



Midwest Environmental Compliance Conference

OVERLAND PARK MARRIOTT | KANSAS

May 17-18, 2017

Energy Policy Issues: EPA, FERC, and Trump

Presented by:

Paul Ling, KCP&L

Chris Neaville, Doe Run

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The Administration's Goals- Energy Policy Changes

- EPA Reform
- DOE Reform
- Dismantle Clean Power Plan
- Increase Energy Production on Federal Lands
- Ease restrictions/ regulations on oil/gas/coal
- Natural Gas export terminals
- Federal Ethanol Mandates- Potential Roll-Back
- Federal Nuclear Waste Repository-Yucca Mtn. (NV)
- Fast-track infrastructure projects

The Administration's priorities and actions

- Renewables?
- Fossil-heavy agenda?
- Tariffs/trade agreements?
- Support for transmission to move renewable power
- Support for energy storage & grid modernization
- Executive Orders- 34 to date; deal with Energy/Environment
- Presidential Memos- 25 to date; 7 deal with global trade, pipeline and imports

Impacts on electric generation and transmission

- Paul Ling and KCP&L
- Does the change of administration mean the EPA “War on Coal” is over?
- How has marketplace changed priority of final sources and dispatch of electricity?
- How much capital expense does KCP&L have in its equipment due to environmental controls? Other nearby companies?
- Are renewables here to stay?



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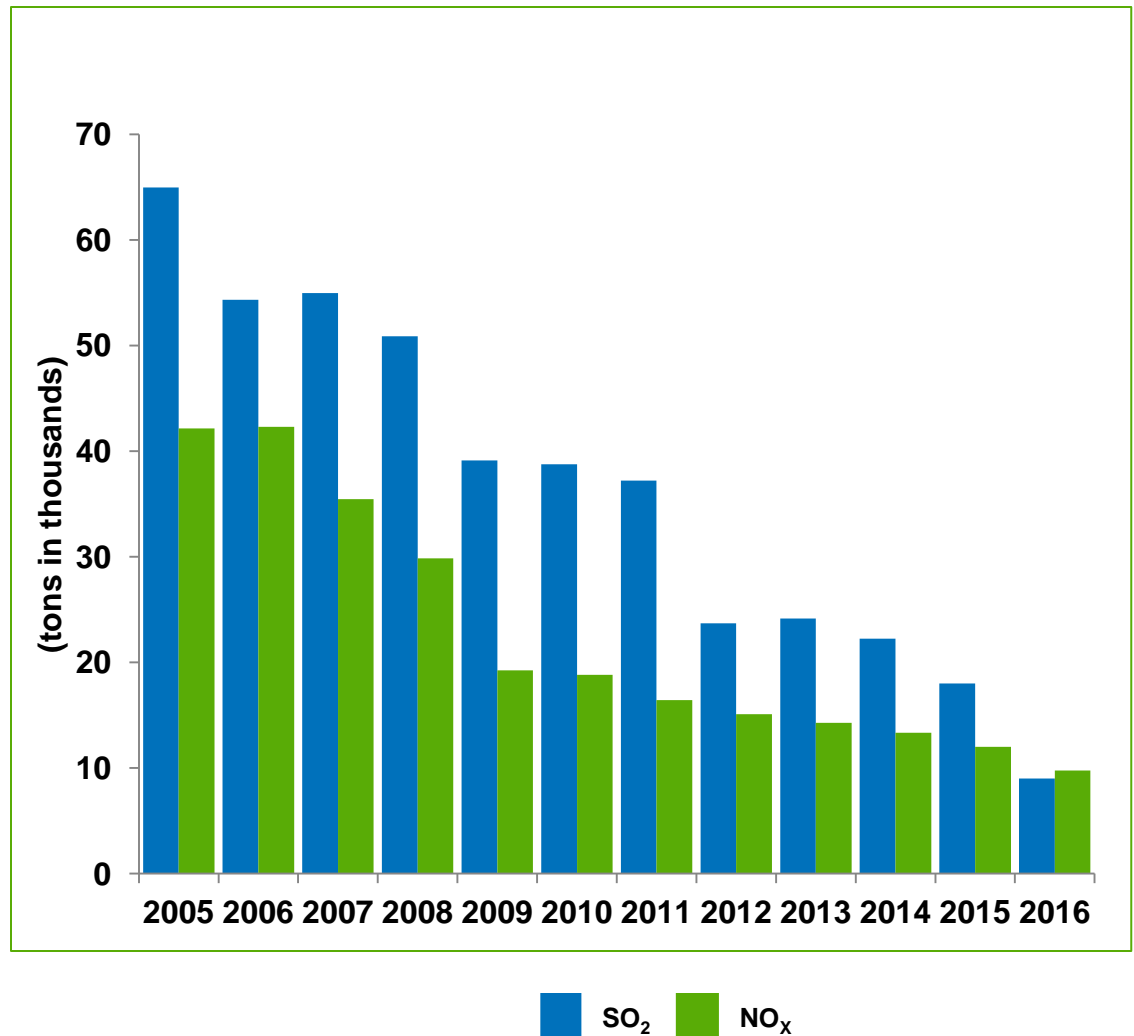
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Paul M. Ling
KCP&L Director of Compliance

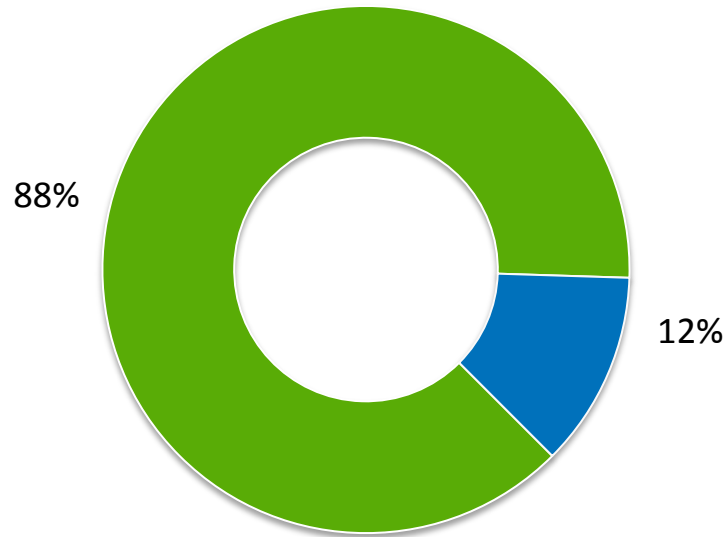
KCP&L Reducing Air Emissions

- Providing customers with affordable, reliable energy while improving regional air quality
- Since 2005:
 - Invested more than \$1.5 billion in state-of-the-art emissions control equipment
 - Reduced SO₂ and NO_x emissions by approximately 86 and 76 percent, respectively
- Plan to cease burning coal in the coming years at three of our plants totaling more than 700 megawatts



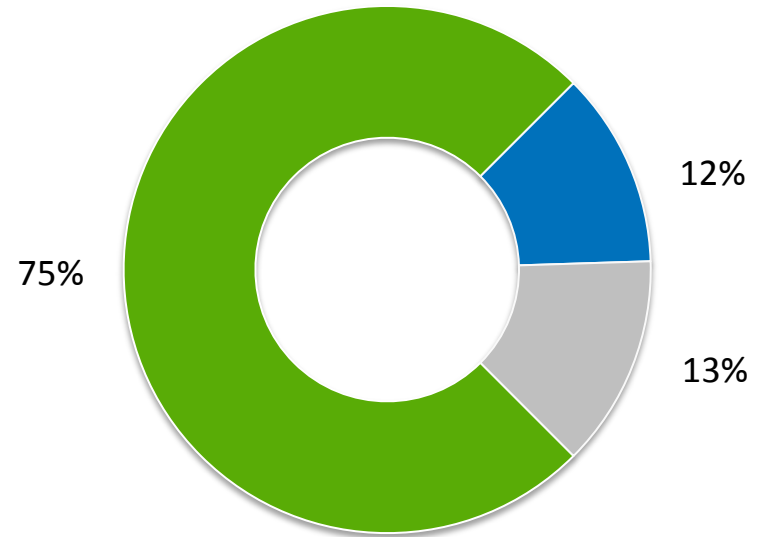
KCP&L's Coal Fleet

% of Coal Fleet with NOx Removal Technology



■ Installed ■ Planned Coal Cessation

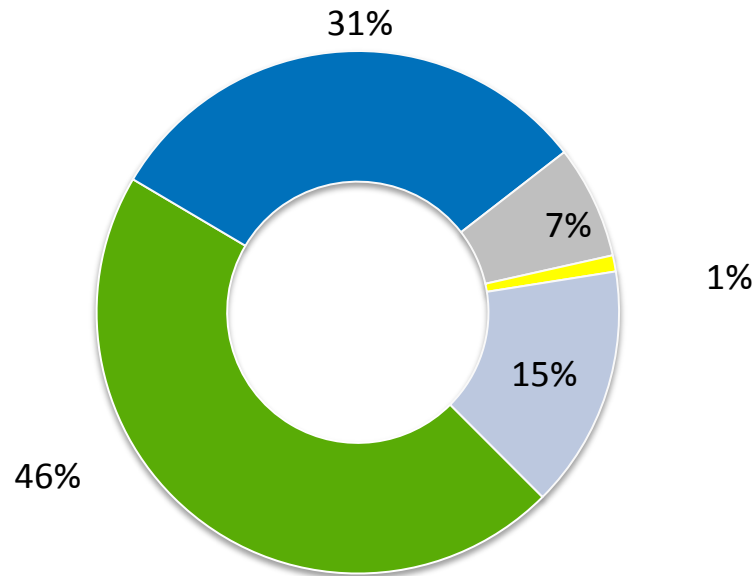
% of Coal Fleet with Emission-Reducing Scrubbers



■ Installed ■ Planned Coal Cessation ■ Not Installed

KCP&L's Coal Fleet

2016 Generation Capacity



■ Coal ■ Natural Gas & Oil ■ Nuclear ■ Hydro, Landfill Gas & Solar ■ Wind

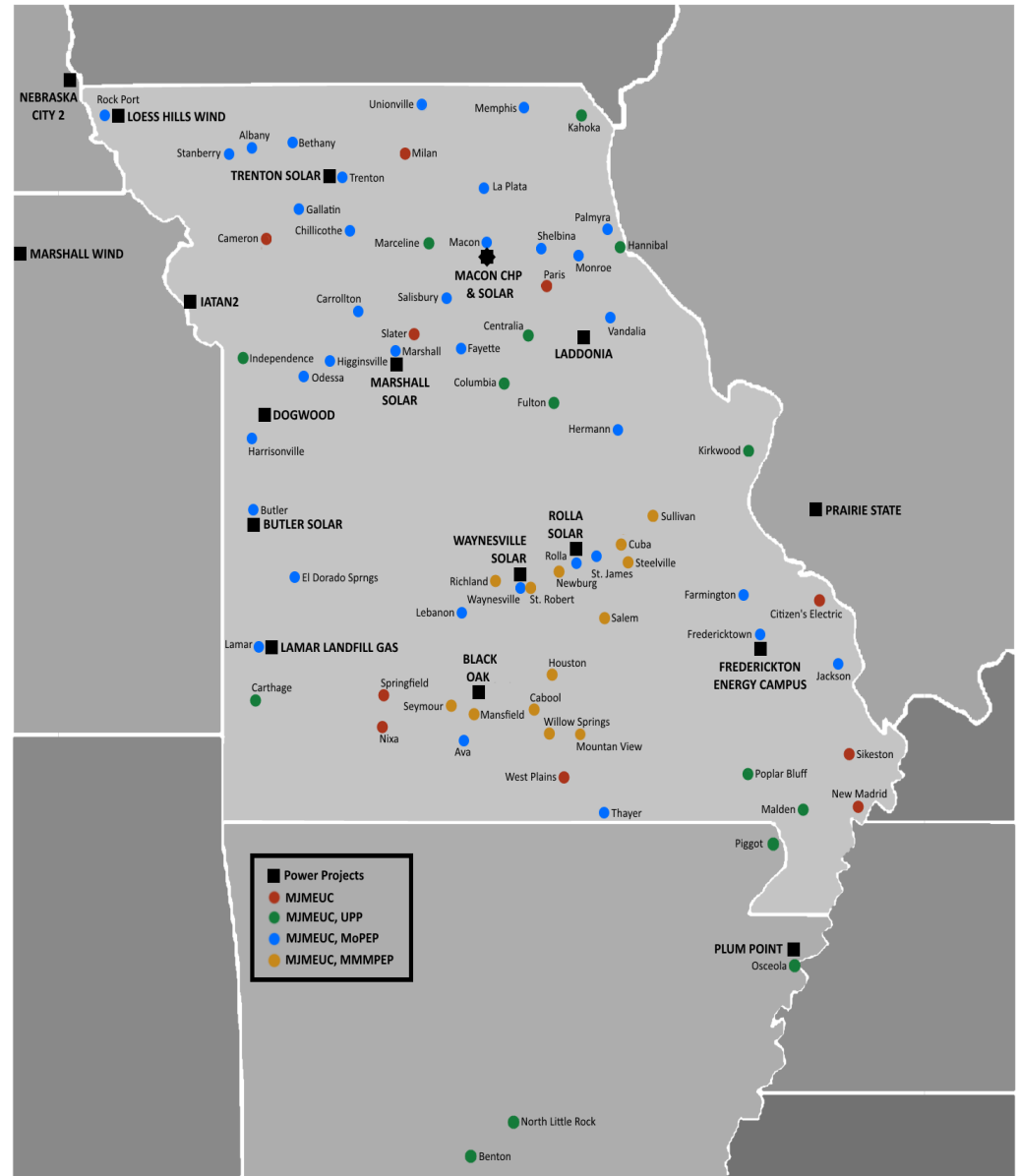
IMPACTS ON Businesses WITH HEAVY RELIANCE ON ELECTRICITY

- Chris Neaville and Doe Run
- What are Doe Run's business factors in reliance on electricity?
- Are there changes in policy and international trade that would be good for Doe Run and other metals and mining companies?
- What is happening in energy initiatives at the state level?



Who We Are

- MPUA is an alliance of 125 municipally-owned utilities across MO, AR, IL, and MS.
- MPUA provides training, mutual aid, technical support, and legislative and regulatory advocacy.
- 73 utilities are members of the Electric Commission (MJMEUC) which provides power supply, energy management, and RTO/ transmission services for member utilities.
- On behalf of members, MJMEUC has ownership in several generation facilities including coal, natural gas, CHP, landfill gas, solar, and wind.



THREE TYPES OF ELECTRIC UTILITIES



**PUBLIC POWER
UTILITIES**



**RURAL ELECTRIC
COOPERATIVES**



**INVESTOR-OWNED
UTILITIES**

BUSINESS
MODEL



Not for profit, community-owned



Not for profit, member-owned



For profit, shareholder-owned

FERC
JURISDICTION



Only for interstate transmission



Only for interstate transmission



For wholesale rates

REGULATED BY
STATE PUBLIC
UTILITY COMMISSION



Very limited instances



Some



All

GOVERNED BY



Elected/appointed boards –
mayors, city council
members, citizens



Member-elected boards



Private boards

UTILITIES CAN RAISE FUNDS THROUGH



PUBLIC POWER
UTILITIES

Tax-exempt municipal bonds



RURAL ELECTRIC
COOPERATIVES

Loans from the U.S.
Department of Agriculture's
Rural Utilities Service, or
cooperative and private
lenders



INVESTOR-OWNED
UTILITIES

Stock issue or corporate debt

WHAT IS PUBLIC POWER?

A PUBLIC POWER UTILITY

- ✓ Brings **electricity** to homes and businesses
- ✓ May **generate** and/or **buy** power
- ✓ Is a **not-for-profit** entity
- ✓ Is owned by the **community**
- ✓ Is usually a division of **local government**
- ✓ Is **transparent** (subject to sunshine laws)
- ✓ Involves **citizens** in decision-making

Challenges for Utilities



**PUBLIC POWER
UTILITIES**

- **Aging Infrastructure and Tax Reform**
- **Environmental Regulation**
- **Cyber Security**
- **Distributed Energy Policies**

Questions?