

Opponent Testimony Provided to the Senate Utilities Committee January 26, 2022

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America

In Opposition to Senate Bill 323

Good afternoon, Mister Chairman, Vice-Chair and Ranking Member,

Introduction:

Enel North America, through its subsidiary, Enel Green Power, is a leading developer, owner and operator of renewable energy projects and currently has the largest wind capacity of any wind operator in the state of Kansas.

Enel's Position on SB 323:

Enel Green Power opposes the passage of SB 323 because it will undermine Kansas' commitment to preserve privately owned property rights.

- 1. It is not clear that this bill is necessary since parties to a contract have recourse to the courts or through other remedies for failure to comply with contract terms.
- 2. Landowners are generally savvy negotiators. This bill seeks to influence decisions and behaviors of private citizen-landowners considering leasing land for wind and solar facilities. Local residents should freely decide whether to enter into a wind or solar development project lease agreement or easement.
- 3. This bill would make it very difficult to construct a wind facility in Kansas if landowners can break their lease agreements at will, since contiguous property leases are necessary to the concept of the wind farm, creating substantial hardship for wind and solar developers.

Enel Green Power operates six wind power plants in Kansas, representing over \$2.7 billion in total investment and has created 210 full-time, permanent jobs in the state. Enel Green Power is invested in Kansas and committed to the long-term health and viability of the communities where it operates. This support comes in the form of supporting native Tallgrass Prairie habitat from invasive species and supporting local education and scholarship programs.



Enel's Interest:

Enel Green Power's most recent 199 MW addition to the Cimarron Bend wind farm in Clark County, Kansas resulted in over 250 temporary jobs and 5-10 permanent operations and maintenance positions. This is in addition to existing local landowner payments of \$12.5M (2020). Enel Green Power will provide more than \$144M in PILOT payments over a 20-year period to the counties that host its wind projects. Over \$36.5M has already been paid through payments, and another \$107.5M will be paid over the next 20 years. If SB 323 passes, it will cause Enel, and companies like it, to consider investing in other communities in other states, leaving these communities with less economic opportunities than they have today.

Conclusion:

It is through common law, state law, and the Constitution that the rights of people to acquire, use, and dispose of property freely are protected. The idea of "property" entails and represents all the legitimate uses that can be made of the underlying estate, giving it value. Entering into an easement or lease agreement with a wind or solar developer is a productive use of private property that should be decided and agreed upon by the landowner, without interference by state government. Wind and solar generation are not intended to be a substitute for other generation, but instead play an important role in diversifying the generation fleet and reducing the exposure to volatile fuel supply costs while meeting the electricity needs of Kansans. SB 323 interferes with landowners' private property rights and private business wind and solar developers' right to contract and freely conduct business.

Thank you for your consideration and we urge your opposition to SB 323.