Testimony of Mr. Terry Eaton Manager of Environmental Services

> On behalf of the Great Plains Energy

Information Presentation on PCBs

Submitted to the Senate Utilities Committee January 22, 2004

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Responses to Questions Regarding PCBs

1. Tell the Committee the extent to which you can identify transformers which contain PCBs and their location throughout your distribution system.

KCPL assumes responsibility to uphold applicable environmental regulations regarding PCB content of each of its transformers. These environmental regulations allow a company to assume a transformer contains above the regulatory amount of PCB yet continue to use the transformer until test results confirm that it contains less than the regulatory level of PCB's. KCPL assumes each transformer in our system contains above the regulatory level of PCB's and handles each transformer in accordance with the applicable environmental regulation. Identifying all equipment containing levels of PCB's above the regulatory level would be a costly and disruptive task impacting our customer service capabilities. In order to check each individual transformer for PCB content in Kansas, KCPL would require extra crews, equipment and years to complete this task. It is not feasible for KCPL to divert this many resources away from our established maintenance program for such a duration while still fulfilling our basic responsibilities to our customers. Further complicating the process is the fact that some transformers cannot be tested without destroying them.

The cost in resources and money is secondary to the cost of disruption to our customers. Some customers would suffer multiple outages as their segment of the system was removed from service for each test. Scheduling outages is also not feasible due to the multitude of customers affected by outages, each with their own needs and conflicting schedules. KCPL would be able to predict outages, but the customers would have to adjust, regardless of the inconvenience or cost to them.

2. Tell the Committee the number of transformers that contain PCBs in your distribution system.

For the reasons previously stated, KCPL cannot accurately state how many transformers in our distribution system contain PCB's above the regulatory level.

KCPL can confirm that our substations and power plants do not contain any known transformers, which contain PCB's in excess of 500 ppm PCBs.

KCPL assumes there are an unknown number of transformers in use within our system that contain above regulatory level of PCB's. Manufacturing transformers containing regulatory levels of PCB was discontinued in the 1980's. KCPL's distribution system in the state of Kansas contains approximately 48,000 transformers, of which, a significant quantity were installed after 1980. It can be safely assumed they are below the regulatory level of PCB's.

Since the average life of a transformer is 30 years, quantities of transformers containing regulatory levels of PCB's may exist. Although the average life of a transformer is 30 years, KCPL has transformers that can last much longer depending on: load, seal integrity, storm damage, vehicle damage, power surges, animal damage, etc. Continuing to use these transformers is in direct compliance with the environmental regulations.

3. Tell the Committee what problems you have disposing of transformers containing PCBs when they are replaced.

The applicable environmental regulations are very specific regarding disposal procedures for transformers containing above regulatory levels of PCB's. Transformers, which contain PCB's above regulatory levels, must have special handling in the field and must be disposed of with special disposal companies. The prescriptive regulatory procedures for disposing have been established for several years and are functioning well.

The cost of disposing a transformer containing PCB above the regulatory levels is significant. Average salvage value for a transformer containing less than the regulatory level of 50 ppm PCB's is \$23.00; for transformers containing between 50 and 500 ppm PCB's there is no salvage value, but an average disposal cost of \$105.00; and for transformers containing in excess of 500 ppm PCB's, there is no salvage value and the disposal cost is \$532.00.

4. Describe for the Committee your actions to replace those transformers containing PCBs over the past ten years, the net result of those actions, and your plans for the future regarding transformers containing PCBs.

KCPL has now replaced all known transformers containing PCB's in excess of 500 ppm in our substations and power plants. KCPL has an active program to replace any transformer containing PCB's above the regulatory level, when found, and to properly dispose of the transformer. Over the past 10 years, no PCB containing transformers have been reused or left in the field when discovered.