

Written Testimony of Paul Ling, Environmental Manager On Behalf of Kansas City Power & Light Before the House Energy and Utilities Committee Regarding Significant Air Environmental Rules Impacts January 12, 2012

Chairman Holmes and members of the committee, thank you for the opportunity to address this important issue for our industry. KCP&L has worked for many years to ensure compliance with environment requirements and has several active compliance projects, including the retrofits at our La Cygne Generating Station. In the next few years, the electric utility industry will face the considerable challenge of complying with several significant new or revised environmental regulations from the U.S. Environmental Protection Agency (EPA) regulating air, water and coal combustion byproducts. Below we address several significant new regulations and how we anticipate each will impact KCP&L.

Cross-State Air Pollution Rule (SO₂ and NOx)

KCP&L compliance activities during stay:

- Continued installation of La Cygne Station environmental emission controls.
- Plans for installation of additional NOx controls (burners and over fire air) at Montrose Units 2 and 3 this spring.
- Plans for implementing various options when compliance with rule is again required, including but not limited to, reducing annual generation and fuel switching to lower sulfur coal and achieving greater reduction when possible from existing controls.
- With these actions and others, KCP&L does not anticipate electricity supply issues in KCP&L's service territory to maintain compliance with the Cross-State Air Pollution Rule when compliance is again required.

Mercury and Air Toxics Standards (mercury, metals, acid gases)

<u>KCP&L units minimally impacted because emission controls needed for compliance</u> <u>installed or in process of installation:</u>

 Iatan Units 1 and 2, La Cygne Units 1 and 2, and Hawthorn Unit 5 (except for mercury control).

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KCP&L units potentially impacted:

- Montrose Units 1, 2 and 3; Sibley Units 1, 2 and 3; and Lake Road Boiler 6/Unit 4 - mercury control (activated carbon injection), particulate matter control (improved precipitators or baghouses), and potentially dry sorbent injection (acid gases) under review.
- KCP&L is reviewing the compliance options associated with the Mercury and Air Toxics Standards and developing a compliance strategy but does not currently anticipate electricity supply issues in KCP&L's service territory to comply with the rule.

2010 SO2 National Ambient Air Quality Standard (SO₂)

<u>KCP&L units minimally impacted because emission controls needed for compliance</u> <u>installed or in process of installation:</u>

• latan Units 1 and 2, La Cygne Units 1 and 2, and Hawthorn Unit 5.

KCP&L units potentially impacted:

- Montrose Units 1, 2 and 3; Sibley Units 1, 2 and 3; and Lake Road Boiler 6/Unit 4 - scrubbers or other SO₂ controls potentially required depending on modeling studies which are being conducted to determine impact.
- KCP&L is participating in the modeling studies which will result in compliance options with the SO₂ Standard but does not currently anticipate electricity supply issues in KCP&L's service territory to comply with the rule.