

MINUTES OF THE SENATE UTILITIES COMMITTEE.

The meeting was called to order by Chairperson Sen. Pat Ranson at 1:30 p.m. on January 13, 2000 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, Revisors of Statute Office
Jeanne Eudaley, Committee Secretary

Conferees appearing before the committee:
None

Others attending:
See attached list

Sen. Ranson opened the meeting by welcoming the committee and staff and asked guests of the committee to introduce themselves and tell who they represent. Sen. Ranson announced the agenda for next week, with the new KCC Executive Director appearing Wednesday. He will give a review of their dockets and decisions. A wind generation presentation will be given on Thursday. Sen. Ranson discussed future meetings and the possibility of taking a field trip to view windmills in St. Marys and tour the Jeffrey Energy Center.

Sen. Ranson reviewed the one holdover bill, **SB 217-natural gas service; providing for competition in retail sales**. She also reviewed **HB 2322-relating to billing procedures for visually impaired or blind; railroad crossings; Repealer which requires utilities to apply to the KCC for approval before loaning/pledging its credit to its affiliate**. This bill remains on the House Calendar under "Bills to concur or nonconcur". She then referred to a memo from Lynne Holt, which outlines the status of utility bills (Attachment 1) which were recommended or amended by the Senate Utilities Committee as of April 28, 1999. The committee discussed the bills and the fact that some remain in the House Utilities Committee and that she hopes to meet with the Chair of that Committee, Rep. Carl Holmes, soon to try to facilitate moving the bills along.

Sen. Ranson requested that Ms. Holt prepare a status report for the committee outlining proposed federal initiatives regarding both retail wheeling and transmission reliability along with states' actions pertaining to retail wheeling with a focus on Kansas' neighboring states. She asked the committee for input regarding subjects to bring before the committee. Sen. Morris told of two issues before FERC dealing with refunds for natural gas delivery, which may be of interest to the committee; and that **HB 2597-natural gas, underground storage; procedures and compensation** has been introduced in the House and referred to the Utilities Committee. Sen. Ranson mentioned subjects of potential interest to the committee; incentives for new construction of generation facilities and siting requirements in Kansas. She also referred to the 1997 gas gathering bill passed by the committee and possible problems which may require attention as well as the Weatherproof program offered by Kansas Gas Service and consumer complaints. Both of these subjects will be discussed when the KCC makes its presentation scheduled for Wednesday. Sen Steffes stated interest in the failed merger between Western Resources and the Kansas City Power and Light and how important the decision is to the State of Kansas. He also inquired regarding merchant power plants and the reason for a new plant being in Missouri rather than in Kansas. Sen. Brownlee expressed interest in a review of One Call and the fines associated with it. Additional interest was expressed in reformulated gas and a bill introduced by Sen. Corbin; a hearing is scheduled in the Agriculture Committee next Thursday on the potential of biodiesel and the use of beef tallow. J.C. Long (UtiliCorp) told of his company's program involving burning tires and told of advantages regarding pollution; however, that plant is located in Missouri, rather than Kansas.

Meeting adjourned at 2:10. Next meeting will be January 19, 2000.