



Renew Kansas Biofuels Association

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To: Senate Committee on Utilities
From: Randy Stookey, Senior Vice President of Government Affairs, Renew Kansas
Re: **Proponent, Written Testimony on Senate Bill 395, allowing the exercise of eminent domain for the purpose of conducting carbon dioxide in pipes.**

Chairman Masterson and members of the committee, thank you for the opportunity to provide testimony in support of Senate Bill 395. This testimony is submitted on behalf of Renew Kansas Biofuels Association, the trade association of the Kansas ethanol and biofuels industry.

The Kansas ethanol industry includes 11 fuel-grade ethanol processing plants across the state. By purchasing 44% of all corn grown in Kansas (179.2 mil bushels in 2016) the ethanol industry is an economic driver for Kansas agriculture. The demand for ethanol inputs serves as a price support for corn and sorghum for Kansas farmers.

The Kansas ethanol industry produces 550 million gallons of ethanol annually worth approximately \$900 million. Each plant employs, on average, 45 workers at an average salary of over \$59,000. Collectively, the industry pays over \$9 million in property taxes annually.

Carbon dioxide (CO₂) is a co-product of ethanol processing which is created during fermentation. Ethanol plants capture the CO₂, which is then marketed to the food and beverage industry. Additionally, projects are planned for the transportation and geologic storage of industrial CO₂, known as *Integrated Carbon Capture and Storage* (CCS). These projects have the ability to provide Kansas ethanol plants with additional value for the capture and sequestration of their CO₂ which would be used for enhanced oil recovery.

Our understanding is that Senate Bill 395 would amend Kansas law concerning eminent domain to include carbon dioxide in pipes as one of the substances that may be conducted through land appropriated by companies to gain access to that land.

This change in the law would make carbon sequestration and transportation in Kansas more practical and economically viable. Adding value to the CO₂ generated by ethanol plants would benefit the ethanol and agricultural industries in Kansas, and contribute to economic growth. For these reasons, we would stand in support of this bill which advances good public policy and promotes economic growth in our state.

Thank you for allowing us the opportunity to testify in support of Senate Bill 395. We would respectfully request that this Committee pass the bill out favorably.