Approved: Feb. 4, 1998
Date

## MINUTES OF THE SENATE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairperson Pat Ranson at 1:30 p.m. on January 27, 1998 in Room 531-N of the Capitol.

All members were present except: Sens. Hensley and Lee were excused

Committee staff present: Lynne Holt, Legislative Research Department

Mary Torrence, Revisor of Statutes Jeanne Eudaley, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

Sen. Ranson announced committee members will have copies of a follow-up article from the <u>Kansas City Star</u> to the series appearing in the Sunday and Monday papers and that she plans on inviting someone to present to the committee more detailed information on natural gas marketing and pricing and asked anyone with that expertise to let her know.

Sen. Ranson then introduced Lynne Holt for continuation of the overview of the Report of the Retail Wheeling Task Force. Ms. Holt announced distribution to members of the following: map showing rates for all classes of gross revenue per kWh for 1995, (Attachment 1) and a memo from Alan Richardson, Executive Director of the American Public Power Association regarding 1995 data on revenue per kWh (Attachment 2). Ms. Holt also referred to the Kansas Government Journal, dated October, 1997, with an article by Kim Gulley entitled, "The Status of Retail Wheeling in Kansas" (published by the League of Kansas Municipalities), which she recommends to the committee.

The committee asked questions of Kim Gulley, from the League of Municipalities, regarding revenue data and how companies bring power into the state and how, and she explained technical aspects. Sen. Jones questioned how deregulation will affect all utilities and the gray areas which are troublesome to him. Sen. Ranson stated that municipals are not included in electrical deregulation, unless the city votes to be a part of it. Citizens can also petition to put the issue on the ballot; however, investor-owned utilities are included in the deregulation proposal.

Sen. Steffes explained customers in his district are not unhappy with the situation as it now exists, since McPherson has one of the lowest rates in the state. He explained McPherson has the second largest generating plant in the state and briefly explained its operation and added that Texaco is also co-generating power in El Dorado. Sen. Barone reminded it is the customers of the investor-owned utilities who have to pay the cost of deregulation, and we must not lose sight of that fact. Sen. Salisbury added that there is a difference between telecommunications deregulation and electrical power deregulation and that is the federal government's action which forced telecommunications deregulation. The federal government has taken no action on electric utility deregulation.

Sen. Ranson then recognized Chris Giles, representing Kansas City Power & Light, in the audience and introduced him and explained he is a member of the Task Force on Retail Wheeling.

Lynne Holt continued with the Overview of the Report on Page 26 and market power, which gives a company an unfair advantage over competitors, and she told of a pilot program in Illinois which set out standards of conduct. She also told of conversations she has had with an official in Rhode Island, who initiated deregulation in July, 1997, who told of publishing a consumer guide to educate the public before deregulating. From experiences in those states, surveys showed most residential customers had no knowledge of the deregulation process. Ms Holt also discussed consumer information, Page 27, and stated the need for common standards, who would provide consumer education and other policy questions. Pages 28 and 29 list measures included in the bill designed to inform the public. Another question considered by the Task Force is environmental characteristics, renewable energy ("green power") and imposing standards. The Task Force also considered the issue of consumer protection and requirements for standards of conduct and licensing

#### **CONTINUATION SHEET**

MINUTES OF THE SENATE COMMITTEE ON UTILITIES, Room 531--N, Statehouse, at 1:30 p.m. on January 27, 1998.

requirements. Ms. Holt briefly discussed default suppliers, Page 30, and outlined two policy questions considered by the Task Force.

Other important information in the Report is as follows:

Part V, Page 36 - Summary of the Report

Part VI, Page 40 - 7- Proposed bill of the Task Force (HB 2619-Electric utility restructuring

Act; competition in retail sales of generation services)

Part VII, Page 71 - Kansas Corporation Commission responsibilities

Attachment 3 - Minority Report

Attachment 4 - Number of utility customers

Attachment 5- Estimated distribution costs

Attachment 7 - Fiscal note attached to the bill

Sen. Ranson thanked Ms. Holt for providing an excellent overview to the committee.

Sen. Ranson then referred to the Minutes of the Meeting for January 15 (Attachment 3). Sen. Jones made a motion the Minutes be approved; it was seconded by Sen. Clark and the Minutes were approved.

Meeting adjourned at 2:30.

The next meeting is scheduled for January 28, 1998.

# SENATE UTILITIES COMMITTEE GUEST LIST

DATE: 5AN. 27, 1998

NAME	REPRESENTING
Bob Lunk	City of Wakeeney, Ks
Jay fiel	10 11 11 11
Ken Doutschen	Uh Keepey KS
Larrie Ann Brown	ks Govit Consult
DON SNODGRASS	KS FOOD DEALERS ASSET,
Pharles Keese	Midwest Energy, Inc.
Jim HARRIEN	CITY OF WAILEEWLY KI
Hardy O. Howard	The same of the sa
Vom Holehaus	Western Res.
Earnie Lehman	Wastonia Resolvery
J.C. Longo	UtiliCorp United
Chus Lids	KCPL
Kom Gelley	League of KS Minicipalities
Larry Holloway	KCC
ED SCHAUB	WESTERN RESOURCES
2m & Miles	KEC
Tom Bruno	Allena Assoc.
BRUCE GRAHAM	KEPCO
A. Su Frederick	Bosing

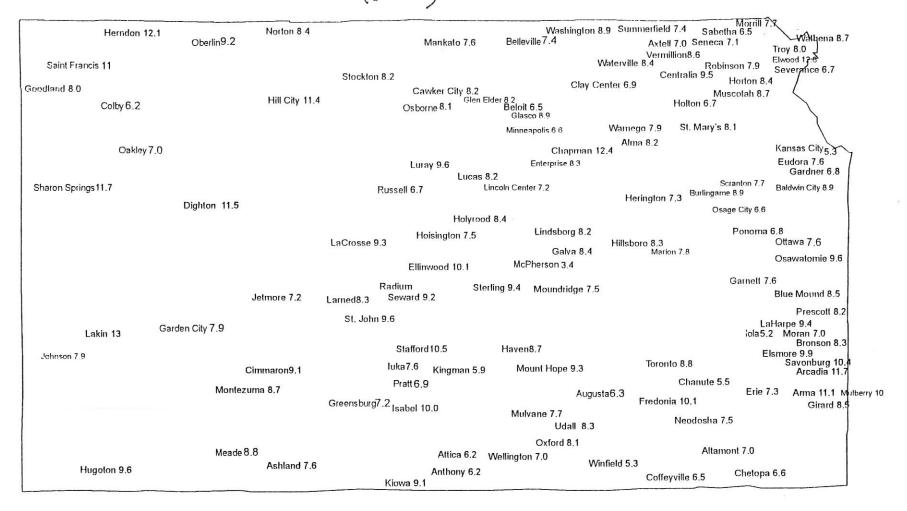
## SENATE UTILITIES COMMITTEE GUEST LIST

DATE: Jan 27, 1998

NAME	REPRESENTING
Clare Gustin	Sinflower Electric
Kerth Overland	Sanflower Electric
Here Miller	Sunflowa Electric
DAVID BYBEE	RDOCH
DICK CARTON	ENRAW
·	

AttAch, 1

# State of Kansas All Classes - Average Revenue Per kWh (in cents) 1995



#### KANSAS AVERAGE REVENUE PER Kwh, 1995

	Residential	Commercial	Industrial	All Classes
Publicly Owned	7.4	6.5	4.3	6.0
Investor Owned	7.7	6.4	4.7	6.3
Cooperative	9.9	9.6	6.4	8.8

AttAch. 2



American Public Power Association

2301 M Street, N.W. Washington, D.C. 20037-1484 202/467-2900 202/467-2910

March 18, 1997

#### **MEMORANDUM**

TO:

Officials of Public Power Systems

FROM:

Alan H. Richardson, Executive Director

SUBJECT: 1995 Dara on Revenue per Kilowatt-hour

As an APPA member service, enclosed is a summary of 1995 average revenue per kilowatt-hour. The report contains:

1. United States averages - by type of ownership,

State averages (for your state) - by type of ownership, and

Individual averages for each utility in your state.

The report shows average revenue per kilowatt-hour for residential, commercial, and industrial consumer classes, average for all classes, and an "adjusted" average for all classes. This "adjusted" average corrects for compositional differences in the customer classes served.

Revenue per kilowatt-hour was calculated by APPA from 1995 data reported by each utility to the U.S. Department of Energy, Energy Information Administration on Form EIA-861. These calculations can help you compare your average rate level with other utilities in your state. If you have any questions, call Scott Choate, Manager, Statistics at (202) 467-2969.

SC:cb Enclosure

Senate Utilities 1-27-98 2-1

	Residential Rev/kWh	Commercial Rev/kWh	Industrial Rev/kWh	All Classes Rev/kWh	All Classes Adjusted * Rev/kWh
U.S. Utilities					
Publicly Owned	6.7	6.7	4.7	6.0	6.0
Investor-Owned	8.9	7.9	4.8	7.1	7.2
Cooperative	7.7	7.3	4.5	6.9	6.5
Kansas					
Publicly Owned	7.4	6.5	4.3	6.0	6.1
Investor-Owned	7.7	6.4	4.7	6.3	6.3
Cooperative	9.9	9.6	6.4	8.8	8.7
Kansas					
Publicly Owned		ř			
Alma City of	8.5	8.1	7.7	8.2	8.1
Altamont City of	7.0	0.0	0.0	7.0	(a)
Anthony City of	6.1	6.3	0.0	6.2	(a)
Arcadia City of	11.7	10.6	0.0	11.7	(a)
Arma City of	12.7	7.6	15.2	11.1	11.7
Ashland City of	8.0	7.2	0.0	7.6	(a)
Attica City of	6.2	6.5	6.1	6.2	6.3
Augusta City of	6.4	6.0	0.0	6.3	(a)
Axtell City of	7.6	5.4	0.0	7.0	(a)
Baldwin City City of	9.1	8.6	0.0	8.9	(a)
Belleville City of	8.2	6.8	0.0	7.4	(a)
Beloit City of	6.6	7.3	5.4	6.5	6.5
Blue Mound City of	8.5	0.0	0.0	8.5	(a)
Bronson City of	8.6	7.8	0.0	8.3	(a)
Burlingame City of	9.1	8.7	0.0	8.9	(a)
Burlington City of	7.6	7.0	5.9	7.2	6.9
Cawker City City of	7.0	12.3	0.0	8.2	(a)
Centralia City of	9.6	9.1	0.0	9.5	(a)
Chanute City of	6.9	6.4	4.6	5.5	6.0
Chapman City of	11.0	17.8	0.0	12.4	(a)
Chetopa City of	7.5	4.7	0.0	6.6	(a)
Cimarron City of	8.3	8.0	11.4	9.1	9.2
Clay Center City of	7.3	7.4	5.7	6.9	6.8
Coffeyville City of	7.2	6.2	0.0	6.5	(a)
Colby City of	6.6	6.2	5.8	6.2	6.2
Dighton City of	11.7	11.2	0.0	11.5	(a)
Ellinwood City of	10.1	10.1	0.0	10.1	(a)
Elsmore City of	9.2	16.7	0.0	9.9	(a)
Elwood City of	13.3	21.0	7.3	12.8	14.1
Enterprise City of	8.7	7.8	7.6	8.3	8.0
Erie City of	7.7	6.7	4.1	7.3	6.2
Eudora City of	7.6	7.7	7.6	7.6	7.6
Fredonia City of	10.1	10.1	0.0	10.1	(a)
Galva City of	8.4	8.3	0.0	8.4	(a)

					All Classes	
	Residential Rev/kWh	Commercial Rev/kWh	Industrial Rev/kWh	All Classes Rev/kWh	Adjusted * Rev/kWh	
					•	
Garden City City of	8.3	7.7	0.0	7.9	<b>/-</b> \	
Gardner City of	7.7	7.0	4.7		(a)	
Garnett City of	7.9	7.5	7.2	6.8	6.5	
Girard City of	9.5	9.6	6.7	7.6	7.5	
Glasco City of	8.9	8.9		8.5	8.7	
	8.7		0.0	8.9	(a)	
Glen Elder City of		6.1	0.0	8.2	(a)	
Goodland City of	7.3	8.9	8.2	8.0	8.1	
Greensburg City of	7.7	6.4	0.0	7.2	(a)	
Haven City of	9.7	7.8	0.0	8.7	(a)	
Herington City of	8.3	7.3	3.1	7.3	6.4	
Herndon City of	12.5	11.3	0.0	12.1	(a)	
Hill City City of	11.8	11.0	0.0	11.4	(a)	
Hillsboro City of	8.3	8.3	0.0	8.3	(a)	
Hoisington City of	7.3	8.3	7.6	7.5	7.7	
Holton City of	7.8	6.6	4.3	6.7	6.3	
Holyrood City of	8.0	9.6	0.0	8.4	(a)	
Horton City of	8.5	8.5	7.7	8.4	8.3	
Hugoton City of	8.9	10.5	0.0	9.6	(a)	
Iola City of	6.7	5.4	3.7	5.2	5.3	
Isabel City of	9.2	11.3	0.0	10.0	(a)	
Iuka City of	8.6	7.0	0.0	7.6	(a)	
Jetmore City of	7.7	6.7	0.0	7.2	(a)	
Johnson City of	8.5	8.6	6.3	7.9	7.9	
Kansas City City of	6.5	5.8	4.0	5.3	5.5	
Kingman City of	6.5	6.2	5.2	5.9	6.0	
Kiowa City of	9.3	13.0	6.4	9.1	9.7	
La Crosse City of	9.6	9.5	8.4	9.3	9.2	
La Harpe City of	9.3	9.6	0.0	9.4	(a)	
Lakin City of	13.2	12.7	12.8	13.0	12.9	
Larned City of	9.0	7.7	7.1	8.3	8.0	
Lincoln Center City of	6.9	7.7	7.1	7.2	7.2	
Lindsborg City of	8.3	8.2	0.0	8.2	(a)	
Lucas City of	7.9	8.9	0.0	8.2	(a)	
Luray City of	9.9	9.2	0.0	9.6	(a)	
Mankato City of	7.1	8.6	7.1	7.6	7.6	
Marion City of	7.6	9.5	8.3	7.8	8.5	
McPherson City of	4.7	4.5	2.9	3.4	4.1	
Meade City of	9.8	9.9	6.8	8.8	8.9	
Minneapolis City of	7.4	5.9	4.3	6.6	5.9	
Montezuma City of	7.8	9.5	0.0	8.7	(a)	
Moran City of	7.5	6.3	0.0	7.0	(a)	
Morrill City of	7.2	11.6	0.0	7.7		
Moundridge City of	8.1	7.1			(a)	
Mount Hope City of	8.7	10.8	6.9	7.5	7.4	
Mulberry City of	10.0	10.0	0.0	9.3	(a)	
Mulvane City of	7.6		0.0	10.0	(a)	
Muscotah City of	8.6	7.7	0.0	7.7	(a)	
Neodesha City of		9.3	0.0	8.7	(a)	
Norton City of	8.3	8.2	6.8	7.5	7.8	
HOLLOH CITY OF	8.3	8.1	0.0	8.4	(a)	

	Residential Rev/kWh	Commercial Rev/kWh	Industrial Rev/kWh	All Classes Rev/kWh	All Classes Adjusted * Rev/kWh	
Oakley City of	7.5	7.2	5.5	7.0	6.8	
Oberlin City of	9.4	9.0	0.0	9.2	(a)	
Osage City City of	6.6	6.6	6.5	6.6	6.6	
Osawatomie City of	10.1	8.7	10.0	9.6	9.6	
Osborne City of	8.0	10.0	7.5	8.1	8.5	
Ottawa City of	8.4	8.2	6.8	7.6	7.8	
Oxford City of	6.8	6.7	10.7	8.1	8.0	
Pomona City of	7.3	5.8	0.0	6.8	(a)	
Pratt City of	7.7	6.4	0.0	6.9	(a)	
Prescott City of	8.8	7.2	0.0	8.2	(a)	IN Cornect
Radium City of	-2.4	<del>3.0</del>	0.0	2.8	<del>(a)</del>	IN COLVECT
Robinson City of	7.9	8.2	0.0	7.9	(a)	
Russell City of	6.8	7.0	6.2	6.7	6.7	
Sabetha City of	7.3	7.4	6.0	6.5	6.9	
Savonburg City of	10.0	12.7	0.0	10.4	(a)	
Scranton City of	7.9	7.0	0.0	7.7	(a)	
Seneca City of	7.4	6.7	6.9	7.1	7.0	
Severance City of	6.7	0.0	0.0 محست دم 0.0 محست دم	6.7	(a)	
Seward City of	12.9		0.0	9.2	(a)	
Sharon Springs City of	12.0	11.5	11.2	11.7	11.6	
St Francis City of	11.2	10.7	0.0	11.0	(a)	
St John City of	9.8	9.2	0.0	9.6	(a)	
St Marys City of	7.8	8.4	0.0	8.1	(a)	
Stafford City of	10.4	10.8	0.0	10.5	(a)	
Sterling City of	9.2	9.5	0.0	9.4	(a)	
Stockton City of	8.2	8.2	0.0	8.2	(a)	
Summerfield Town of	7.3	7.6	0.0	7.4	(a)	
Toronto City of	8.6	9.4	0.0	8.8	(a)	
Troy City of Udall City of	8.1 8.1	7.8 8.5	0.0	8.0	(a)	
Vermillion City of	8.4	9.2	0.0	8.3 8.6	(a)	
Wamego City of	8.3	8.9	5.9	7.9	(a) 7.8	
Washington City of	8.9	8.3	0.0	8.9	(a)	
Waterville City of	9.1	7.6	0.0	8.4	(a)	
Wathena City of	8.9	8.0	0.0	8.7	(a)	
Wellington City of	8.0	7.8	5.9	7.0	7.3	
Winfield City of	7.1	6.9	4.4	5.3	6.2	
Kansas Investor-Owned		31.7		3.3	3.2	
THE STOP SAILED						
Empire District Electric Co	6.1	6.4	4.6	5.7	5.7	
KG&E a Western Resources Co	9.3	8.2	5.2	7.2	7.7	
Kansas City Power & Light Co	7.5	6.8	5.3	7.0	6.6	
Southwestern Public Service Co	6.5	6.2	3.8	5.7	5.6	
UtiliCorp United Inc	7.9	7.2	3.9	6.0	6.4	
Western Resources, Inc	6.5	5.0	4.1	5.3	5.2	
Kansas Cooperative						
Alfalfa Electric Coop Inc	7.2	8.5	0.0	7.9	(a)	

	Residential	Commercial	Industrial	All Classes	All Classes Adjusted *
	Rev/kWh	Rev/kWh	Rev/kWh	Rev/kWh	Rev/kWh
Ark Valley Elec Coop Assn Inc	11.6	10.9	8.2	10.9	10.3
Brown-Atchison E C A Inc	9.8	10.9	0.0	10.0	(a)
Butler Rural El Coop Assn Inc	10.8	8.7	0.0	10.3	(a)
C & W Rural Elec Coop Assn Inc	9.7	12.5	5.8	9.3	9.5
CMS Electric Coop Inc	9.9	8.9	11.5	9.4	10.0
Caney Valley El Coop Assn Inc	11.9	11.5	0.0	11.7	(a)
D S & O Rural E C A Inc	8.6	8.2	7.2	8.5	8.0
Doniphan Elec Coop Assn Inc	7.6	7.5 ·	0.0	7.6	(a)
Flint Hills Rural E C A Inc	10.6	9.1	0.0	10.2	(a)
Jewell-Mitchell Coop Elec Inc	10.0	10.4	5.0	9.9	8.6
Kaw Valley Elec Coop Co Inc	8.6	8.1	6.9	8.3	7.9
Lane-Scott Electric Coop Inc	10.8	9.3	0.0	9.7	(a)
Leavenworth-Jefferson E C Inc	10.6	11.2	0.0	10.6	(a)
Lyon County Electric Coop Inc	10.2	10.5	7.0	10.1	9.3
Midwest Energy Inc	8.2	8.3	6.5	7.2	7.7
N C K Electric Coop Inc	11.9	8.9	12.8	11.3	11.1
Nemaha-Marshall E C A Inc	7.3	7.8	0.0	7.4	(a)
Ninnescah Rural E C A Inc	10.2	9.4	5.0	8.7	8.3
Northwest Kansas E C A Inc	11.5	11.3	9.2	10.9	10.7
Norton-Decatur Coop El Co Inc	11.0	10.3	0.0	10.6	(a)
P R & W Electric Coop Assn Inc	12.0	10.0	0.0	11.7	(a)
Pioneer Electric Coop Inc	10.4	9.8	6.0	8.9	8.8
Radiant Electric Coop Inc	10.5	8.2	0.0	9.6	(a)
Sedgwick Cnty El Coop Assn Inc	9.4	9.4	11.7	9.4	10.1
Sekan Electric Coop Assn Inc	10.6	8.2	0.0	10.0	(a)
Smoky Hill Elec Coop Assn Inc	10.8	9.5	7.9	9.8	9.5
Sumner-Cowley Elec Coop Inc	11.4	10.3	0.0	11.1	(a)
Twin Valley Electric Coop Inc	12.5	11.1	0.0	12.3	(a)
United Electric Coop Inc	11.2	10.3	0.0	11.0	(a)
Victory Electric Coop Assn Inc	9.4	8.9	5.2	7.2	7.9
Western Coop Electric Assn Inc	10.2	0.0	8.5	8.3	(a)
Wheatland Electric Coop Inc	11.0	11.2	5.4	7.9	9.3

<sup>\*</sup> This is a standardized average that adjusts for compositional differences in the customer classes served. For each utility, the average is calculated by multiplying the average rev/kWh for each class by the average proportion of sales for that class for the state (for the nation for U.S. averages) and then summing the results.

<sup>(</sup>a) Adjusted total not computed unless sales in all customer classes are greater than zero.

Source: U.S. Department of Energy, Energy Information Administration, Form EIA-861, 1995 data.

Prepared March 1997 by the American Public Power Association, Department of Statistical Analysis.

Approved: <u>JAN. 27,1998</u>

### MINUTES OF THE SENATE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairperson Pat Ranson at 1:30 p.m. on January 15, 1998 in Room 531-N of the Capitol.

All members were present except: Sen. Hensley was excused

Committee staff present: Lynne Holt, Legislative Research Department

Mary Torrence, Revisor of Statutes Jeanne Eudaley, Committee Secretary

Conferees appearing before the committee:
William Wix, Assistant General Counsel, Kansas Corporation Commission

Others attending: See attached list

Sen. Ranson announced the committee will find the following documents distributed to them:

Kansas Corporation Commission staff list (<u>Attachment 1)</u>:

Letter addressed to Sen. Ranson from the three Corporation Commissioners, dated January 12, 1998 (<u>Attachment 2</u>).

Sen. Ranson requested Lynne Holt continue her review of 1997 legislation, and Ms. Holt referred to the 1997 Summary of Legislation (Attachment3) and briefly summarized SB 147, regarding payments to royalty owners, and HB 2381, relating to regulation of privately owned and operated water utilities. The committee discussed the information provided to the royalty owner, prescribed in SB 147, and the form which it is reported on and stated it would be interesting to the committee to see the form. Sen. Morris indicated he could bring a copy of the form to the committee. The complaint process was also discussed and to whom complaints are made.

Ms. Holt continued her overview on 1997 legislation by returning to gas gathering legislation (also contained in the Summary (Attachment3) and SB 333, concerning the corporation commission, relating to assessment of expenses and time to issue orders; and HB 2332 relating to the regulation of natural gas gathering systems, and on page 741, Section 20 of the 1997 Session Laws (Attachment4).

Sen. Ranson then introduced Bill Wix, who explained utility issues related to gas gathering. He referred to a memorandum to Lynne Holt (<u>Attachment 5</u>), which includes current filings and exemptions claimed. He distributed copies of a memo from the Attorney General's office regarding regulations, dated September 4, 1997 (<u>Attachment 6</u>) and of the "Gas Gathering Report", (<u>Attachment 7</u>) and also samples of four completed reports (<u>Attachment 8</u>). Mr. Wix also referred to the letter to Sen. Ranson from the three commissioners, dated January 12 (<u>Attachment 2</u>). Mr. Wix explained the information contained in the four examples are confidential and subject to the Open Records Act, which means the information may be obtained by filling out the necessary form to request a copy of a particular report.

Sen. Ranson asked if there were questions from the committee. Sen. Morris stated the problems brought to the attention of the committee regarding irrigators and the ability to deliver gas to them during peak times, and that the bill passed last year contains a deadline of November 1 to notify them of a problem. He recited problems serving irrigators and apparently the commissions' response was that it is an "interruptible service". Glenn Smith, Chief of Natural Gas and Pipeline Safety, responded that because of an administrative oversight, the commission was notified yesterday of the problem in service to the irrigators. Mr. Smith explained the Commission's position is to initiate an investigation and follow that with a recommendation for further action. Sen. Morris responded he was relieved there would be an investigation. Mr. Smith explained the irrigation contracts are to specific customers and are an "interruptible service" because of pressure and other reasons, which may not be controllable. He also discussed contractual obligations and what may be economically viable to ascertain if a producer could provide service, and whether the commission would follow up with an investigation.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

Senute Utilities 1-27-98 3-1

#### CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON UTILITIES, Room 531--N, Statehouse, at 1:30 p.m. on January 15, 1998.

Mr. Smith continued by explaining the evolution of contracts where negotiations allowed customers to tap onto the pipeline. Sen. Barone asked for clarification of certificated areas, and Mr. Smith responded the contracts are between the customer and the distribution company and have an obligation to deliver service to a particular certificated area which should be mutually beneficial. Sen. Brownlee and others had further questions regarding the contracts, and Sen. Ranson asked if either party has the right to exit the contract. Mr.Smith stated a further complication where no company has a certificate, with some individuals receiving service on a line extension and that it is a matter of economics. Sen. Ranson stated there could be alternate ways to receive the fuel. Mr. Smith responded the contracts are confidential, but he has reviewed a number of them and offered to summarize some of them to the committee, and Sen. Ranson asked him to do so.

Sen. Clark questioned Mr. Wix regarding the fiscal note and expenses incurred during the first six months of implementation and the number of potential wells the Corporation Commission estimated. Mr. Wix responded that one-half of the wells have been accounted for and that expenses for the first six months have not been totaled. Sen. Clark also discussed the Rules and Regulations covering the implementation of gas gathering legislation and questioned the form being used. Mr. Wix stated the form was sent out in advance of the deadline and that the form can be changed. Sen. Clark also questioned Mr. Wix regarding testimony at the Gas Gathering public hearing on December 10 and if former Commissioner Tim McKee testified. Mr. Wix was not sure, but Sen. Clark referred to Page 99 of the testimony, and it was discussed who the former commissioner represented at the hearing.

Sen. Ranson announced the committee will continue discussing gas gathering next Tuesday.

Meeting adjourned at 2: 30.

The next meeting is scheduled for January 20, 1998