond that with solar energy using some of that same infrastructure.

"There are so many great things happening in Kansas when it comes to energy and the environment. I believe in embracing the new, affordable clean energies. I also believe in taking traditional energies and making them cleaner," Senator Marshall said. In his closing, the senator took an opportunity to highlight a few



The Energy Council Quarterly is the official publication of the Energy Council, a legislative organization comprised of 14 states and two international affiliates, drawn from the major energy producing regions of the United States and Canada. The Energy Council provides a forum for discussing government policies regarding energy and the environment.

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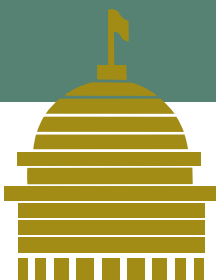
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Tell us what you think!

We welcome your suggestions and feedback. Please email erichards@theenergycouncil.org



The Energy Council's 2022 Annual Meeting To be Held in San Antonio, Tx

Leadership responsibilities for the conference will be shared by Arkansas Representative Rick Beck, The Energy Council Chairman, Alaska Senator Click Bishop, Chairman of the Center for Legislative Energy and Environmental Research (CLEER), Texas Representative Drew Darby, and Texas Senator Charles Schwertner, Co-Vice Presidents of the 2022 Annual Meeting.

The conference will begin on Thursday evening, September 15, with a welcome reception and conclude on Sunday, September 18, with The Energy Council and CLEER Business Session, and the CLEER Program Advisory Board Planning Session.

Among the specific topics to be discussed at the 2022 Annual Meeting are:

- **New Technologies**
- **Reliability Challenges for RTOs and ISOs**
- **ESG Effects on Financing the Energy Industry**
- **Critical Infrastructure Inspections**
- **Wildfire Risks and Relief**
- **Baseload Generation**
- **Energy Access**
- **Load Following Power Plants**
- **Energy Taxes**
- **Advances in Carbon Capture**
- **The Changing Landscape for Transportation**
- **UAB Seminar: Non-variable Renewable Energy**

More information is available at www.theenergycouncil.org.

State and Provincial Trends

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Alberta Member of the Legislative Assembly Tracy Allard (standing) spoke to attendees on Saturday, June 11 at the Closing Night dinner at the historic Negro Leagues Baseball Museum in Kansas City, Missouri as the 2022 State and Provincial Trends in Energy and the Environment conference wound down.

of the important projects currently being led in Kansas, such as a company in southwest Kansas, where 25 percent of the beef for the entire nation is processed. The company has invested millions of dollars in this environmental project that turns fat and other animal byproducts into biodiesel. This is an example, Senator Marshall noted, of where agriculture and energy meet.

Friday morning's first general session speaker, Mr. Fred Clark, President and CEO for Alabama Municipal Electric Authority, reported on "Energy Parks." Mr. Clark reported on the recent project Lightsource bp, one of the largest solar projects in Alabama. According to Mr. Clark, the \$100 million financing package for its 130-megawatt (MWdc) Black Bear Solar energy project in Montgomery County, Alabama will meaningfully contribute to Alabama's cumulative utility-scale solar capacity. The power contract secured with Alabama Municipal Electric Authority (AMEA) played a critical role in enabling investment and financing of this new energy infrastructure for Alabama. AMEA, located in Montgomery, is

the wholesale power provider for 11 public power utilities in Alabama, which serves some 350,000 customers in Alexander City, Dothan, Fairhope, Foley, LaFayette, Lanett, Luverne, Opelika, Piedmont, Sylacauga, and Tuskegee. "AMEA is excited about our partnership with Lightsource bp. This large-scale solar project will help diversify AMEA's fuel resources and will continue to provide low-cost electricity to our Members' customers," Mr. Clark said.

Situated 15 miles from AMEA's headquarters in Montgomery, Black Bear Solar will supply cost-effective, locally sourced, sustainable electricity to AMEA's 11 Member utilities located across the state. In addition to providing clean energy and savings to AMEA's Members and their customers, the project will contribute almost \$7 million in property tax revenue to county schools over the first 35 years of the project life.

"Cybersecurity Challenges and Solutions" was the next topic on the agenda and was covered by General Williams L. Shelton, Former Commander, U.S. Air Force Space

Command. General Shelton stated that the complexity and diversity of the North American electric grid results in both strengths and vulnerabilities. Furthermore, as cybersecurity threats continue to grow, and as industrial control systems and information technology systems merge, cyber-attack success probabilities increase. Intelligence sharing, maintaining a culture of mutual assistance, and investing in research and development on grid-specific cybersecurity are essential. Planning for rapid recovery after a successful attack also is necessary because no cybersecurity system should be considered totally foolproof, he concluded.

The next speaker was Mr. Michael J. Nasi, Partner, Jackson Walker LLP, Special Counsel, Southern States Energy Board, Senior Advisor, Life: Powered. Mr. Nasi covered the topic "EPA Ozone Transport Rule Federal Implementation Plan."

According to Mr. Nasi, despite the significant air quality gains already achieved by power plants and dramatic improvement of ambient air quality across the United States, the EPA is proposing another round of emission cuts across a wide range of states starting in May of 2023. This proposal, entitled the Ozone Transport Rule Federal Implementation Plan (FIP), was issued just weeks after the EPA's summary rejection of 19 state plans that have been pending for over three years without any indication that they were not sufficient. He noted that hundreds of comments from state environmental and utility commissions, impacted power plants, consumer groups, and grid operators have been submitted to the EPA in

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hopes of convincing them to withdraw the FIP and work cooperatively with the states as required by the Clean Air Act. In addition to concerns about the EPA's process and the small contributions between upwind and downwind states that the EPA cites to justify the emission cuts, well-documented concerns about immediate grid impacts have also been communicated to the EPA, which did not confer with any state, regional or national grid reliability experts about the potential consequences of forcing the retirement of hundreds of coal- and gas-fired power plants across states that are already suffering from inadequate supplies of reliable electricity, Mr. Nasi concluded.

Saturday morning's business session opened with a Breakfast Panel discussion about "Successes and Challenges in Reducing Emissions." The first panel speaker was Mr. Geoff Greene, Senior Director of Environmental Compliance for Evergy. Mr. Green began his presentation by giving attendees a high-level overview of the company. According to Mr. Greene, Evergy has been able to achieve one of the nation's cleanest and most diverse energy portfolios over the last decade. He feels that this trend will continue along a path to net zero by the year 2045. Some challenges have occurred along the way, which complicates the speed of this transition, he said. However, public service commission requirements, state legislation, and environmental regulations are all factors that can help or hinder this transition.

The next panelist was Mr. Patrick Vogelsberg, Manager of Government Affairs for Kansas Gas Service. "America's natural gas industry has achieved significant reductions in

greenhouse gas emissions over the prior decades," Mr. Vogelsberg said. He noted that further reductions will be achieved as the industry continues to modernize its infrastructure and invests in advanced technologies and innovation. Natural gas utilities are lowering their emissions and are in a position to help their customers reduce their emissions through energy efficiency and renewable natural gas, he concluded.

Speaking on the topic of "Transboundary Pipeline Projects" was Mr. Aaron Annable, Consul, Foreign Policy and Diplomacy Service, Consulate General of Canada in Chicago.

Mr. Annable explained that while cross-border pipelines continue to attract high-profile opposition and are the subject of various litigation actions, Russia's illegal invasion of Ukraine and the global energy dynamics that have followed have resulted in a renewed focus on continental energy security and oil & gas transportation capacity in North America. At the same time, important developments in emissions reduction policies and actions in Canada's energy sector have taken place, strengthening the case for its role as an optimal and environmentally-responsible energy supplier for the U.S. amid rising prices and volatile markets, he maintained.

"A Changing Energy Workforce," was discussed by Ms. Alicia Corbell, Dean, School of Energy at San Juan College. Ms. Corbell explained that San Juan College's Center of Excellence for Renewable Energy and Sustainability initially identified four areas of possibility for emerging energy studies: 1) Electric Vehicle Technology 2) The Recycling and

Repurposing of Lithium Ion Batteries 3) Education of Issues Surrounding Water Security and Sustainability 4) Hydrogen and its Role in Providing Clean and Affordable Energy.

"We see a natural pathway for our traditional fossil fuel related workers to transition into the evolving energy industry. With advanced, stackable credentials and ongoing professional development, workers with broad based industrial skills and critical thinking capabilities are very well positioned to support the technologies currently under development," she stated in her conclusion.

"The Future of Energy" was covered by Mr. Daniel Turner, Executive Director for Power the Future. In the Fall of 2021, Power the Future conducted a nationwide poll of attitudes toward the current energy situation in America. These viewpoints are critical to understanding sentiment and serve as the foundation for current public opinion, according to Mr. Turner.

A key finding of the study was that while there is an undeniable push to phase out the oil and gas industry in the country, and some Americans feel this is a laudable goal, few believe it's likely or possible. The data bears that out, with the follow statistics:

- 76 percent agree that oil and gas will "never be completely phased out" as an energy source in the United States;
- 74 percent agree the oil and gas industry is an important part of our energy grid and will remain for decades to come; and,
- 41 percent of Americans believe that oil and gas will be one of the two energy sources the United States will most rely on 20 years from now.

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Mr. David Balzer, Director of Planning and Economics for CHS McPherson Refinery, presented about the “Federal Renewable Fuel Standard.” Mr. Balzer gave attendees a brief overview of the Renewable Fuel Standard including its intended purpose, how it’s implemented, and how it may impact the future of liquid fuels. He also explained that CHS is a diversified global agribusiness cooperative owned by farmers and local cooperatives across the United States. It’s over 10,000-plus dedicated employees around the globe have a singular purpose: creating connections to empower agriculture. With a mission to drive sustainable growth for their owners and customers with a strong, efficient supply chain, access to global markets, and exceptional products and services, CHS is a premier ethanol producer, marketer and trader and has been a leader in renewable fuels for more than four

decades. The company produces 260 million gallons of fuel-grade ethanol and markets 1 billion gallons of ethanol each year, making CHS one of the nation’s largest suppliers of ethanol-enhanced gasoline and the largest U.S. retailer of E85 ethanol. CHS is also a leading marketer of biodiesel products.

“Conservation Easements,” was reported on by Mr. Aaron Popelka, Vice President of Legal and Governmental Affairs, Kansas Livestock Association. Mr. Popelka explained that conservation easements are an important tool used in land conservation and energy development mitigation strategies. He noted that in recent months, some property rights advocates have become concerned about what role conservation easements play in the Biden Administration’s 30 x 30 Initiative. While mandated

conservation easements would have a determinantal effect on property rights that most agriculture groups would oppose, state efforts to limit voluntary conservation easements would also adversely affect private property rights, limit strategies to preserve working agricultural lands from urban encroachment, and inhibit strategies to allow energy development in areas that contain endangered species, Mr. Popelka concluded.

Saturday’s business session concluded with a presentation about “Energy Security” from Ms. Elizabeth Van Holt, Midwest Region Director for the American Petroleum Institute. Inflation is soaring to historic levels across the board, impacting food,

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Members of The Energy Council’s Executive Committee and CLEER Board; CLEER Program Advisory Board; and University Advisory Board visited 4Rivers Electric Cooperative and Wolf Creek Generating Station.

Photo credit: Mr. Mance Zachary, Vistra Energy, CLEER PAB Member

NEW MEMBERS JOIN THE ENERGY COUNCIL'S EXECUTIVE COMMITTEE

COLORADO

Representative Tracey Bernett

Elected to the Colorado House of Representatives in 2021, Representative Bernett serves as a member of the Energy & Environment; State, Civic, Military, & Veterans Affairs; and Joint Technology Committees.

Representative Bernett and her husband, Frank, have two children and make their home in Longmont.



Tracey Bernett
Colorado Representative



Edie Hooton
Colorado Representative

COLORADO

Representative Edie Hooton

Elected to the Colorado House of Representatives in 2017, Representative Hooton serves as Vice-Chair for the Energy & Environment and Capital Development Committees. She serves as a member of the House Transportation & Local Government and Transportation Legislation Review Interim Committees.

Representative Hooton and her husband, Jim, have two children and reside in Boulder.

WEST VIRGINIA

Senator Rupie Phillips

Senator Phillips served in the West Virginia House of Delegates from 2011 through 2018. He was elected to the Senate in 2020. He serves as Vice-Chair of the Energy, Industry and Mining and Military Committees. He serves as a Member of Judiciary; Natural Resources; Redistricting; and Workforce Committees.

Senator Phillips and his wife, Beth, have one child and make their home in Charleston.



Rupie Phillips
West Virginia Senator

CLEER WELCOMES NEW PROGRAM ADVISORY BOARD MEMBERS

Cooperative Energy

Cooperative Energy serves as the only not-for-profit wholesale electric power provider headquartered in Mississippi. In this role, Cooperative Energy generates and transmits electricity for 11-member distribution systems located in the southern and western portions of the state. Cooperative Energy and its 11 Member cooperatives provide power to 445,000 homes and businesses across the state.



**William "Hunter"
Walters**

Director of Government
Relations

Hunter Walters serves as Cooperative Energy's Director of Government Relations. In this role, Walters works with legislative, executive, and regulatory bodies at both the state and federal levels on behalf of Cooperative. Walters joined Cooperative Energy in July 2021 after serving as Counsel and Director of Regulatory Affairs for Electric Cooperatives of Mississippi since 2015. Hunter is a graduate of Mississippi State University and Mississippi College School of Law.

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Texas Competitive Power Advocates

Texas Competitive Power Advocates (TCPA) is a trade association representing power generators and wholesale power marketers with investments in Texas and the Electric Reliability Council of Texas (ERCOT) wholesale electric market. TCPA members are dedicated to helping ensure a successful energy future for Texas by investing in and operating diversified energy sources to ensure ample, reliable and affordable electricity for Texas.

Michele Richmond is the Executive Director for the Texas Competitive Power Advocates (TCPA), a non-profit trade association that is dedicated to helping ensure a successful energy future for Texas by investing in and operating clean and diversified energy sources to ensure ample, reliable and affordable electricity for Texas consumers. Michele has over 20 years in the legislative arena. Her career includes nearly a decade as the Director of Legislative and Political Affairs for a statewide trade association



Michele Richmond
Executive Director

as well as lobbying for a statewide education association. She specialized in tax and finance legislation and also directed the association's political action committee, grassroots and election activities. Michele also lobbied on school finance and governance issues for several years. Mrs. Richmond began her career in the Texas House of Representatives, serving four years as the Chief of Staff and Legislative Director for a Houston representative. Mrs. Richmond received her Bachelor of Arts degree from the University of Texas at Austin.

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E-MAIL: michele@competitivepower.org

CLEER WELCOMES NEW PROGRAM ADVISORY BOARD MEMBERS

Hilcorp Energy Company

Hilcorp was founded in 1989 and, today, is the largest privately-owned oil and natural gas producer in the United States. Hilcorp has operations in Alabama, Alaska, Colorado, Louisiana, New Mexico, Ohio, Pennsylvania, Texas, and Wyoming. Headquartered in Houston, TX, Hilcorp encourages its nearly 3,000 dedicated employees to have an entrepreneurial mindset and empowers everyone to be an owner of the company.

Justin Furnace, Vice President, External Affairs

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ONEOK, Inc.

ONEOK, Inc. is an American diversified corporation focused primarily on the natural gas industry, and headquartered in Tulsa, Oklahoma. The company is part of the Fortune 500 and S&P 500. ONEOK was founded in 1906 as Oklahoma Natural Gas Company, but it changed its corporate name to ONEOK in December 1980. It also owns major natural gas liquids (NGL) systems due to the 2005 acquisition of Koch Industries' natural gas businesses. ONEOK's Energy Services operation focuses primarily on marketing natural gas and related services throughout the U.S. Energy Services, which derives more than 84 percent of its earnings from the physical marketing business, participates in customer gas choice programs in Nebraska and Wyoming.

Michael Gillaspie Director, Government Relations

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clothing and energy prices, Ms. Van Holt said. Oil prices are at a seven-year high due to a global supply crunch, workforce constraints, increasing geopolitical instability, the economic rebound from the pandemic, and policy uncertainty from Washington. Although oil production is at its highest level in over two years and natural gas facilities are running at capacity, policymakers continue to focus on short-term solutions to long-term energy problems. Ms. Van Holt emphasized that a robust and technologically advanced U.S. infrastructure system, including pipelines, is vital to ensuring American producers can meet rising demand at home and for our allies abroad. The

best thing policymakers can do right now is fully restore leasing on federal lands and waters, permit vital energy infrastructure and send a message that America is open for energy investment.

Saturday afternoon's CLEER University Advisory Board (UAB) Seminar about Carbon Management and Energy Transition Projects was presented by Dr. Franek Hasiuk, Associate Scientist, Kansas Geological Survey. Dr. Hasiuk believes that the current energy transition is one of many which human societies has undergone over its history, and won't be the last. Carbon Capture/Use/Storage, Energy Storage, the Hydrogen Economy,

and Critical Minerals will allow us to transition away from burning oil, gas and coal and toward using them for other economic purposes, he said. These new technologies offer significant opportunities for job growth, economic growth, and national security while addressing environmental issues.

Closing out the conference on Sunday, June 12, was a CLEER Program Advisory Board Planning Session which gathered speaker suggestions for the 2022 Annual Meeting to be held in San Antonio, Texas.

The Energy Council's 2022 State and Provincial Trends in Energy and the Environment Conference

June 9-12, 2022
Overland Park, Kansas

Welcome Breakfast

The Honorable Rick Beck
Arkansas House of Representatives
and Chairman, The Energy Council

The Honorable Click Bishop
Alaska Senate and Chairman,
CLEER

The Honorable Carolyn McGinn
Kansas Senate and Co-Vice
President, State and Provincial
Trends

The Honorable Kyle Hoffman
Kansas House of Representatives
and Co-Vice President, State and
Provincial Trends

Opening Address

The Honorable Roger Marshall
United States Senate - Kansas

Energy Parks

Mr. Fred Clark
President and CEO
Alabama Municipal Electric
Authority

Cybersecurity Challenges and Solutions

General William L. Shelton
Former Commander
U.S. Air Force Space Command

Potential Grid Reliability Impacts of the EPA Ozone Transport Rule Federal Implementation Plan

Mr. Mike Nasi
Partner, Environmental &
Legislative Practice Group
Jackson Walker, L.L.P.

Welcome and Overview of KEC and Kansas Electric Cooperatives

Ms. Leslie Kaufman
Vice President, Government
Relations & General Counsel
Kansas Electric Cooperatives, Inc.

Mr. Mark Doebele
Chief Operating Officer &
Assistant General Manager
4Rivers Electric Cooperative, Inc.

Lunch Panel: Wind Farm Risks and Rewards

Dr. Timothy Fitzgerald
Associate Professor
Texas Tech University

Ms. Kara Choquette
Director, Communications and
Government Relations
The Anschutz Corporation

Breakfast Panel: Successes and Challenges in Reducing Emissions

Mr. Geoff Greene
Senior Director of Environmental
Compliance - Eergy

Mr. Patrick Vogelsberg
Manager of Government Affairs
Kansas Gas Service

Transboundary Pipeline Projects

Mr. Aaron Annable
Consul, Foreign Policy and
Diplomacy Service
Consulate General of Canada in
Chicago

A Changing Energy Workforce

Ms. Alicia Corbell
Dean, School of Energy
San Juan College

The Future of Energy

Mr. Daniel Turner
Executive Director
Power the Future

Federal Renewable Fuel Standard

Mr. David Balzer
Director of Planning and
Economics
CHS McPherson Refinery

Conservation Easements

Mr. Aaron Popelka
Vice President of Legal and
Governmental Affairs
Kansas Livestock Association

Energy Security

Ms. Elizabeth Van Holt
Midwest Region Director
American Petroleum Institute

UAB Seminar: Carbon Management and Energy Transition Projects

Dr. Franek Hasiuk
Associate Scientist
Kansas Geological Survey

Working Breakfast: Energy Council Business Session And CLEER Program Advisory Board Meeting