Approved: <u>March 9, 2011</u>

Date

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chair Carl Holmes at 9:00 A.M. on February 17, 2011, in Room 785 of the Docking State Office Building.

All members were present except:

Representative Stan Frownfelter-excused Representative Phil Hermanson-excused Representative Mike Slattery-excused

Committee staff present:

Matt Sterling, Office of the Revisor of Statutes Cindy Lash, Kansas Legislative Research Department Corey Carnahan, Kansas Legislative Research Department Renae Hansen, Committee Assistant

Conferees Appearing Before the Committee: Dave Springe, CURB Dick Rohlfs, Westar Mark Lawlor, Clean Line Kimberly Gencur-Svaty-ITC Mark Schreiber, Westar

Others Attending: Forty Eight including the attached list.

Continued Hearing on:

HB 2303-Utilities; rate-making and variable time-of-day pricing.

Questions were asked and comments made by Representatives: Forrest Knox, and Reynaldo Mesa.

Responses to the committees questions were answered by Dave Springe and Dick Rohlfs. It was noted again the thought behind the bill is appropriate but the way the bill proposes to accomplish this is inappropriate and that there is a timing issue in implementing this idea. Additionally, it was noted that historically when a customer was charged by the hourly rate in the past there was a customer that literally went bankrupt when they had to pay the hourly rate as the price for that energy skyrocketed.

The hearing on HB 2303 was closed.

Hearing on:

HB 2181-Utilities; transmission lines and easements.

Matt Sterling, Revisor of Statute, spoke to the committee regarding HB 2181, (Attachment 1).

Questions were asked and comments made by Representative Nile Dillmore.

Proponents:

Representative Carl Holmes gave the committee a background on <u>HB 2181</u>. He noted that someone from the SPP and KCC commented that they thought there should be an additional 50 feet easement right of way when there was a purchase of land for transmission lines for a total of 200 feet. Representative Holmes commented that this bill is a way to look way out in the future. He noted the area most sensitive environmentally is going through the Flint Hills. He commented that if there are no transmission lines through the Flint Hills that the lines will be built in Nebraska and they will come down into Western Kansas rather than directly across the state. This bill would allow the expansion of wind transmission far into the future.

Opponents:

Dave Springe, CURB, (Attachment 2) presented testimony in opposition to HB 2181. He commented

CONTINUATION SHEET

The minutes of the House Energy and Utilities Committee at 9:00 A.M. on February 17, 2011, in Room 785 of the Docking State Office Building.

that on every piece of land purchased you will increase the price for right of way purchase by 33%. He noted that realistically a 345 kW line would never be taken down to put up a 765 kW line. He believes the transmission line easement purchase would be spending money for something one would never use.

Questions were asked and comments made by Representatives: Forrest Knox, Vern Swanson, Tom Sloan, and Carl Holmes.

Neutral:

Mark Lawlor, Clean Line Energy Partners, (<u>Attachment 3</u>), offered testimony for <u>HB 2181</u> and offered some language change for the bill.

Kimberly Gencur-Svaty, ITC, (<u>Attachment 4</u>) presented testimony concerning <u>**HB 2181**</u> from a neutral standpoint. She noted that this bill takes a forward look into the right of way acquisition of land for the construction of transmission lines.

Mark Schreiber, Westar, (<u>Attachment 5</u>), offered neutral testimony for <u>**HB 2181**</u>. Westar makes a suggestion of working with the land owners at the time conservation easements are written, to include the ability for the easements to be used for transmission lines into the easement documents.

Neutral Written:

Written testimony was presented to the committee in regards to <u>HB 2181</u> from a neutral position as follows:

- Hartman Oil (<u>Attachment 6</u>)
- Kansas Farm Bureau (<u>Attachment 7</u>)

Questions were asked and comments made by Representatives: Tom Sloan, Don Hineman, and Carl Holmes.

The hearing on HB 2181 was closed.

The next meeting is scheduled for February 18, 2011.

The meeting was adjourned at 10:23 A.M.