

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Stan Clark at 9:30 a.m. on January 13, 2004 in Room 526-S of the Capitol.

All members were present.

Committee staff present:

Bruce Kinzie, Revisor of Statutes
Raney Gilliland, Legislative Research
Emalene Correll, Legislative Research
Ann McMorris, Secretary

Conferees appearing before the committee:

Larry Holloway, Kansas Corporation Commission

Others attending:

See attached list

Larry Holloway, chief of Energy Operations, Kansas Corporation, reviewed various aspects of Kansas electric service. He explained approximate rates in Kansas and how Kansas compares nationally, regionally and across the state. Various charts showed U.S. residential average revenue per kWh and revenue for each state. He noted this data is based on 2002 figures. The charts covered commercial, industrial and customer accounts and the types of electric utilities serving these accounts.

In the field of Kansas electric generation he explained electric generation by fuel type and energy used for electric generation in Kansas, with actual data for 1996 to 2002, forecasted data for 2003 to 2008. Several charts showed Kansas capacity margin forecast from 2003, comparison of Kansas capacity forecasts for several years and the capacity margin for Kansas utilities. (Attachment 1)

This was the first paperless meeting of the Senate Utilities Committee. All members viewed the testimony on their own tablet computers and could make notes if desired. The slides were projected on a screen for the benefit of the audience.

The next meeting of the Senate Utilities Committee will be on January 14, 2004.

Adjournment.

Respectfully submitted,
Ann McMorris, Secretary

Attachments - 1

Kansas Electric Service

Senate Utilities Committee
January 13, 2004
Attachment 1-1

Presentation for the Senate Utilities Committee

January 13, 2004

By Larry Holloway

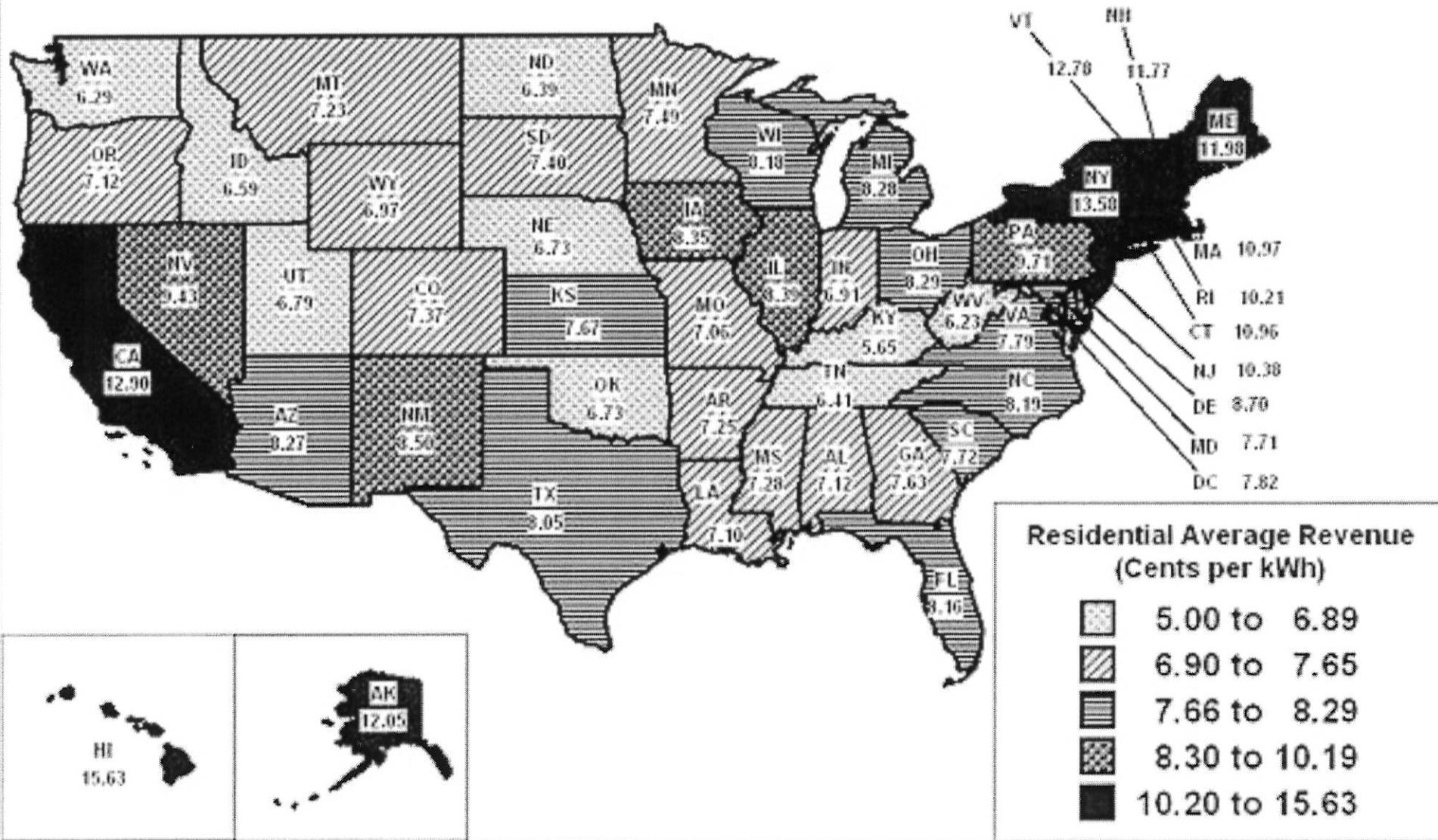
Chief of Energy Operations

Kansas Corporation Commission

Electric Prices in Kansas

- Revenues Divided by Sales
 - Approximates Rates
- How Does Kansas Compare
 - Nationally
 - Regionally
 - Across the State

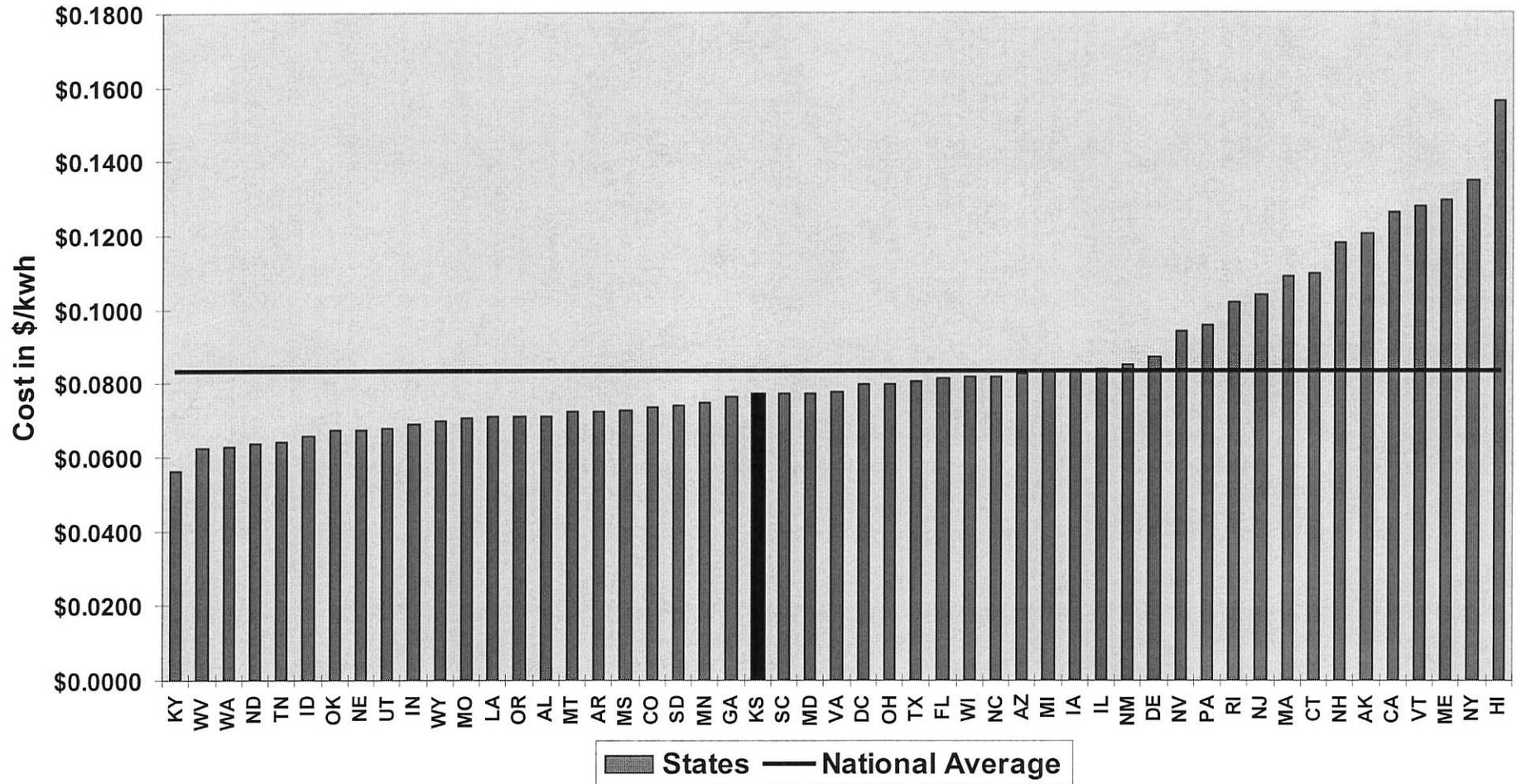
U.S. Residential Average Revenue per kWh is 8.46 Cents



Source: Energy Information Administration, Form EIA-861, "Annual Electric Power Industry Report."

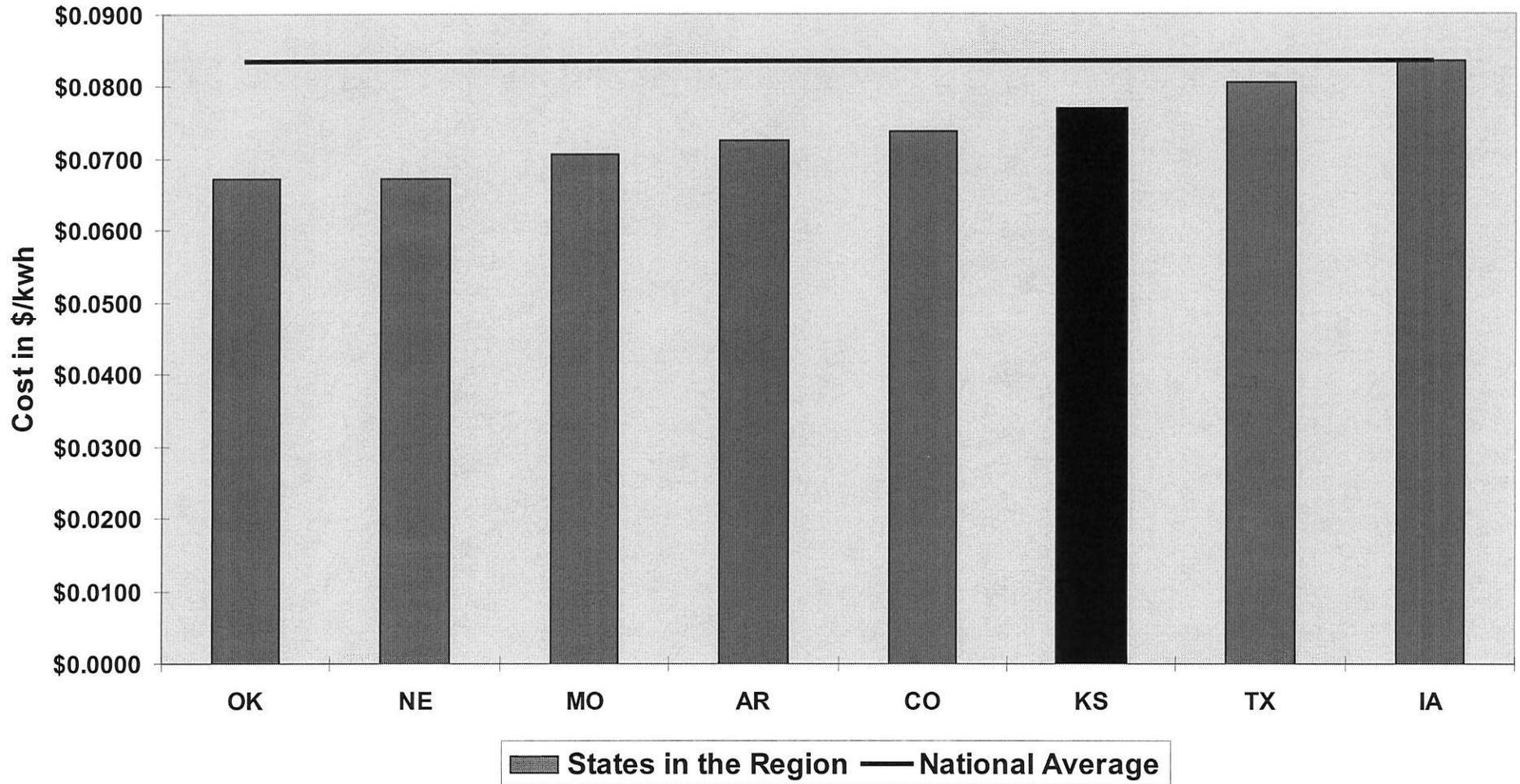
4-1

2002 Retail Electric Costs for Residential Customers

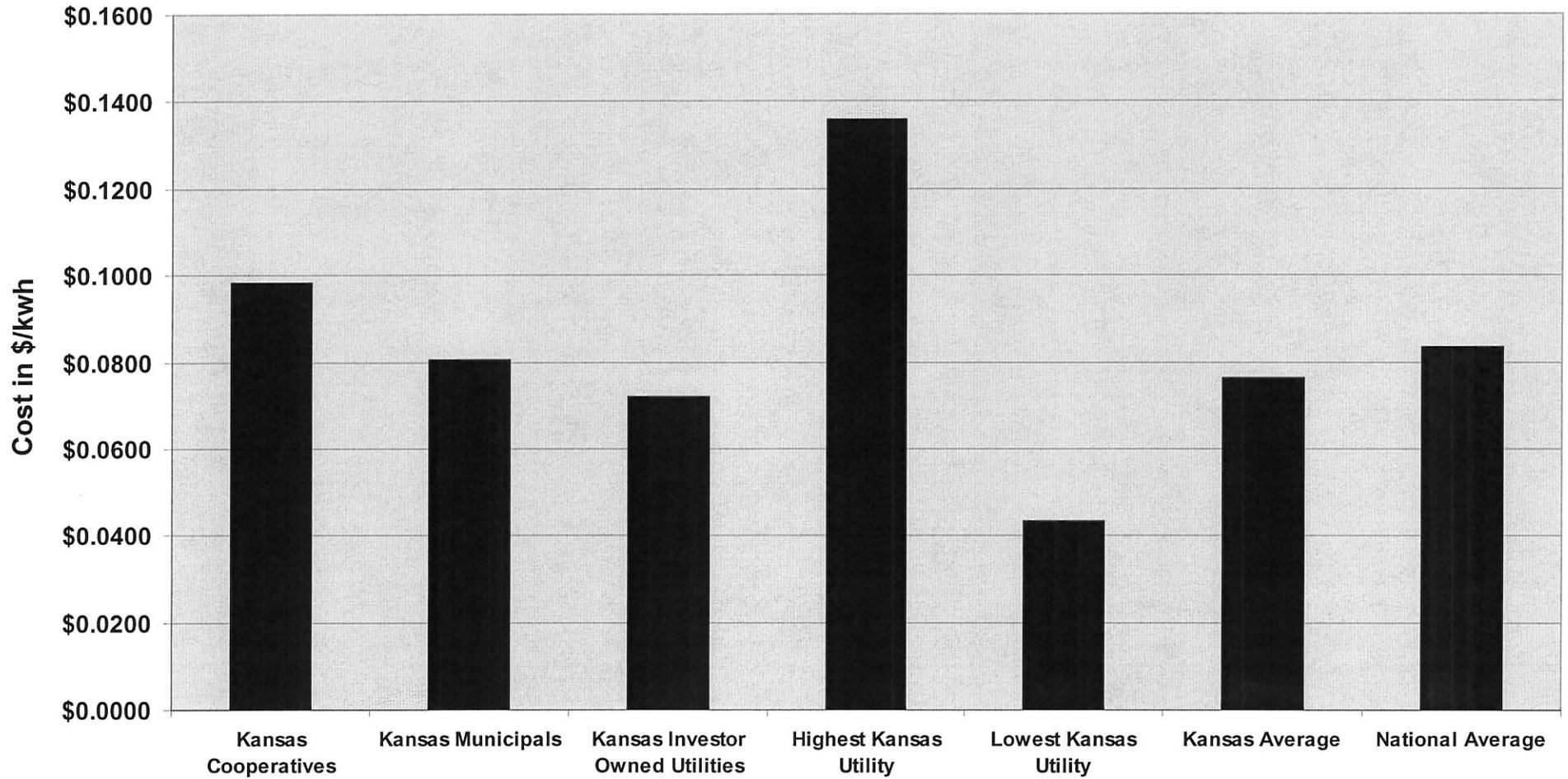


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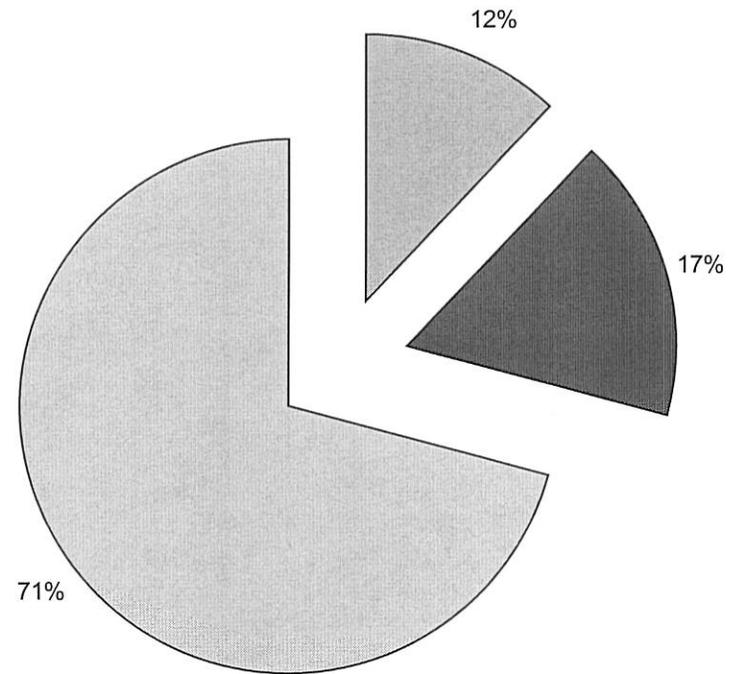
2002 Retail Electric Residential Cost Comparison for the Region



2002 Kansas Retail Electric Costs for Residential Customers

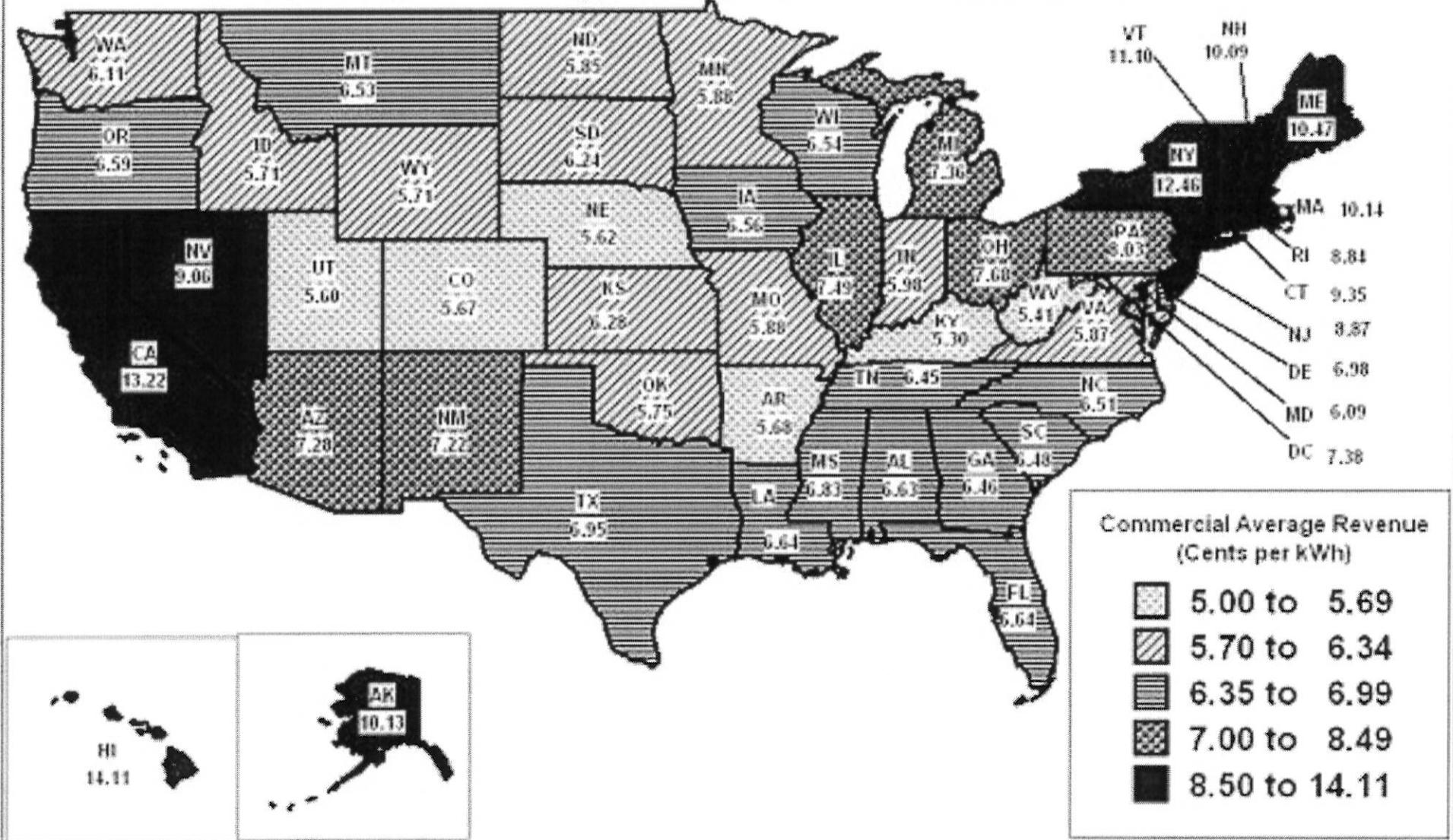


Types of Electric Utilities Serving Kansas Residential Customers



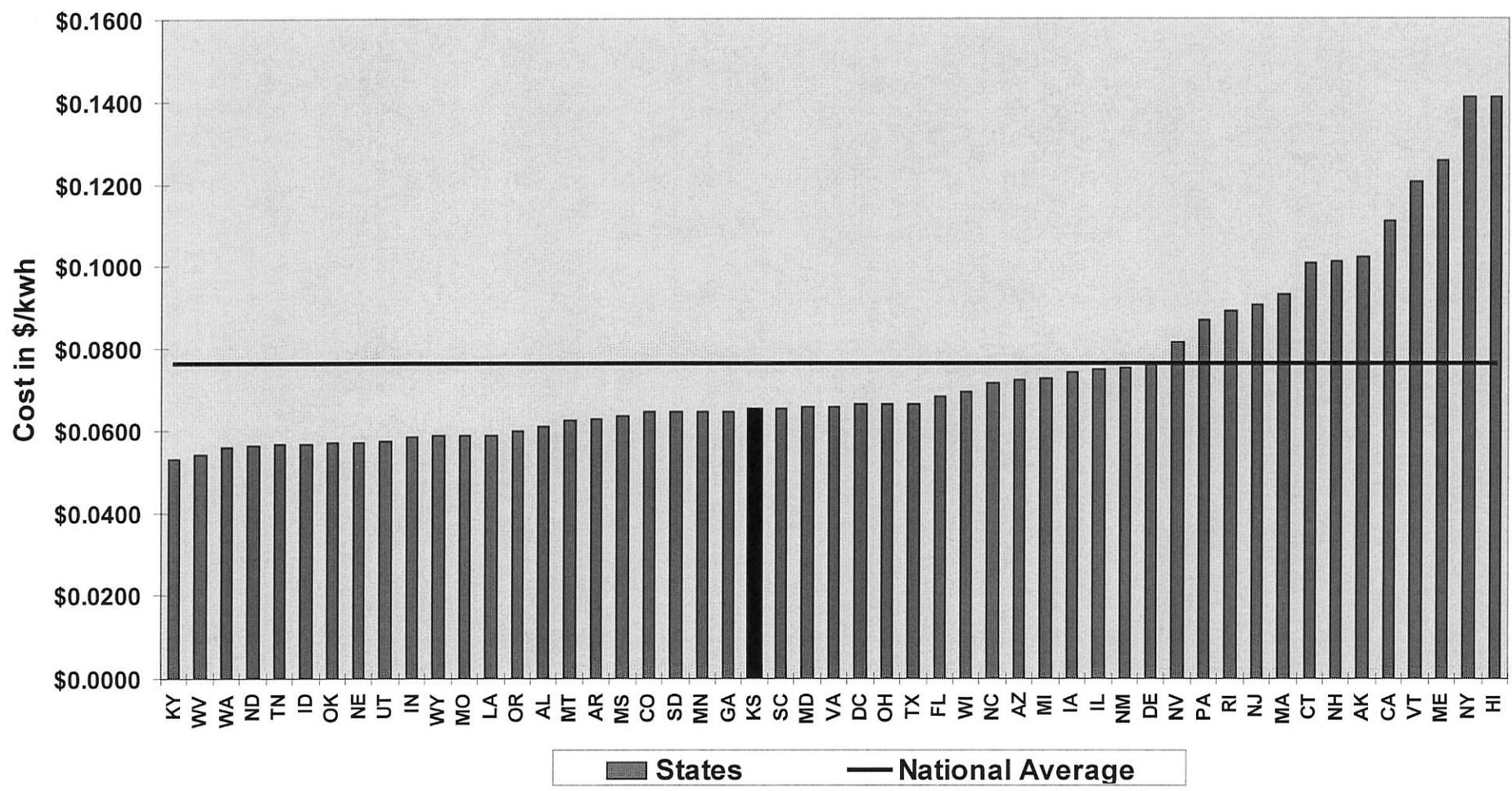
■ Kansas Cooperatives ■ Kansas Municipals ■ Kansas Investor Owned Utilities

U.S. Commercial Average Revenue per kWh is 7.86 Cents



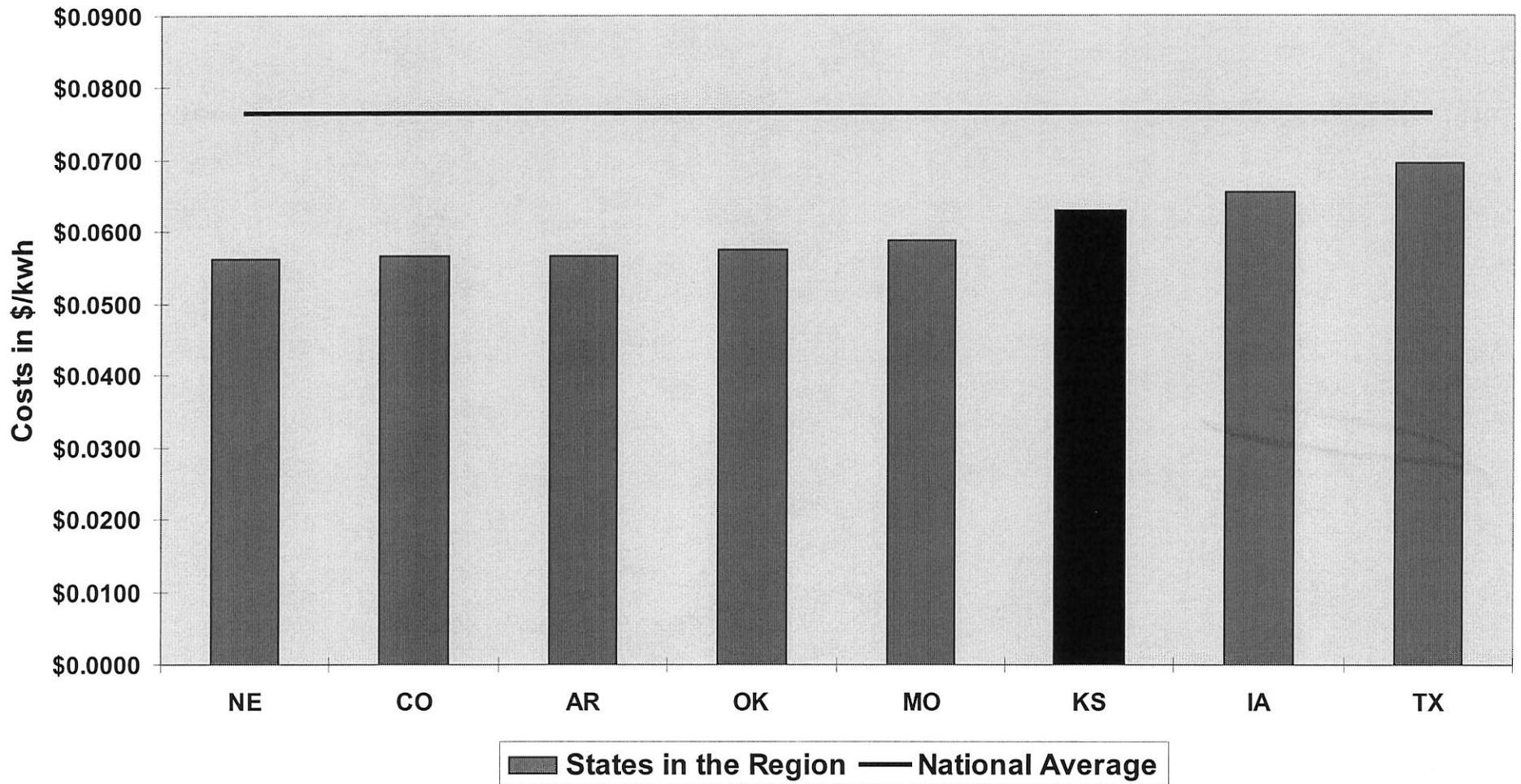
Source: Energy Information Administration, Form EIA-861, "Annual Electric Power Industry Report."

2002 Retail Electric Costs for Commercial Customers

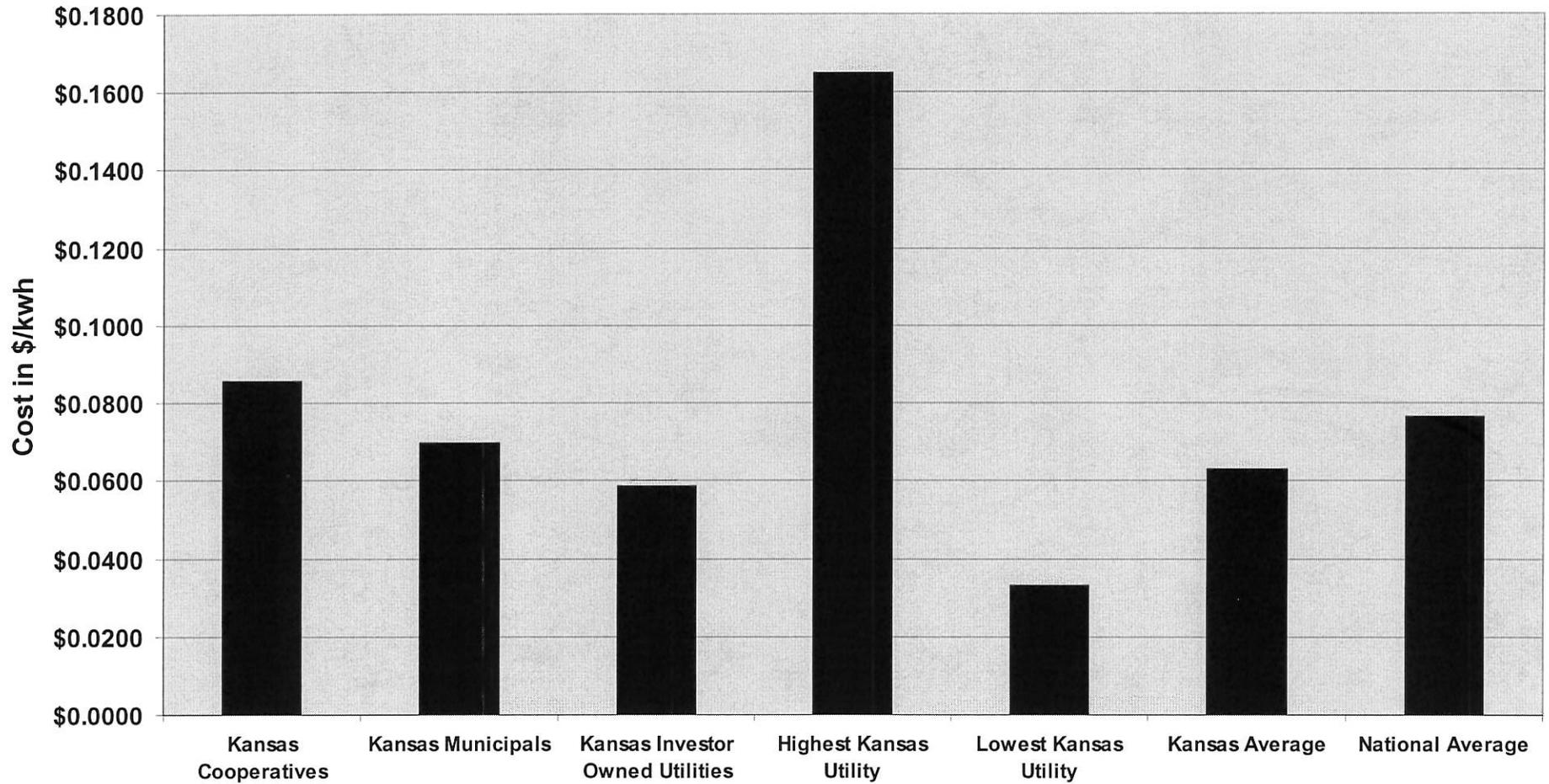


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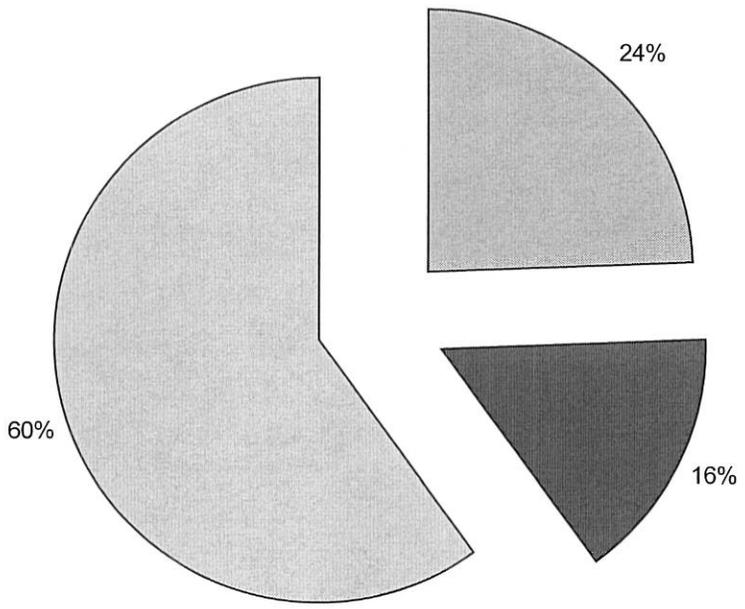
2002 Retail Electric Commercial Cost Comparison for the Region



2002 Kansas Retail Electric Costs for Commercial Customers

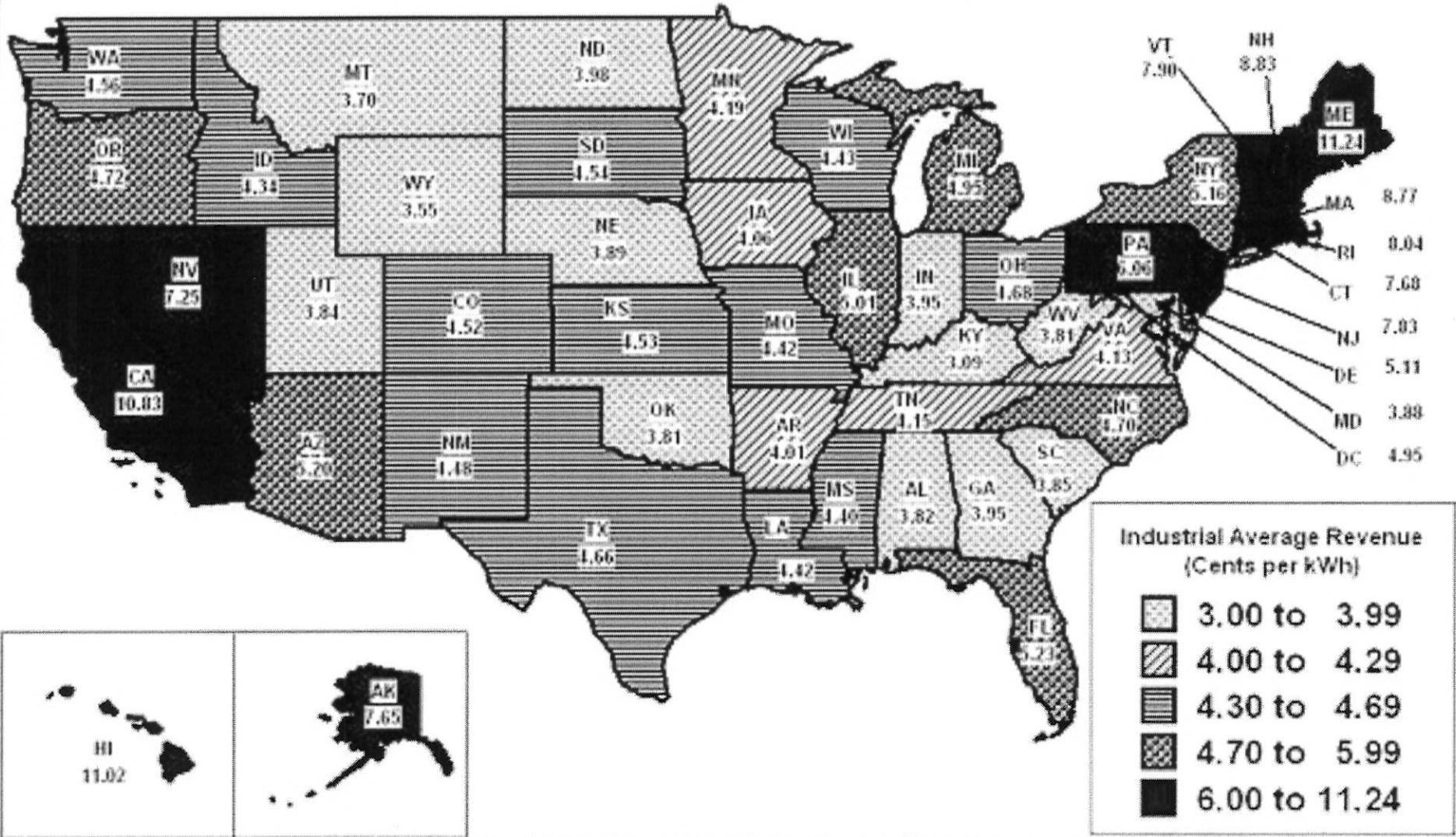


Types of Electric Utilities Serving Kansas Commercial Customers



■ Kansas Cooperatives ■ Kansas Municipals ■ Kansas Investor Owned Utilities

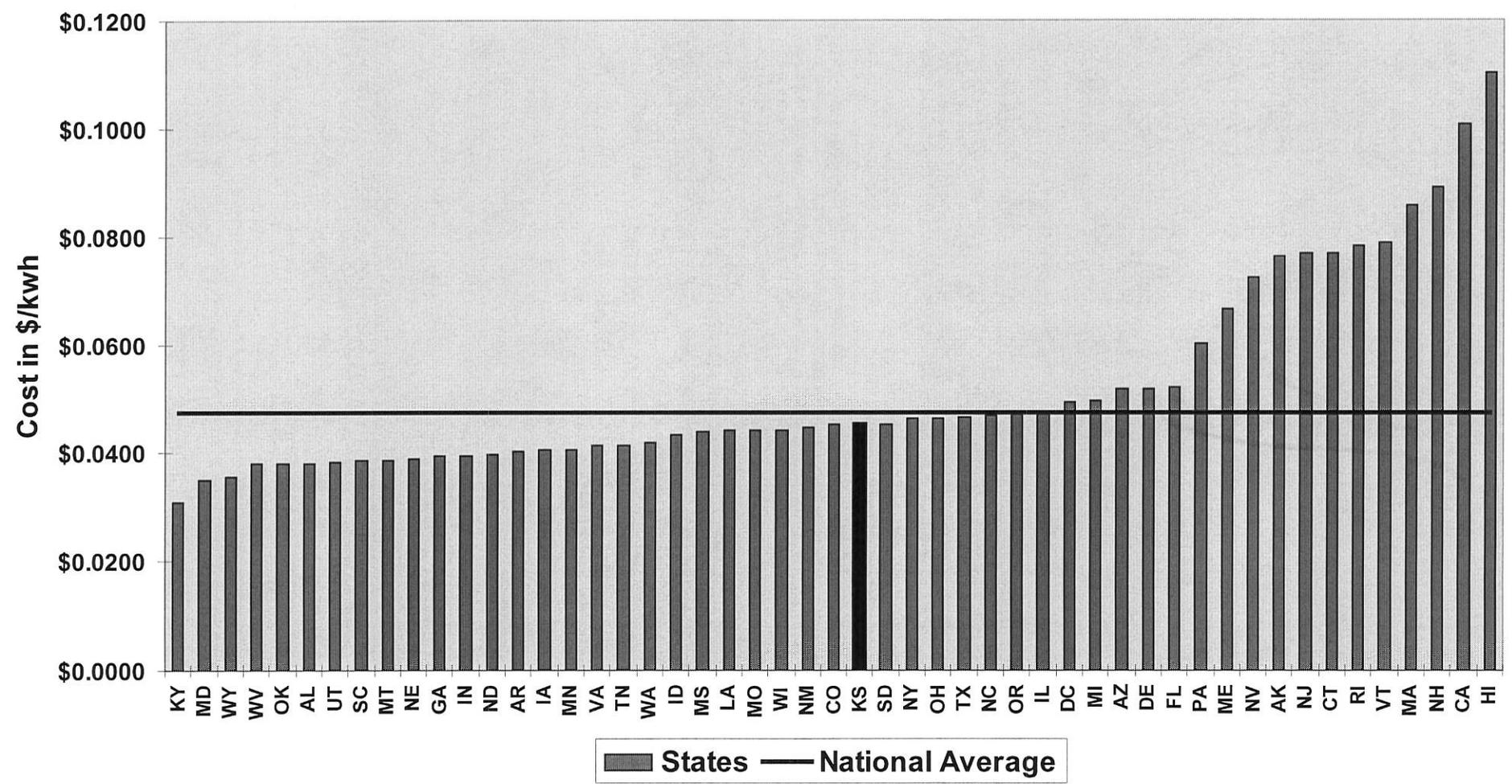
U.S. Industrial Average Revenue per kWh is 4.88 Cents



Source: Energy Information Administration, Form EIA-861, "Annual Electric Power Industry Report."

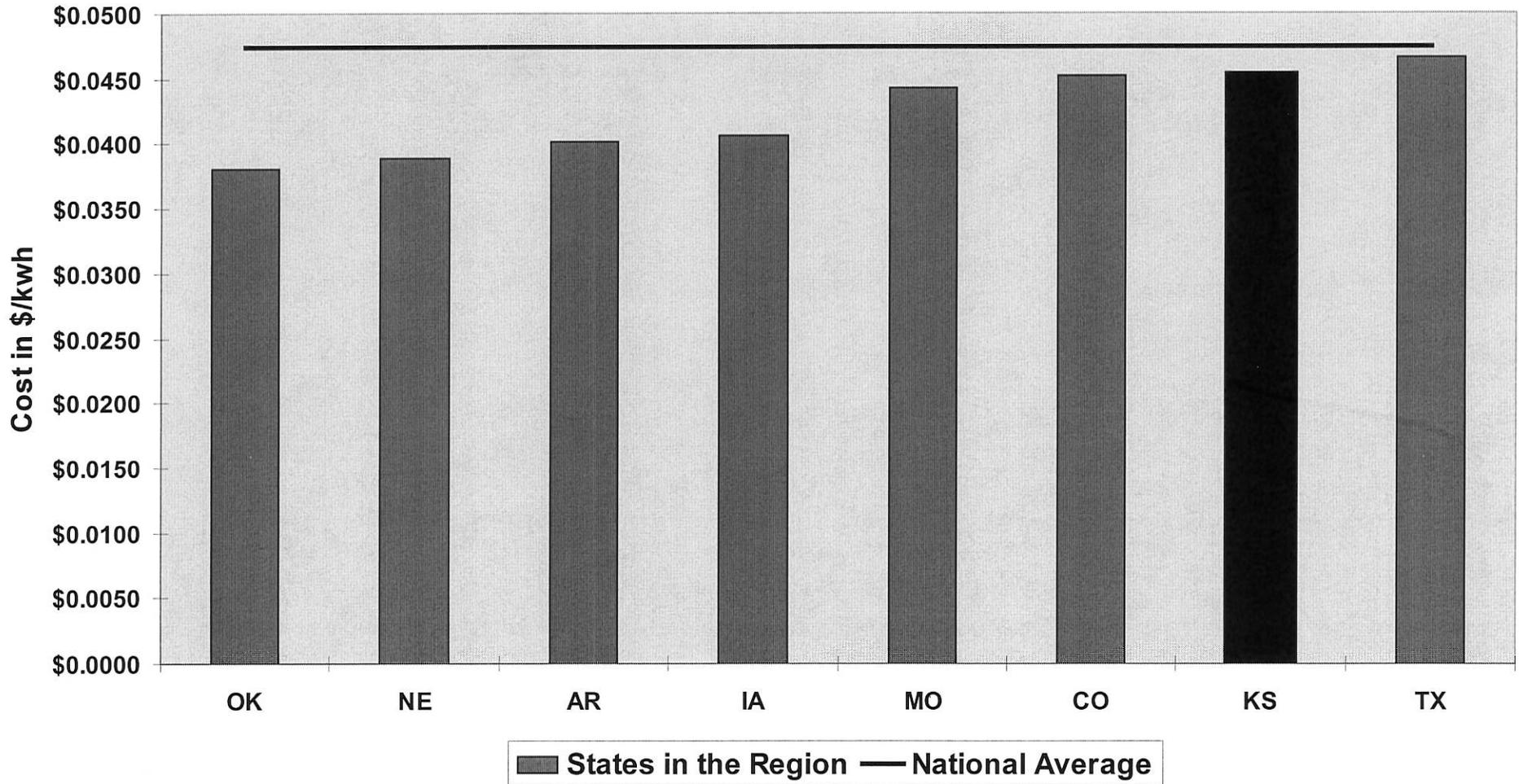
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2002 Retail Electric Costs for Industrial Customers



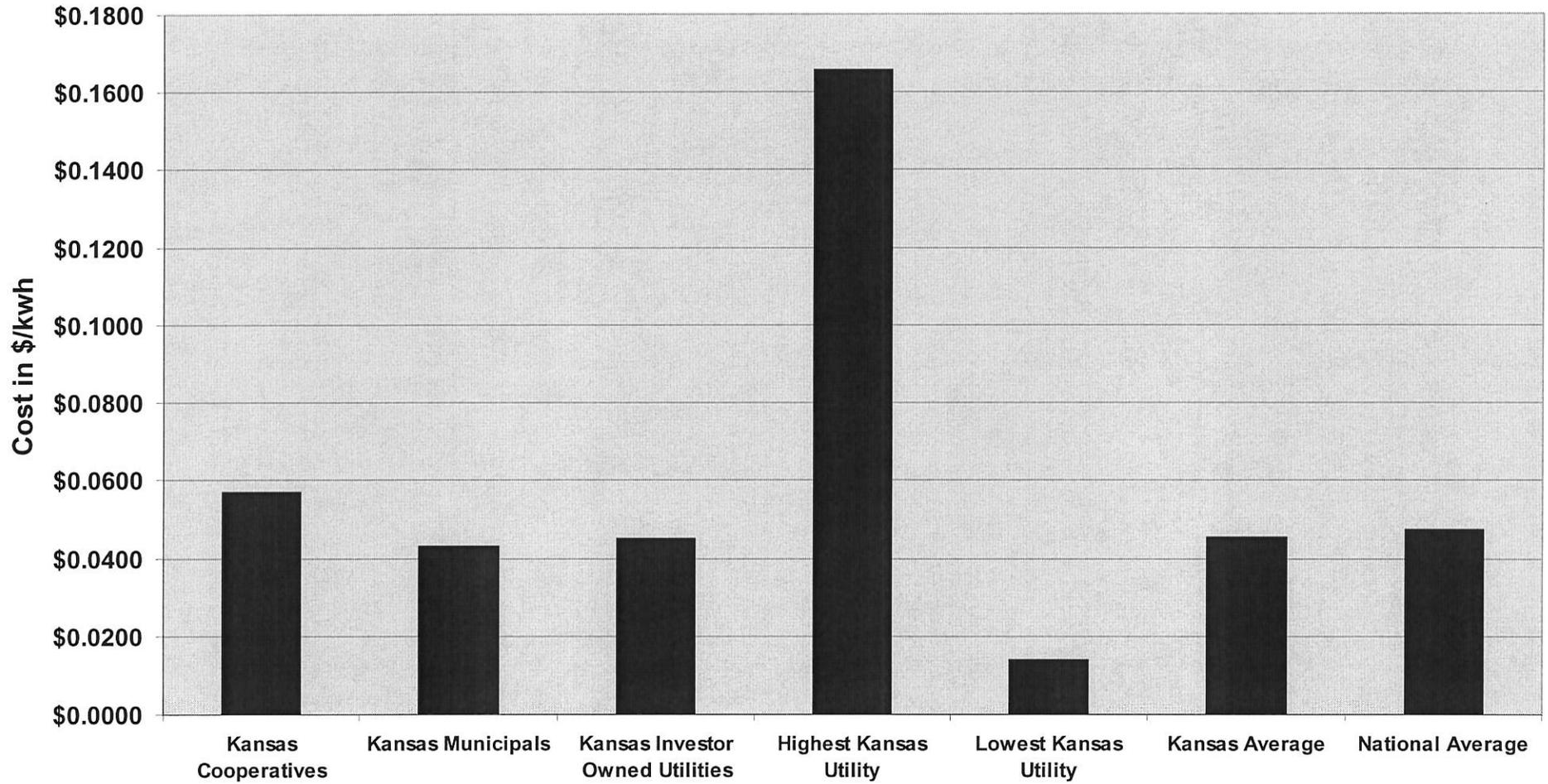
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2002 Retail Electric Industrial Cost Comparison for the Region



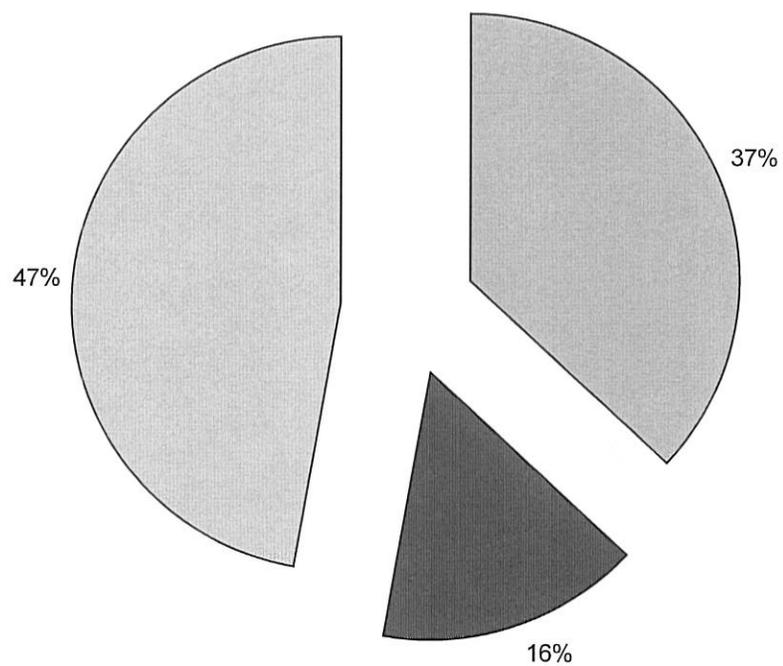
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2002 Kansas Retail Electric Costs for Industrial Customers



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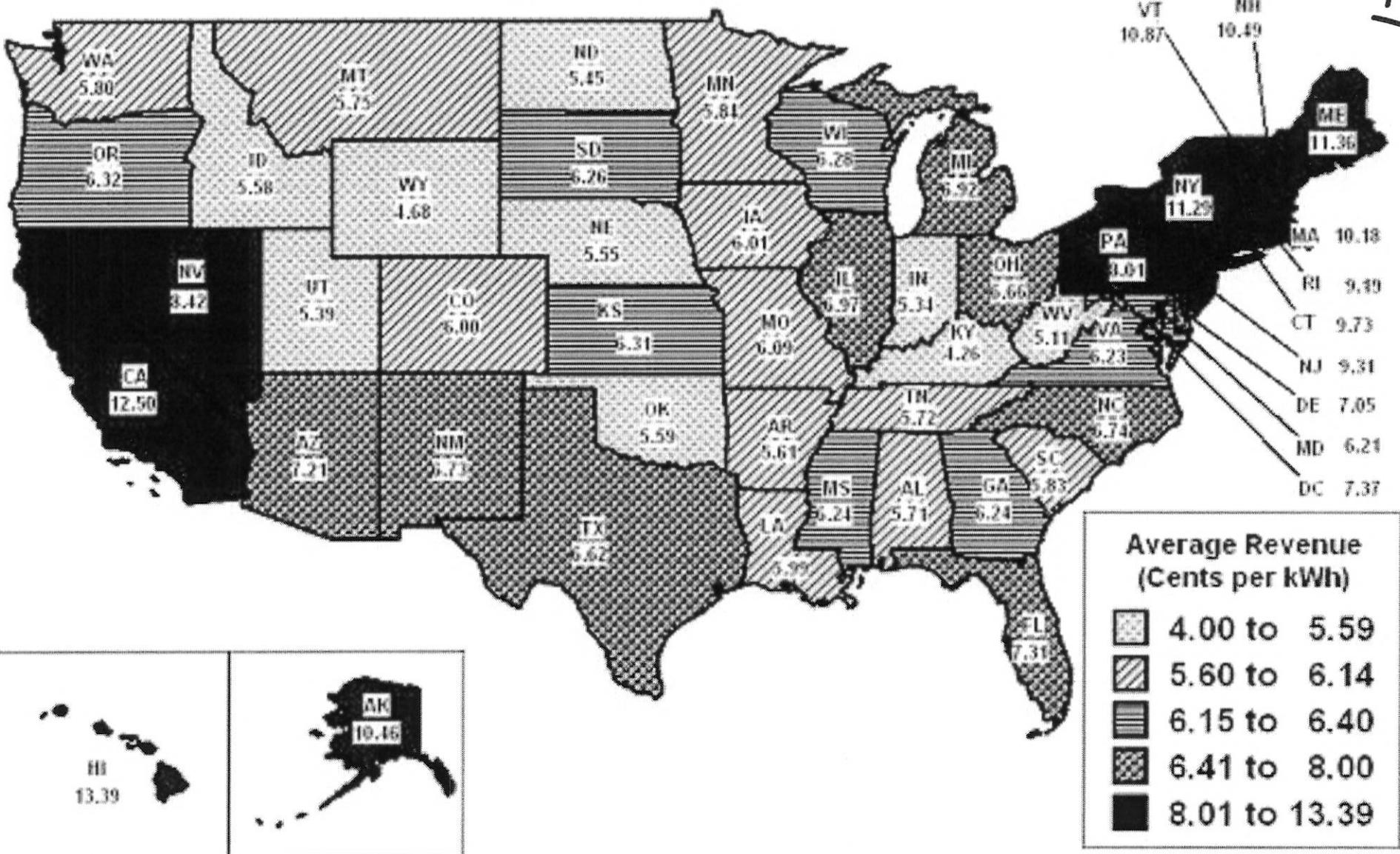
Types of Electric Utilities Serving Kansas Industrial Customers



■ Kansas Cooperatives ■ Kansas Municipals ■ Kansas Investor Owned Utilities

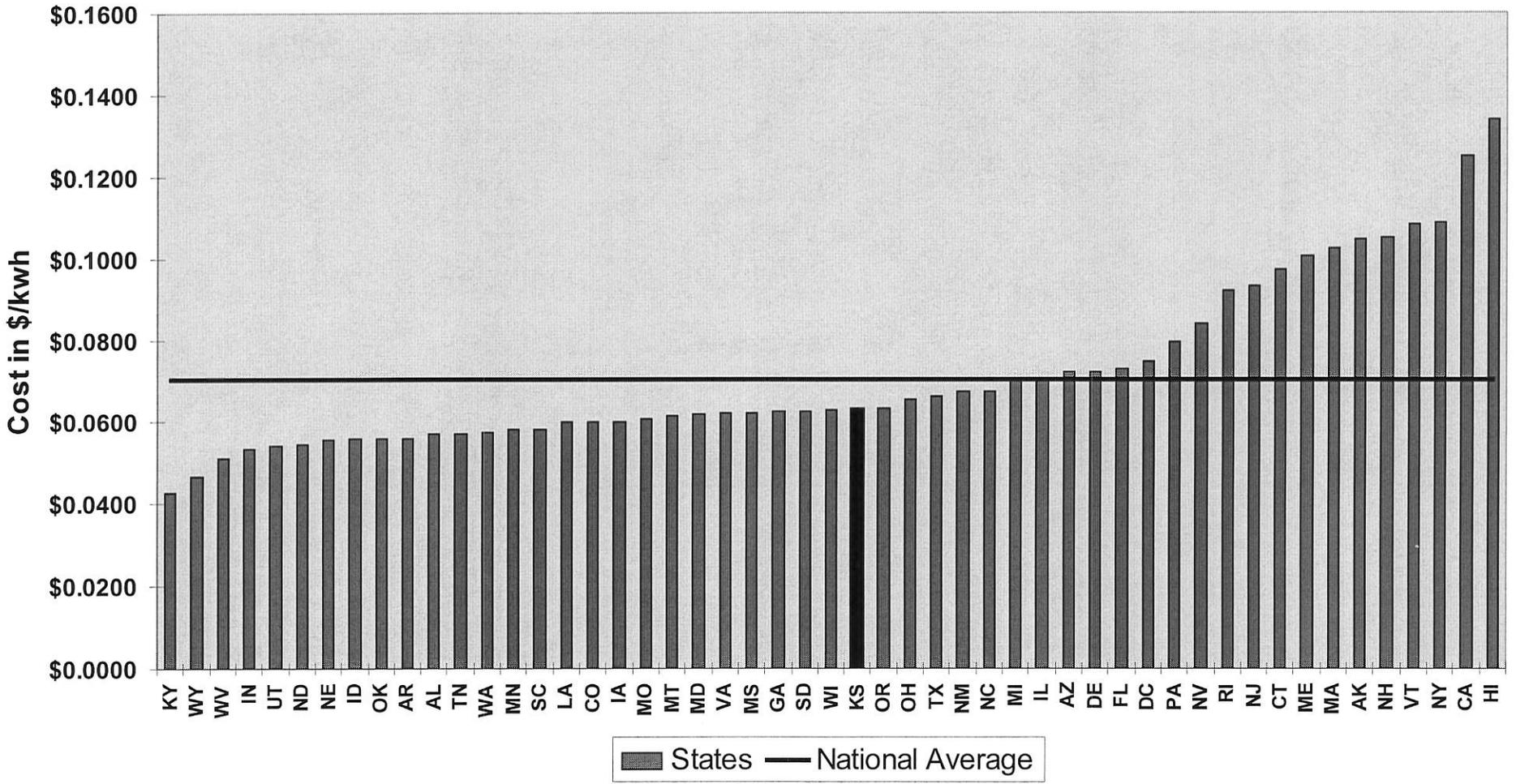
81-1

U.S. Total Average Revenue per kWh is 7.21 Cents



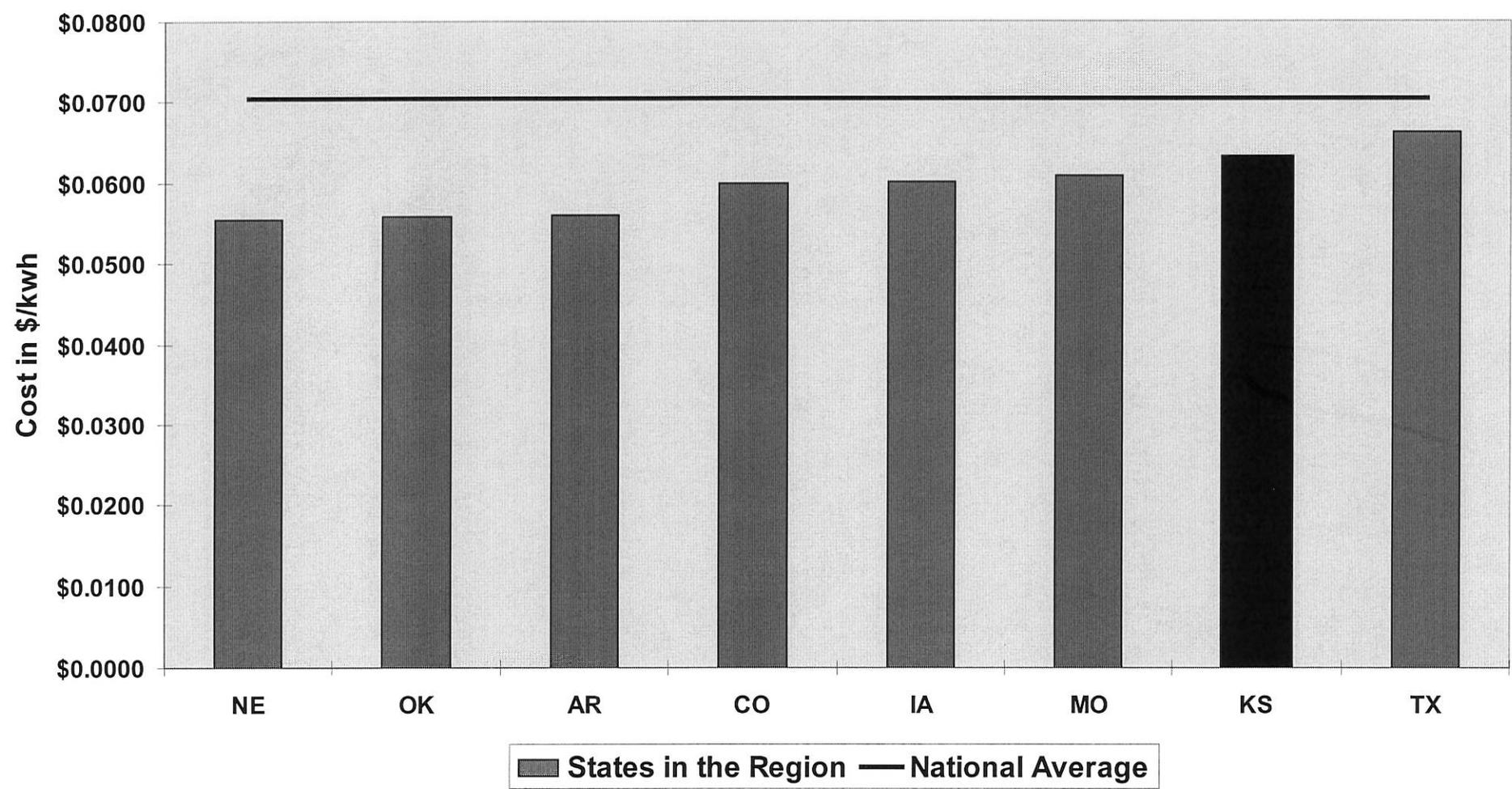
Source: Energy Information Administration, Form EIA-861, "Annual Electric Power Industry Report."

2002 Average Retail Electric Costs for All Customers



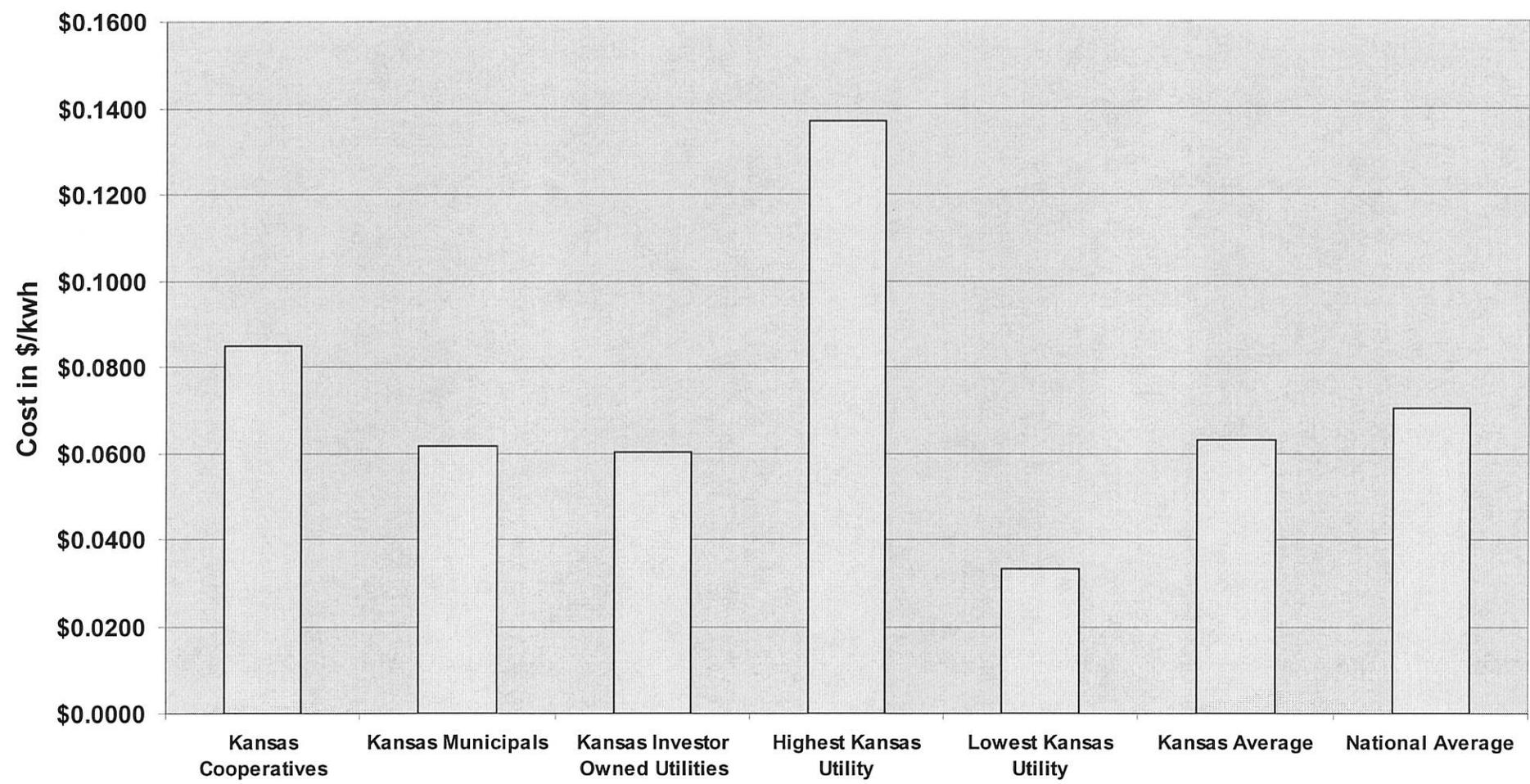
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2002 Retail Electric Cost Comparison for all Customers in the Region



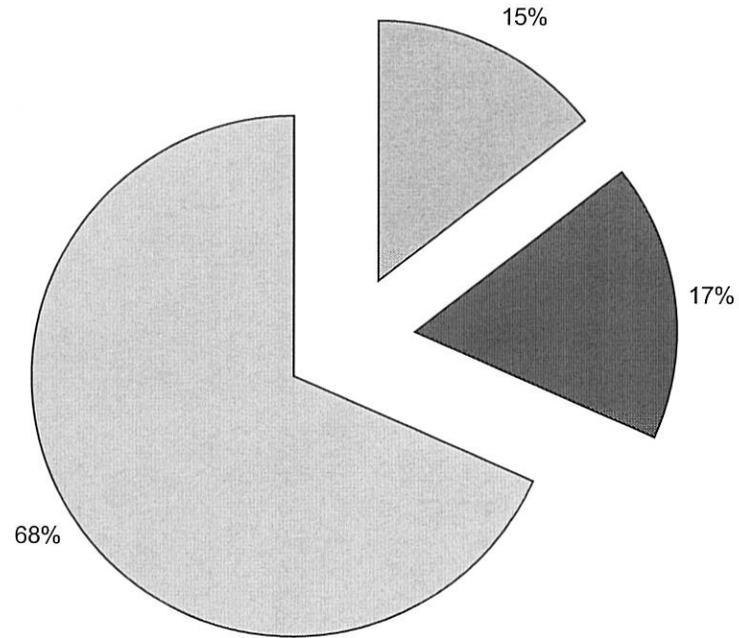
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2002 Average Retail Electric Costs for All Customers



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Types of Electric Utilities Serving All Kansas Customers



■ Kansas Cooperatives ■ Kansas Municipals ■ Kansas Investor Owned Utilities

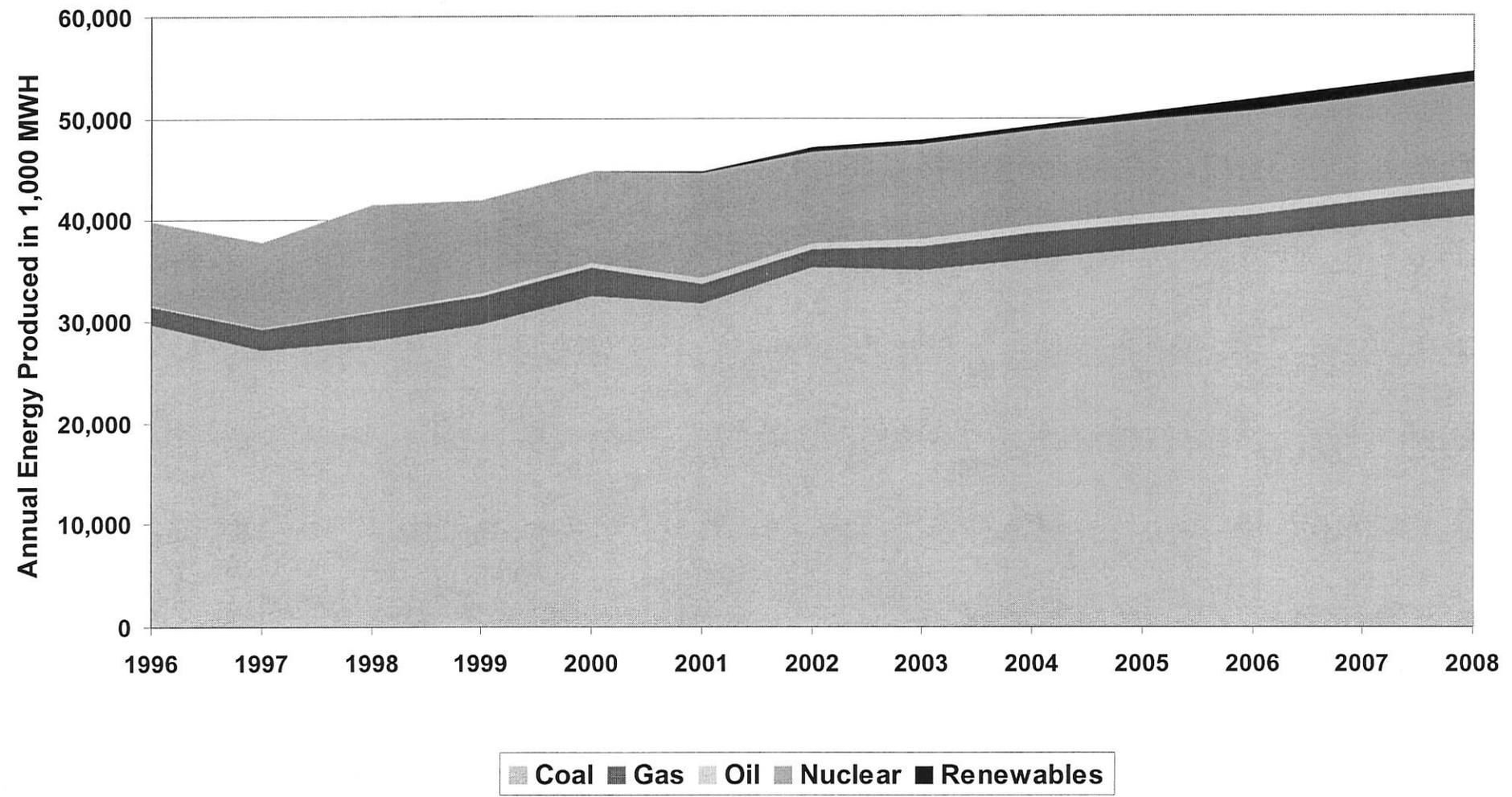
Kansas Electric Generation

- Generation Fuel
 - Historic and Forecasts
- Capacity Margin
 - Generation Capacity – Peak Demand
Generation Capacity
 - SPP Requires a Minimum of 12%

1-24

Electric Generation by Fuel Type

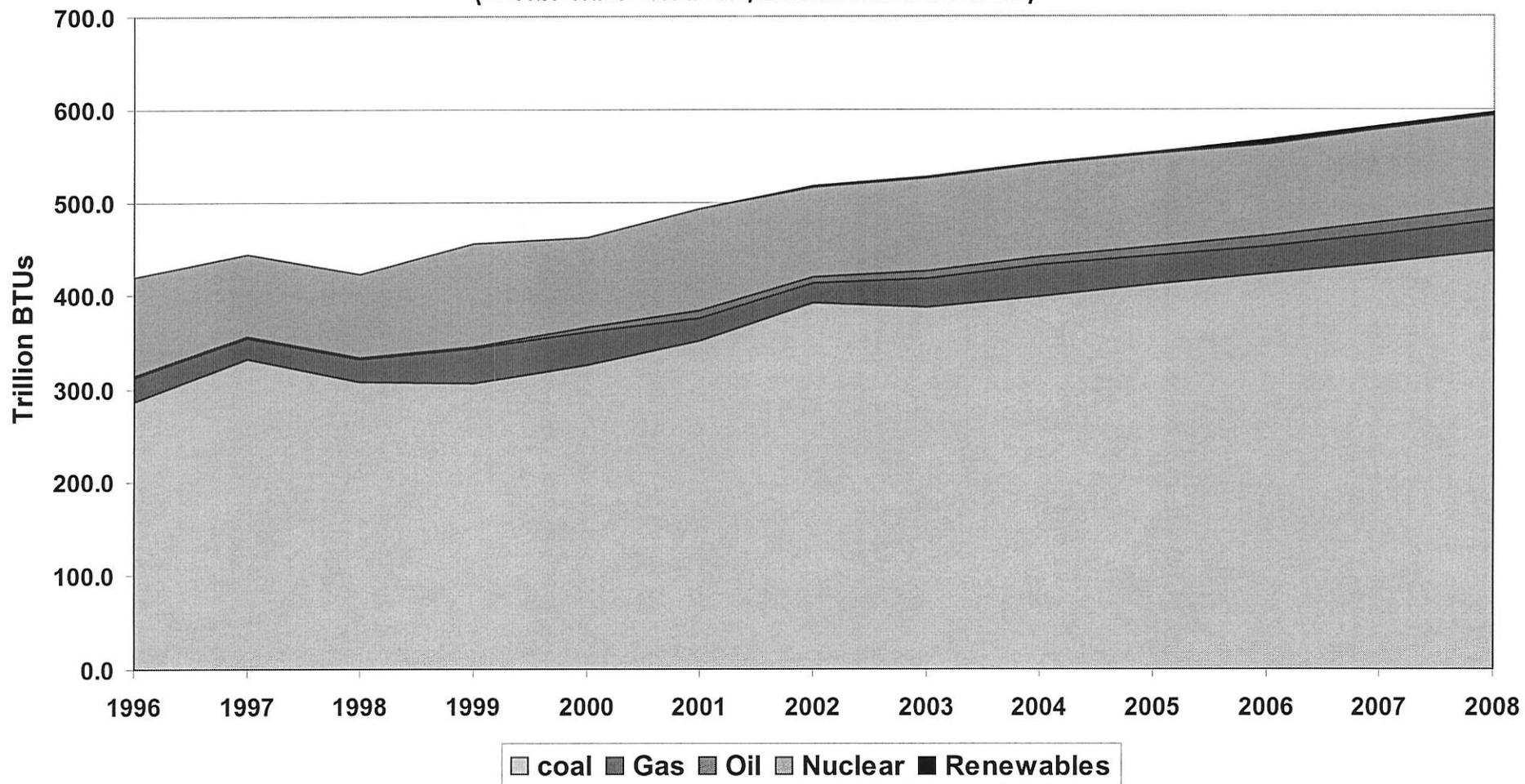
(EIA actual data for 1996 to 2002, forecasted data for 2003 to 2008)



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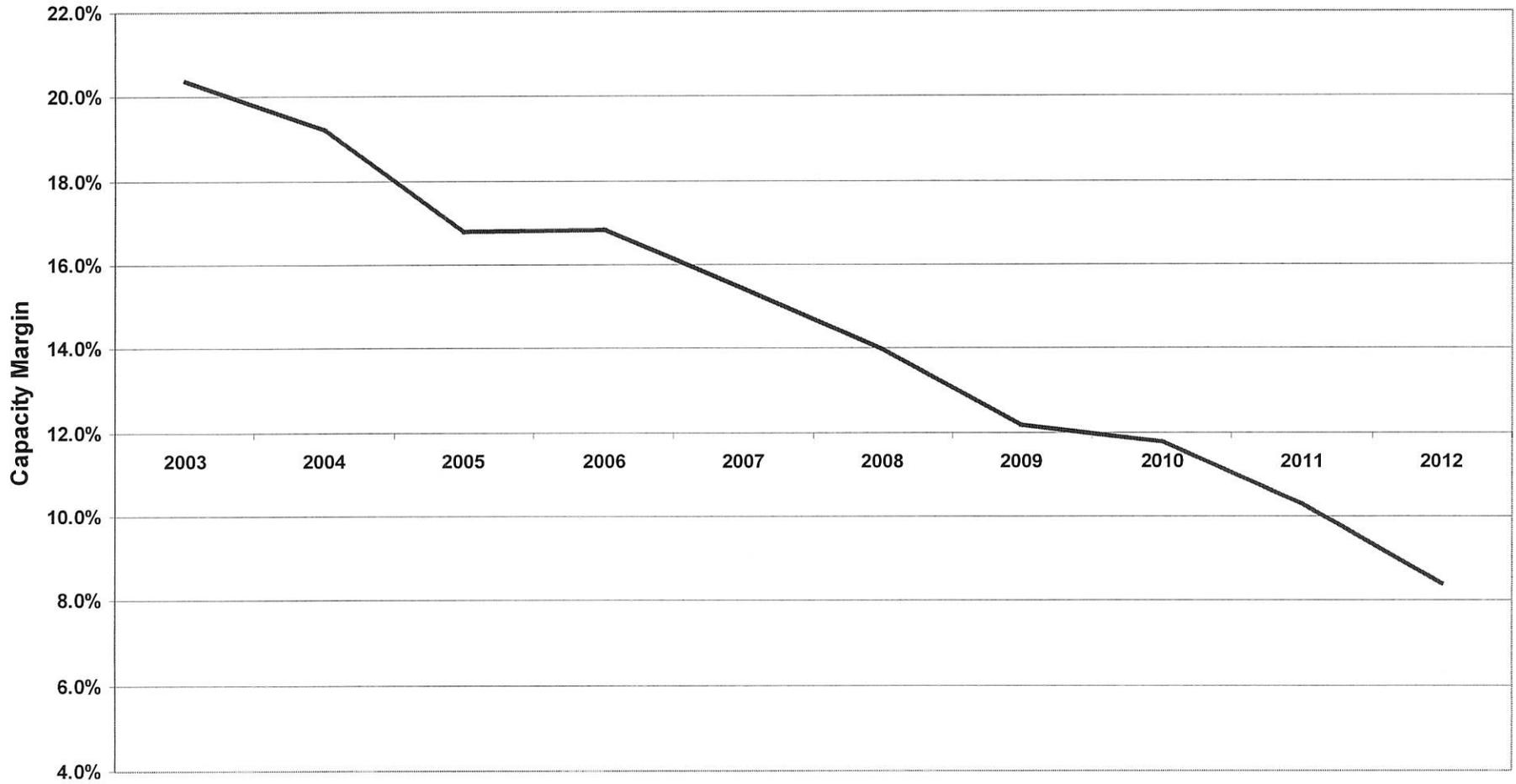
Energy Used for Electric Generation in Kansas

(EIA actual data for 1996 to 2002, forecasted data for 2003 to 2008)

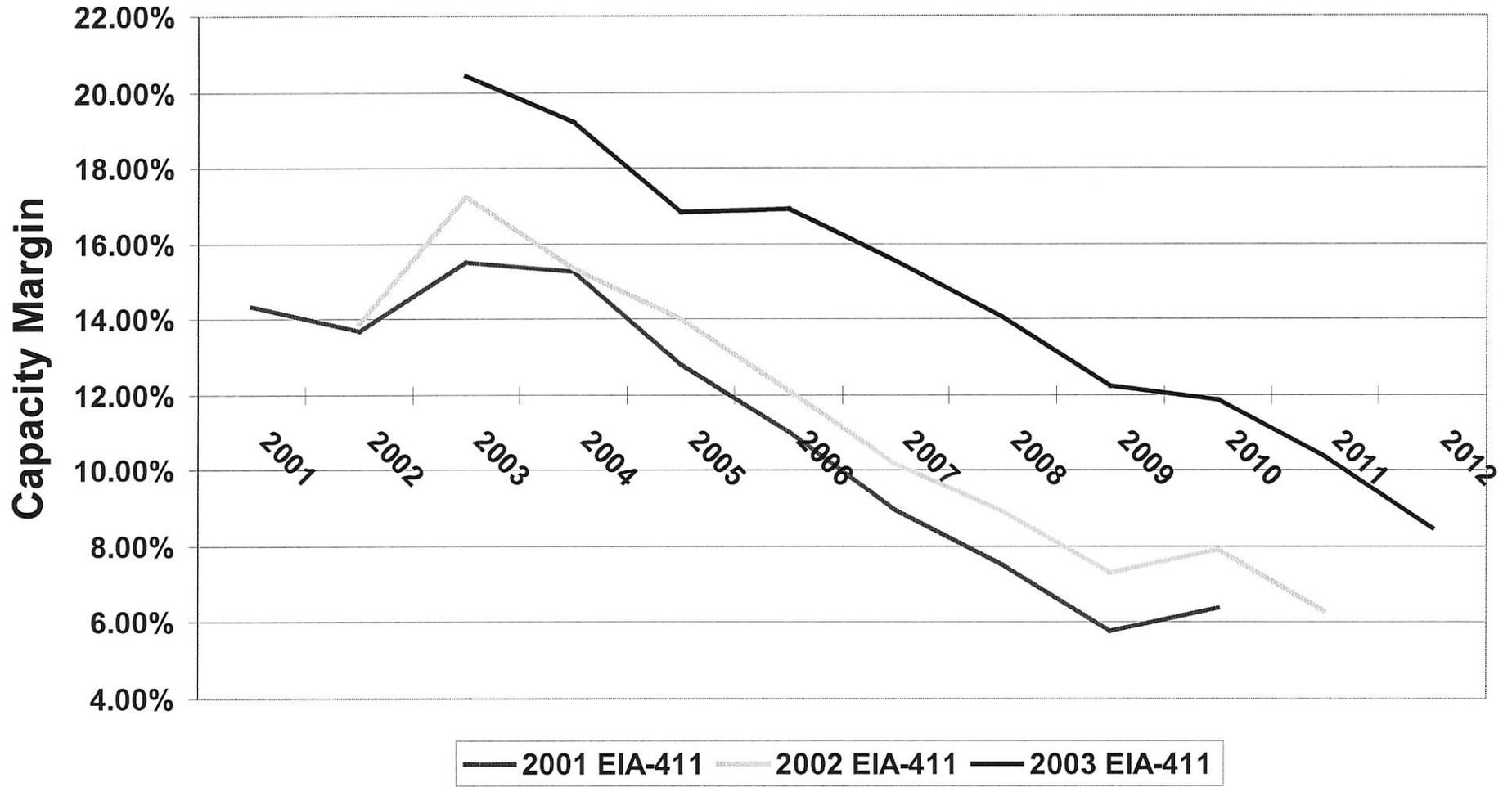


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Kansas Capacity Margin Forecast from 2003 SPP EIA-411



Comparison of Kansas Capacity Forecasts



Capacity Margin for Kansas Utilities (per 2003 SPP EIA-411)

