



## Transparency

If this coal plant is such a good idea - why aren't other state's governors and legislatures and Chambers of Commerce fighting for it? **Recall that Sunflower Electric has hundreds of millions of dollars in unpaid loans from American taxpayers.<sup>i</sup>** As a taxpayer, wouldn't you like to know how your money is being spent?

Unanswered questions. There are a lot of them about this coal plant project.

**Tri-State G&T of Colorado won't answer questions about the proposed project it will finance and own in Kansas.**

**Pro-coal special interests pushed legislation to force permitting of two huge coal-fired power plants, obstructing two legislative sessions and burning untold taxpayer dollars.**

**Sunflower Electric won't answer critical questions about the project and can't substantiate many of the claims it has made.**

**The Governor, Sunflower Electric, and some lobbyists made a secret deal to de-regulate Sunflower Electric and try to force KDHE to permit the proposed coal plant – absent any independent economic, energy, technical, environmental, or public health input.**

Initially, GPACE asked the following ten questions of Sunflower Electric regarding the 1400mw proposal that dominated the 2008 and 2009 sessions of the Kansas legislature:<sup>ii</sup>

1. How is the use of our scarce (and hard earned) water resource to produce electricity for Colorado good economic policy for western Kansas?
2. How can Sunflower and supporters credibly claim that failure of the 2008 legislation has already increased rates (especially in other service areas)?
3. How much is the Sunflower project really going to cost, and why not share that information with citizens and our elected representatives?
4. How do the proposed coal plants compare to other available economic development investments, especially renewable energy?
5. How can the proposed plants use non-existent "clean coal" technology, and how will they address the dramatic increases in cost and water use of the technology they claim to possess?
6. What is the health cost – especially to children, the elderly, the chronically ill, and the uninsured – of two new huge coal-fired power plants?
7. How exactly would the proposed project "keep the lights on" (even with no shortage of available power) AND export electricity (already owned by CO and TX) with only 200MW of available energy?
8. How is it a good idea for the part-time, partisan Kansas Legislature to be responsible for thousands of annual permit requests and for enforcing compliance, in addition to other priorities and constitutional duties?



## THE GREAT PLAINS ALLIANCE FOR CLEAN ENERGY

9. If the Holcomb coal plants are such a good economic investment (and given that almost all the power is for – and all the investment is from – other states) why aren't any other states competing to build the plants?
10. Are 150 jobs and 200MW of electricity worth it? All of it?

None of those questions was answered.

In the wake of the secret agreement between the governor's office and Sunflower Electric designed to deregulate Sunflower, eliminate KDHE's oversight of air quality, redefine emissions mitigation, and force the permitting of the proposed coal plant, GPACE submitted an open records request in accordance with K.S.A. 45-217, et seq. to the Kansas Governor's Office in relation to the settlement agreement between the Office of the Governor and Sunflower Electric.

That first request identified seven sources of information pertinent to the agreement that GPACE sought as public documents under the Kansas Open Records Act.<sup>iii</sup>

In September of 2009, GPACE resubmitted an open records request, identifying six sources of information pertinent to the agreement as public documents under KORA.<sup>iv</sup>

While some information was provided, the Governor's Office claimed statutory exemptions and attorney-client privilege in denying most of GPACE's requests for public information regarding the settlement agreement.

GPACE did confirm that an attorney and registered lobbyist for Sunflower Electric in 2009 functioned as a go-between for Sunflower's CEO and then Lt. Governor Parkinson, apparently without the knowledge of then Governor Sebelius.<sup>v</sup>

Finally, GPACE asked Tri-State Generation & Transmission the following twenty-nine questions about various aspects of the project<sup>vi</sup>, as part of Tri-State's public resource planning process:<sup>vii</sup><sup>viii</sup>

1. Does the recent Xcel "switch" toward natural gas and increased renewables signal a potential move by Tri-State to push its dirtier, riskier baseload capacity out-of-state to places like Kansas?
2. Does Tri-State intend to externalize costs and liabilities related to its energy and fuel portfolio by sending them over the state line and out of the service area and potential Colorado regulatory oversight?
3. What are the likely impacts from over-production of coal-fired capacity upon the integration of wind energy and natural gas deployment in the region?
4. Will an over-reliance on coal cause Kansas air quality (and related costs) to suffer more than expected under current modeling?
5. Why has Tri-State not undertaken this transmission planning?
6. Does it intend to? Is that dependent upon permit status of the proposed project?
7. What is the real likelihood of a major export pathway for wind-generated electrons moving west from Kansas to and through Tri-State's service area, across the phase shift barrier between our respective power pools, away from key renewable energy markets in the Southeast (and Kansas's own power pool), and swimming upstream against a robust wind resource right here in Colorado?



## THE GREAT PLAINS ALLIANCE FOR CLEAN ENERGY

8. What can Tri-State tell us about the water impacts of the project?
9. Have any hydrological studies or analyses been undertaken and could those be shared with the public?
10. Has Tri-State undertaken or acquired any data or analysis on the water and agricultural-related economic impacts from the project?
11. With regard to new coal-burning baseload, what contingencies has Tri-State adopted to address the certainty of pending carbon valuation and other regulations related to nitrous oxides, sulfur dioxide, particulate matter, and mercury?
12. With regard to the economic liabilities created by pending carbon valuation, mercury, and criteria pollutants, where does Tri-State anticipate the fiscal, regulatory, and legal liability will accrue?
13. What liability related to pollutants (including carbon) does Tri-State anticipate from the proposed project?
  - a. Will those obligations be assigned according to equity ownership (i.e. the current 80-20 split indicated by Sunflower and the permit application, or will they remain solely with the permit holder (Sunflower Electric)?
  - b. Will they follow power purchase agreements?
  - c. What is the strategy and/or contractual agreement in place regarding the proposed project to deal with the consequences of carbon valuation, taxation, or regulation, and the fiscal impacts of other criteria pollutants?
14. Will carbon or other emissions liabilities from Holcomb 2 be passed on to ratepayers?
15. Does Tri-State anticipate rate increases related to Holcomb 2 if it comes on line?
16. How does the business arrangement between Tri-State and Sunflower address rate increases?
17. Will increased costs related to the construction of the plant, the fuel requirements of the plant, or other factors be passed on to Colorado ratepayers, Kansas ratepayers, or both? How is that determined?
18. Does Tri-State have any concerns regarding Sunflower's financial situation and history?
19. Has Tri-State undertaken to provide any financial assurances to creditors regarding the proposed 895mw project or its partnership with Sunflower Electric in general?
20. With 30 years of unpaid and restructured taxpayer debt, does the current plan for one, two, or three additional large coal-fired units seem exceedingly risky?
21. Is this a situation that Tri-State would undertake on its own, absent a partner like Sunflower?
22. Has Tri-State established a maximum investment it is willing to make in Holcomb 2 with no return on the equity?
23. If for any reason, Holcomb 2 is not permitted or built, what debt obligation (if any) does Sunflower have to Tri-State?
24. If the project is permitted and completed, what debt obligations (if any) do Tri-State and Sunflower share?
25. Can Tri-State share more detailed information regarding its financial, legal, regulatory, and operational relationship with Sunflower Electric, especially with respect to the proposed 895mw unit and related transmission infrastructure?
26. Does Tri-State have or anticipate a business relationship with Sunflower Electric and the Holcomb Station expansion beyond the proposed 895mw unit?

None of those questions was answered.



This coal plant will affect Kansans for generations, but we can't get answers to basic questions about the project from the companies involved or from some of our elected leaders.

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<sup>i</sup> <http://www.gpace.org/blog/pay-no-attention-to-the-taxpayer-behind-that-curtain/>

<sup>ii</sup> <http://www.gpace.org/blog/10-questions-list/>

<sup>iii</sup> <http://www.gpace.org/wp-content/090601-OpenRecordsRequest-GovMarkParkinson.pdf>

<sup>iv</sup> <http://www.gpace.org/wp-content/0917FINALKORARquest2.pdf>

<sup>v</sup> [http://www.kssos.org/elections/elections\\_lobbyists.html](http://www.kssos.org/elections/elections_lobbyists.html)

<sup>vi</sup> <http://www.gpace.org/blog/gpace-comments-and-questions-to-tri-state-generation-transmission/>

<sup>vii</sup> <http://www.gpace.org/blog/public-resource-planning-process-for-colorado-utility-impacts-kansas/>

<sup>viii</sup> <http://www.tristategt.org/ResourcePlanning/>