

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES

The meeting was called to order by SENATOR ROBERT V. TALKINGTON at
Chairperson

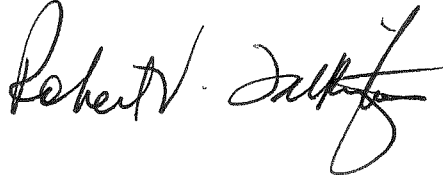
9:00 a.m. a.m./p.m. on Friday, March 18, 19 83 in room 254-E of the Capitol.

All members were present except:

Senators Kerr, Hein, Rehorn

Committee staff present:

Fred Carman
Hank Avila
Rosalie Black



Conferees appearing before the committee:

HB 2225 - Rep. Leary Johnson; Rep. Clifford Campbell; Ed DeSoignie, DOT;
John Blythe, KS Farm Bureau; Mike Beam, KS Livestock Association

HB 2215 - Rep. Bill Bunten; Bob Douglas, Douglas Construction Co.;
Richard Von Ende, Representative from Univ. of Kansas;
Dale Satterthwaite, Gas Serv. Co.; Bob Graham, Kansas City Power and Light,
Representing Electric Companies Association
of Kansas;
Melvin Heuer, General Manager, Kansas City, Kansas, Board of Public Utilities;
Bob Anderson, Kansas-Nebr. Natural Gas Co.; Louis Stroup, KS Municipal Utilities
Chris McKenzie, League of Kansas Municipalities;
Harold Shoaf, Kansas Electrical Cooperatives.

The meeting was called to order by Senator Talkington, Chairman, who introduced
Representative Leary Johnson to discuss House Bill 2225.

HOUSE BILL 2225 - HEARING AND AMENDMENTS

Representative Johnson said he favored the height requirement in the bill that
would allow cylindrically-shaped bales to reach a height of 14½ feet.

Representative Clifford Campbell indicated the necessity of striking language
which would limit a vehicle transporting hay from traveling more than fifty miles
from where it is usually parked when not in use.

John Blythe and Mike Beam (see Attachment 1) both testified that their groups
support HB 2225.

Ed DeSoignie stated that DOT could accept the bill if the following amendments
were added. The word "secured" inserted into Line 77; the word "negligently"
deleted in Line 79; and in Line 80, inserting language that the Secretary of
Transportation may adopt rules and regulations concerning movement of bales. (See
Attachment 2.)

Senator Meyers moved that the amendments for HB 2225 be adopted; seconded by
Senator Morris and passed. Senator Talkington said that action would be taken

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES,
room 254-E, Statehouse, at 9:00 a.m. a.m./p.m. on March 18, 1983

later when enough members were present for a quorum.

HOUSE BILL 2215 - HEARING

Representative Buntten told the Committee he became interested in the proposed legislation when the owner of Douglas Construction Company had been erroneously underbilled and was notified that he owed a gas utility \$48,000. He added that utilities must take responsibility for incorrect equipment.

Bob Douglas and Richard Von Ende referred to problems of meters being erroneously read concerning a construction business and an institution. They favored the cut-off date of four months in Line 37. Mr. Von Ende pointed out the passage of HB 2215 would not affect the lawsuit involving the K.U. Medical Center.

Speaking in opposition to HB 2215, Dale Satterthwaite, Melvin Heuer, Louis Stroup, Robert Graham, Harold Shoaf (see Attachments 3-7) and Bob Anderson indicated that major problems concerning utilities involved the spending of additional money for annual meter testing and reading which would increase the consumers utility bill; inside meters in residences would have to be moved outside at further cost to the customer; rural meters now being read by customers, and checked by the utility once a year, may not be detected within the four-month limitation as being in error and the proposed legislation would prevent the company from collecting amounts due even though the error was made by the consumer; and the bill would allow a customer to intentionally erroneously read or tamper with the meter and not be charged.

Chris McKenzie noted that the League opposes HB 2215 because matters effecting municipalities and utilities are preferably settled locally.

HOUSE BILL 2283 - ACTION

Senator Burke moved that a vehicle owner in receiving a 15-day temporary permit, declare weight limitation that he will eventually apply for and be penalized if found in violation of carrying a heavier load; seconded by Senator Morris and passed.

Senator Burke moved that House Bill 2283 be reported favorable for passage as amended; seconded by Senator Johnston and passed.

The meeting adjourned at 10:00 a.m.



Att. to Board 1

2044 Fillmore • Topeka, Kansas 66604 • Telephone: 913/232-9358
Owns and Publishes The Kansas STOCKMAN magazine and KLA News & Market Report newsletter.

Statement of the
KANSAS LIVESTOCK ASSOCIATION
with respect to
HB 2225
for consideration by
Senate Transportation & Utilities Committee
Senator Robert Talkington, Chairman
Prepared by
Mike Beam
Executive Secretary, Cow-Calf/Stocker Division
March 18, 1983

Mr. Chairman and committee members, I am Mike Beam representing the Kansas Livestock Association. The Kansas Livestock Association consists of 8,200 members who are mostly farmers and ranchers whose principal income is derived from agriculture and livestock production.

We support HB 2225 which concerns transportation of vehicles loaded with cylindrically shaped bales. It is economically important that Kansas farmers and ranchers be able to transport feedstuffs as readily as possible.

The first large round baler was introduced about ten years ago. This system of processing hay has become more popular in the last four or five years.

	<u>No. of Balers Sold in Kansas</u>	
	<u>Small rectangular</u>	<u>Round (1,000 lbs. +)</u>
1979	495	1,103
1980	312	841
1981	343	790
1982	218	529
	<u>1,368</u>	<u>3,263</u>

Many farmers and ranchers have changed to the large round bale concept, primarily because it takes significantly less labor to process, transport and feed the hay.

Atch. 1

We favor this proposal because our members are both buyers and sellers of hay. Many of the commercial feedyards purchase hay from area farmers who use the large round bale method of haying. Because they usually buy on a "delivered" basis they can offer a higher price for the hay when the buyer will deliver the product.

We should realize that hay such as alfalfa is a cash crop and to some farmers and ranchers it may be a principal source of income for their operation.

	HAY PRODUCED (000 tons)	HAY SOLD (000 tons)	CASH RECEIPTS (000 dollars)
1975	4,890	1,076	51,648
1976	4,685	1,078	57,134
1977	5,445	1,252	53,836
1978	4,720	1,280	53,100
1979	5,840	1,402	67,997
1980	4,102	984	61,008
1981	6,070	1,457	83,049

(Source - 65th Annual Report & Farm Facts by the Kansas State Board of Agriculture)

Earlier in the session this committee reported favorably SB 130 which addressed our concerns and eliminated the 50 mile radius. In a letter that you should have received from Neal Roth at Phillipsburg, he expressed the need to increase the height restrictions to 14'6" as stated in HB 2225. Because of the shape of the large round bales it is difficult to condense a load of the bales to equal the weight of the conventional small square bales or the new large 4' x 4' x 8' bales. A height of 14'6" will allow farmers and ranchers to haul more hay and decrease their transportation costs per ton significantly. Many times a second layer of bales will aid in tying in a load and making it more stable. By removing the height and distance restrictions for transporting the large round bales, this will legally allow farmers and ranchers to transport the hay more readily and give them another alternative for profit.

Because of the economic importance to farmers and ranchers of Kansas we respectfully ask for your support of HB 2225. Thank you.

0046 such vehicle or the load thereon shall not exceed eight feet.
 0047 (d) The total outside width of the body of a bus, excluding all
 0048 rearview mirrors, turn signal lamps and handholds equipment
 0049 used in intercity transit operations or a bus used in local urban
 0050 transit operations, shall not exceed eight feet six inches.
 0051 (e) A vehicle may be loaded with cylindrically shaped bales
 0052 of hay which extend not to exceed 12 feet width-wise of the
 0053 vehicle *and of height as authorized by K.S.A. 8-1904 and*
 0054 *amendments thereto*, but no vehicle so loaded may be moved on
 0055 any highway designated as a part of the national system of
 0056 interstate and defense highways and no vehicle so loaded may
 0057 be moved later than 30 minutes after sunset or before 30 minutes
 0058 before sunrise. ~~No vehicle loaded as authorized by this subsec-~~
 0059 ~~tion (e) shall travel more distant than 50 miles from the usual~~
 0060 ~~place the vehicle is parked when not in use. [Any vehicle loaded~~
 0061 ~~with cylindrically shaped bales of hay as authorized by the~~
 0062 ~~exception in this subsection, shall have attached thereto a sign~~
 0063 ~~which states "OVERSIZE LOAD" and such sign shall be 14~~
 0064 ~~inches in height and 60 inches in length with a stroke of 1 1/8~~
 0065 ~~inches, readily visible from a distance of 500 feet; also such~~
 0066 ~~vehicle shall be equipped with red flags on all four corners of the~~
 0067 ~~overwidth load.]~~
 0068 (f) The secretary of transportation shall adopt rules and reg-
 0069 ulations authorizing vehicles to be loaded overwidth with two
 0070 combine headers during certain seasons, but no vehicle so
 0071 loaded may be moved on any highway designated as a part of the
 0072 national system of interstate and defense highways.
 0073 Sec. 2. K.S.A. 8-1904 is hereby amended to read as follows:
 0074 8-1904. (a) No vehicle including any load thereon shall exceed a
 0075 height of 13 1/2 feet, *except that a vehicle transporting cylindri-*
 0076 *cally shaped bales of hay as authorized by subsection (c) of*
 0077 *K.S.A. 8-1902 may be loaded with such bales to a height not*
 0078 *exceeding 14 1/2 feet. Should a vehicle so loaded with bales*
 0079 *accidentally strike any overpass or other obstacle, the operator of*
 0080 *the vehicle shall be liable for all damages resulting therefrom.*
 0081 (b) No motor vehicle shall exceed a length of 42 1/2 feet
 0082 extreme overall dimension, inclusive of front and rear bumpers.

secured

delete

The secretary of transporta-
tion may adopt rules and
regulations for the move-
ment of such loads of
cylindrically shaped bales
of hay.

IN RE: HOUSE BILL NO. 2215

My name is Dale Satterthwaite, Division Manager of The Gas Service Company and I am here today representing The Gas Service Company.

We appreciate the opportunity to express our opposition to House Bill No. 2215. The bill, if enacted, would create serious problems for The Gas Service Company. A number of Company customers in the State of Kansas read their own meters for periods up to a year. The Company reads these meters once a year in order to verify the customer's reading. The proposed legislation would prevent the Company from collecting uncollected amounts due it even though the error in reading was not the error of the Company.

A large number of the gas meters in the State of Kansas are inside meters and where the Company cannot gain access, the bill is estimated. The proposed legislation could prevent the Company from collecting past due amounts even though the Company made an effort to read the meter but was unable to do so because of limited access.

There are occasions when through human error, the customer is billed improperly. This can result in the bill being more than it should have been. The legislation makes no provision for refunding to a customer the amount of any excess improperly billed.

There are occasions, due to mechanical failures, when meters fail to register, under-register or over-register. This could result in charges billed later to the customer but may also result in refunds to the customer. The proposed legislation does not adequately address this problem.

It has been The Gas Service Company's policy, where a customer is billed less than he owes, to allow that customer a reasonable time to pay the additional amount. Any different policy would allow that customer to pay less than he should have paid for the gas he used. The public policy of the State of Kansas has always avoided discrimination between customers in the price of utility service. This legislation would allow the person who has been accidentally underbilled to pay less for the gas he received than other customers. The cost of this underbilling will have to be borne either by the shareholders of the Company or by other ratepayers. (Each customer of The Gas Service Company should pay for the amount of gas used and should not be entitled to take advantage of either human error or mechanical failure.)

There are customers of all utilities who choose to cheat the Company through bypasses or tampering with the meter to cause the meter to reflect less consumption than actually occurs. Presently, when the Company discovers this kind of activity, it takes every effort to collect the correct amount due it. The proposed legislation would affect the Company's right to recover the correct amount due for the gas used by these customers. It should be noted that even in these situations, the Company has generally worked with the customer to provide him a reasonable time in which to pay the past-due amount.

We believe the existing rules and regulations from The Kansas Corporation Commission, covering meter reading and billing, are adequate and reasonable for the Company and the consumer.

When an honest mistake occurs resulting in an under-read or over-read, the account should be corrected and the customer billed or refunded for the actual amount of gas used. It is, therefore, respectfully submitted that the proposed legislation may result in and limit the Company's ability to collect the proper charge for services rendered. For these reasons, The Gas Service Company opposes this legislation.

KMU

Kansas Municipal Utilities, Inc.
P. O. Box 1225
McPherson, Kansas 67460
316-241-1423

Comments by Louis Stroup, Jr., Executive Director
House Bill 2215
Senate Transportation & Utilities Committee
March 18, 1983

Mr. Chairman, members of the committee. I am Louis Stroup, Jr., executive director of Kansas Municipal Utilities, Inc., a state-wide association of municipally-owned water, gas and electric cities.

We strongly oppose House Bill 2215 for a number of reasons. The two major reasons are:

- The measure would place our water, gas and electric systems under the jurisdiction of the Kansas Corporation Commission for the purposes stated within the act. We have historically opposed placement of our cities under the jurisdiction of the KCC. We feel that locally-elected officials are more sensitive to local problems that would be the KCC. We also feel the KCC has no knowledge or expertise in the field of water.

- All but a handful of our cities have their own water systems. By sheer numbers alone, the KCC would be burdened by this measure. Also, a great many of our cities do not read water meters during the winters months. This is to keep the meters from frosting over when pits are opened during winter months and also it saves a great deal of money since a majority of the customers use only the minimum amount or less of water during the winter months. During these months, customers are billed a minimum charge. As HB 2215 reads, if there is an error in the billing for any reason and its an under charge, then the utility cannot recoup its losses if the error is not caught within 4 months of when the customer receives the bill.

This could be extremely unfair to cities that do not read water meters during the winter months. For example: The McPherson Board of Public Utilities completed meter reading in November 1982 and those meters will not be read again until April 1, 1983. Thus, an error could be made in the November reading and not caught until the 5th month afterwards. Under this bill, the utility automatically loses its right to recoup its losses or be forced into reading meters during the winter months -- increasing its costs to all customers.

McPHERSON BPU

November December January February March April

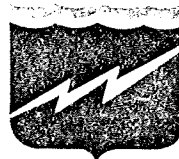
.....

..... (no water meters read)

Last month water meters are read

First day of April - meter reading resumes. Billings not out until at least April 15

BOARD OF PUBLIC UTILITIES



700 Minnesota Ave.
Kansas City, Kansas 66101

March 17, 1983

Members of the Senate Transportation
and Utilities Committee
State Capitol Building
Topeka, Kansas 66612

Re: H.B. 2215, Billing customers when meter
erroneously read

Ladies and Gentlemen:

The Board of Public Utilities of Kansas City, Kansas,
[BPU] opposes H.B. 2215 dealing with utilities billing customers
when meters are erroneously read.

There are several problems with H.B. 2215. First, the bill would allow a customer to intentionally erroneously read, or tamper with, or divert current from, the meter, yet not be charged. The bill opens the door for illegality and fraud. Second, when the customer does his or her own read, even if the customer's erroneous reading was unintentional, he or she would still get free service, unless the BPU went out every three months to check the meter. This would destroy all good achieved from the practice of having the customer read his or her own inaccessible meter. Third, the current state of the law is that the utilities can't discriminate against customers in favor of other customers. To say that one customer will be excused from bills unless such bills are corrected within a certain period of time would require that the other customers pay the cost of the utility service used by the first customer, for someone must pay for utility service, and this would just transfer the cost. This would be discriminatory. Fourth, to do this would result in a windfall for the first customer, who would receive something for which he/she did not have to pay. Fifth, this bill would require the BPU to go to monthly rather than bimonthly readings, immediately, which would pose financial and practical problems on BPU. Sixth, the BPU would be required to spend additional money in several other areas. Annual meter testing or checking might be required, which would substantially increase the BPU's cost of doing business, without significant benefit for the customers, who would have to pay this cost. There would also be the cost of utility services furnished customers

who didn't have to pay for it. Also, there are still indoor meters, both water and electric, to which the BPU cannot get regular access. Although we are installing remote water meter readers, this process will take a few more years, and does not affect the inside electric meters. The BPU would either have to have customers pay to have outside meters or bear this cost itself so that it could have regular access to meters. The potential problem with customer reads has already been noted.

The cost of providing utility service must be paid by someone, either the customer who uses the service or other utility customers. It is most fair and equitable that the customer who uses the service pays for it, rather than requiring others to pick up unpaid bills. The Board of Public Utilities urges the Senate Transportation and Utilities Committee to vote against H.B. 2215.

Sincerely,



Melvin C. Heuer
General Manager

MCH/KPP:mm

CC - Members of Wyandotte County Delegation

Attachment 6

TESTIMONY BEFORE
SENATE TRANSPORTATION AND UTILITIES COMMITTEE
HB 2215
MARCH 18, 1983
BY ROBERT H. GRAHAM
KANSAS CITY POWER & LIGHT COMPANY
FOR
THE ELECTRIC UTILITIES ASSOCIATION OF KANSAS

THE AMENDMENTS TO THIS BILL MADE BY THE HOUSE COMMITTEE HAVE DRASTICALLY CHANGED THE POTENTIAL IMPACT ON UTILITIES AND THEIR CUSTOMERS. THE ORIGINAL BILL ADDRESSED ONLY THE SITUATION OF A METER BEING ERRONEOUSLY READ AND ERRONEOUSLY UNDERBILLED. THE AMENDMENTS BROADENED THE BILL TO INCLUDE AN UNDERBILLING FOR ANY REASON WHATSOEVER. IT WOULD PRECLUDE THE UTILITIES FROM COLLECTING ON ACCOUNTS WHERE THERE HAD BEEN TAMPERING WITH THE METERS, EQUIPMENT THAT HAS BEEN DAMAGED BY THE CUSTOMER EITHER INADVERTENTLY OR DELIBERATELY, AND ANY OTHER CAUSE WHETHER UNDER THE CONTROL OF THE UTILITY OR NOT.

A METER IS A RATHER DELICATE DEVICE COMPARED WITH OTHER EQUIPMENT IN AN ELECTRICAL SYSTEM. LIGHTNING CAN DAMAGE A METER AND DO NO DAMAGE TO THE OTHER EQUIPMENT. EVEN BY REVIEWING THE USAGE OF A CUSTOMER EACH MONTH, IT IS SOMETIMES DIFFICULT TO SPOT A POTENTIAL MISBILLING IF THE CUSTOMER'S USAGE IS ERRATIC. THE USAGE OF MOST CUSTOMERS IS SEASONAL AND IF THERE IS A FAILURE OF THE METERING EQUIPMENT AT CERTAIN TIMES OF THE YEAR, IT IS NEARLY IMPOSSIBLE TO DETECT. MOST UTILITIES HAVE A REGULAR INSPECTION SCHEDULE OF THIS TYPE EQUIPMENT, BUT THESE SCHEDULES CANNOT BE OFTEN ENOUGH TO DETECT EVERY EQUIPMENT FAILURE.

Atch. 6

IT WOULD APPEAR THAT THIS BILL SINGLES OUT UTILITIES TO HAVE A STATUTE OF LIMITATIONS FOR UNDERBILLINGS, ONLY, WHICH IS SUBSTANTIALLY DIFFERENT FROM ANY OTHER BUSINESS. IN MANY BUSINESSES THE CUSTOMER IS MADE RESPONSIBLE FOR DETECTING ANY ERRORS IN A BILLING OR AN ACCOUNTING PRACTICE AND GIVEN ONLY 10 TO 30 DAYS TO BRING ANY ERRORS TO THE ATTENTION OF THE ENTITY RENDERING THE SERVICE. I BELIEVE PART OF THE CONTENTION IS THAT THE UTILITY OWNS, INSTALLS, AND IS RESPONSIBLE FOR THE METERING DEVICE. THAT IS TRUE; HOWEVER, THE METER IS ON THE CUSTOMER'S PREMISES AND THE UTILITY CAN ONLY REASONABLY BE EXPECTED TO SEE THIS DEVICE ONCE A MONTH.

MOST MISTAKES THAT COULD GO UNDETECTED FOR EXTENDED PERIODS OCCUR WHEN A CUSTOMER FIRST COMES ON-LINE. THESE MAY OR MAY NOT BE THE RESPONSIBILITY OF THE UTILITY OR ARE DUE TO THE WORK DONE BY THE UTILITY. FOR INSTANCE, IN THE CASE OF MULTIPLE OCCUPANCY BUILDINGS, SUCH AS, APARTMENTS OR SHOPPING CENTERS, THE CUSTOMER'S CONTRACTOR DOES ALL THE INTERIOR WIRING AND CONNECTS THIS WIRING TO A METER SOCKET. IF THIS WIRING IS NOT PROPERLY CONNECTED AND LABELED, A MISBILLING WILL OCCUR. THIS LAW WOULD PRECLUDE THE UTILITY FROM MAKING THE PROPER CHARGES TO THE PROPER CUSTOMER, IF IT WERE NOT DETECTED IMMEDIATELY.

IT IS OUR BELIEF THAT THE STATUTE OF LIMITATIONS THAT IS NOW IN PLACE AND THE RESPONSIBILITY THAT HAS BEEN GIVEN TO THE KANSAS CORPORATION COMMISSION PROVIDES THE UTILITY CUSTOMER WITH VERY ADEQUATE PROTECTION IN THE CASE OF ANY MISBILLING. IT IS OUR BELIEF THAT THIS BILL SHOULD NOT BE ENACTED.

Mr. Chairman and members of the Committee, my name is Harold Shoaf. I am Director of Government Relations and Public Affairs for Kansas Electric Cooperatives. The Kansas Electric Cooperatives (KEC), is a statewide organization of thirty-seven (37) cooperatives serving electricity to more than 450,000 Kansans.

As we understand, HB 2215, the philosophical end result of the passage of the bill, might be "what's mine is mine and what's yours is mine, if I can get it". Mistakes do happen, whether it is billing by hand or by computer, whether consumer or utility. Kansas RECs are consumer owned, non-profit organizations and if a customer receives services not due him, by whatever means, then other customers must make up the shortfall. This is not in the best interest of all consumers of the cooperative. Honesty on the part of the utility and the consumer is in the best interest of all consumers.

All Kansas thirty-five distribution cooperatives who are members of Kansas Electric Cooperatives (KEC), have rural residential consumers read their own meter and send their meter-reading to the local cooperative accompanied by payment for service for the previous billing period.

For example, a rural consumer who reads his meter on March 1, sends the reading to the local REC sometime between March 1 and 20. At the time of sending in the March 1, reading the rural consumer also sends in payment for the January usage. The payment for January usage of the consumer may not reach the rural electric cooperative's office until March 20. As you can see by this example, electricity used on January 1, may not be paid for until possibly, March 20.

Kansas Corporation Commission regulations allow and regulate customer meter readings. The following is an excerpt from the KCC regulations. "Meter reading by the Customer, though used for billing purposes, shall not be considered final. Such customers' meters will

be read at least once a year by the Cooperative and an adjustment shall be made in accordance with these Rules and Regulations."

Checking the meter once per year allows an REC the opportunity to check for consumer accuracy in meter reading or for estimating billings. The four month deadline in HB 2215 would make this KCC ruling ineffective. It could even promote the theft of electricity by a consumer who desires to evade the full payment of his electric bill. For example, a resident in a rural area who moved in and out of the community in less than one year, would be able to falsify meter readings and steal electricity without the REC detecting the theft until after the consumer had left the cooperative.

An intentional false reading by a self-billing REC residential consumer, could possibly go undetected by an REC for one year. Under this bill even if detected by the REC, collection would, in some cases, be prohibited.

In Kansas, because of summer peaks, electricity used in the summer is more expensive than in winter months. For example, Kansas RECs summer rates are normally one-half to one cent higher per kilowatt hour than winter rates. In order to use lower cost electricity, the consumer could falsely report meter readings in the summer, reporting lower readings than the meter actually shows, then catch up the meter readings in the following months which are at a lower winter rate. This intentional act is most difficult for any REC to detect due to the fact the consumer reads his own meter. The bill will make it more difficult to collect from the consumer even if the falsification is detected.

Kansas RECs believe the passage of SB 817 - theft of electricity - by the Kansas legislature last session was in the best interest of all consumers. RECs fear that passage of this bill may actually encourage theft of electricity.

The alternative would be for the rural electric cooperatives to hire

meter readers to read rural residential meters. This would, of course, increase the cost of electricity by a substantial amount to all consumers. Unnecessary increases in electric bills for rural residents in these depressed times are not acceptable.

Another area of concern is the malfunctioning meter inclusion. In the case of an REC, it is possible for a meter damaged by lightning to not be detected by an REC for some time unless reported by the consumer. Electricity may still flow through the damaged meter even though the meter does not register the usage properly. Under this bill, inaccurate consumer reading, which would neither be the fault of the consumer nor the REC, may not be detected in the four months time allotted under this bill. RECs have also experienced situations in which meter tampering has caused a meter to malfunction.

In conclusion, if this bill is passed, it would create serious problems for the rural electric cooperatives of Kansas due to the fact that rural residential consumers read their own meters. This bill would prevent the rural electric cooperatives from collecting a just due bill even though the error in meter reading was not the error of the cooperative. The language in the bill prohibits the rural electrics from correcting an under-billing, if it is not detected and corrected within four months of the customer receiving the bill. Under this bill, with the four months restriction in correcting an incorrect billing, read and reported by the customer, RECs would be at the mercy of the customer to read the meter accurately. If the correction is not made in the prescribed four months, the other REC consumers would be forced to make up the difference.

Rural electric cooperatives make every effort to correct mistakes on a timely basis. As previously mentioned, the Kansas Corporation Commission has rules and regulations governing the utilities in all

billing activities and provides the customer with very adequate protection. We have no knowledge of REC consumers being treated unfairly under the current KCC rules.

The rural electric cooperatives believe that this bill serves no positive purpose and could in fact be detrimental to the majority of consumers in the rural areas and could in some cases promote theft of electricity.

Mr. Chairman and members of the Committee, thank you for this opportunity to express our views on Senate Bill 2215.