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Testimony before the Joint Committee on Energy and Environmental Policy Wind Development – Property Tax Exemptions for Renewables October 18, 2011

Chairman Holmes and Members of the Committee

I am Carla Pence, Harper County Commissioner, and I thank you for the opportunity for county representatives to have a voice before your Committee today.

First, I want to thank the Kansas Wind Energy Developers for being good corporate citizens and appreciate their willingness to help compensate for county services through Payment In Lieu of Tax (PILOT) agreements.

I understand the desire for renewable energy sources. My concerns today will be directed at the local county level and the needed infrastructure to bring these wind developments to our communities.

There are several areas of concern for county commissioners, one being roads and bridges. Since Harper County has adopted local zoning regulations, we have a County Road Policy for Wind Energy and we have been able to work within those policies for the use of our roads and bridges. But not all counties utilize local zoning and road and bridge infrastructure is costly to design, improve and maintain in general and is especially true for wind development projects.

Another area of concern is with emergency services within a county. Harper County provides the Emergency Medical Services for the entire 802 square miles and 6,000 residents of our county. With the location of the turbines in relation to where our ambulances are housed, the five hundred (500) anticipated construction workers would be way outside the 10-minute response time window for a medical emergency. As a commissioner and a former nurse, that is a concern.

Harper County is again in a unique position in how this energy will be transmitted. Due to the large volume oil and gas wells currently in our area, transmission lines will need to be installed above ground. In case of a fire, we not only will be looking at protecting the more than 140 turbines for the next 20 plus years, but our county will need to provide fire protection to all these additional transmission lines.

This past year Harper County, like other Kansas counties, has experienced extreme drought. Our fire department vehicles made runs on almost a daily basis. These are VOLUNTEER departments and do not have the experience nor the **equipment** to handle large fires involving turbines mixed with transmission lines interspersed with oil and gas wells.

My question is this: Who should bear the burden of providing these county services to a tax-exempt industry? Should it be the taxpayer of the rural county?

Currently, Harper County is in the process of negotiating a PILOT agreement with a wind developer. However, these are voluntary agreements at the good will of the Wind Developer. While we in Harper County are pro-business and welcome wind energy we know that we need to be able to provide for the infrastructure needs that will come with this development. I do not believe that it should only be the burden to the local resident taxpayer.

Many counties use PILOT agreements and these agreements can be for a limited term. Once the agreements expire or are not renewed, the County is still obligated to provide services without compensation. Therefore in absence of a PILOT agreement, we advocate for a tax policy that allows county governments to recover cost for providing these needed infrastructure services.

Thank you for your time, and I will be glad to answer any questions.