Approved: February 12, 2015

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairperson Robert Olson at 1:32pm on Wednesday, February 04, 2015, 548-S of the Capitol.

All members were present except:

Senator Jeff Longbine – Excused

Senator Larry Powell – Excused

Committee staff present:

Heather O'Hara, Legislative Research Department

Natalie Nelson, Legislative Research Department

Michael Welton, Kansas Legislative Committee Assistant

Matt Sterling, Office of Revisor of Statutes

Conferees appearing before the Committee:

Carl Monroe, Southwest Power Pool; Mike Ross, Southwest Power Pool

Others in attendance:

See Attached List

Senator Olson welcomed all attendees and announced that the minute drafts will be sent by email on Monday and considered for approval by the committee on the meeting next Tuesday. He also referenced a written response was contained in committee packets from the Kansas Corporation Commission regarding unanswered questions from January 29, 2015 meeting.

Possible bill introductions

There were no bill introduction requests.

Presentation on:

Clean Power Plan (CPP) and Regional Grid Reliability

Senator Olson called on Carl Monroe representing the Southwest Power Pool to begin the presentation (Attachment #1).

The following discussions resulted from questions and comments from Senators Fancisco, Petersen, Knox and Olson:

1.) The presenter explained that a multi-state regional approach involves significant time and resource intensive complexities that must take into account needs of all regional, state and individual utility compliance requirements. He stated that at the very least an additional 5 year extension was in order just to consider and plan for interim goals currently required by National Energy Regulation Commission. He surmised that only then can realistic estimates of time tables and costs of actual plan execution be considered. He explained that a primary dilemma for states and utilities is how to prioritize efforts to comply with sometimes conflicting regulatory environmental and reliability requirements.

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.

CONTINUATION SHEET

MINUTES of the Committee on Utilities at 1:32pm on Wednesday, February 04, 2015, 548-S of the Capitol.

- 2.) He promised to provide the committee with an online link to a published assessment of the Clean Power Plans (CPP) reliability impact on this regions electric grid (Attachment #2).
- 3.) It was explained that more zero fuel cost hydro power is not utilized more, because its capacity is limited to the amount of seasonal water flow.
- 4.) Southwest Power Pool is not able to evaluate cost related issues of wind because its primary focus is on transmission capacity.
- 5.) Increased functions were attributed as to why capital investments have increased on such a high level. The presentation estimated that SSP's current cost to its Members equaled about 67.5 cents for every \$100.00 of a residential utility bill. The presenter promised to provide the committee this cost in 2005.

Senator Olson recognized Mike Ross also representing the Southwest Power Pool as being present at the meeting today.

Seeing no further questions or comments Senator Olson adjourned the meeting at 2:30pm. The next meeting is scheduled for February 5, 2015.