

Approved 3/28/84
Date

MINUTES OF THE House COMMITTEE ON Energy and Natural Resources

The meeting was called to order by Representative David J. Heinemann at
Chairperson

3:30 ~~xxx~~ p.m. on February 8, 1984 in room 519-S of the Capitol.

All members were present except: Representatives Foster, Webb, Roe, Patterson,
and Barr (excused).

Committee staff present:

Ramon Powers, Legislative Research
Theresa Kiernan, Revisor of Statutes' Office
Pam Somerville, Committee Secretary

Conferees appearing before the committee:

Bob Anderson, Mid Continent Oil and Gas Association
Kansas Nebraska Energy

Dick Brewster, Amoco, Inc.
Barbara Sabol, Kansas Department of Health and Environment

The meeting was called to order by the Chairman and he announced there would be no final action on HB 2740 during the meeting.

HB 2123 - An act relating to natural gas; prescribing a maximum price for first sales thereof to agricultural users.

Mr. Bob Anderson, Mid Continent Oil and Gas Association and the Kansas and Nebraska Energy, was the first conferee. Mr. Anderson began by stating he had difficulty agreeing with testimony given yesterday on behalf of Mid Continent since some gas is sold for the life of the fields to purchasers. Mr. Anderson stated, in many cases, the irrigator and royalty owner were trying to benefit from all aspects of the 50¢ gas price. He stated that gas should not be sold for less than the price paid in royalties. Some customers are going to be affected by the irrigators 'cheap' gas. Kansas Nebraska Energy is a utility Company and has been supplying some nongas producer irrigators. As a utility they are regulated by KCC. A brief question and answer period followed his presentation.

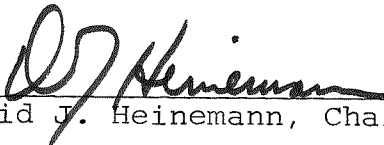
Mr. Dick Brewster, Legal Counsel for Amoco, Inc., addressed the committee. Mr. Brewster pointed out that Amoco does not own any pipelines in Kansas. He stated that 95% of the gas is dedicated to Interstate Commerce and contracted for the life of the field to City Services or its successors. Mr. Brewster said Amoco has no problem with HB 2641, Section 8, that it did not apply to interstate. He stated they have never refused to sell to irrigators. Mr. Brewster went on to say that HB 2123 does not mandate sale at a price and that the real problem with the irrigator/royalty owner was that they were not willing to accept the loss of royalty when paying lower prices on gas. A brief question and answer period followed Mr. Brewster's presentation. Several questions centered around the long term availability of gas.

The next item on the agenda was HB 2740. Committee discussion of proposed amendments. Barbara Sabol, Secretary, Kansas Department of Health and Environment, distributed a list of proposed amendments explaining codes contained therein. (A=EPA recommendations; B=Radioactive; C=Kansas Department of Health and Environment Recommendations; and D=Kansas Department of Health and Environment and EPA Recommendations. Ms. Sabol reviewed each one for the committee (See Attachment 1).

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Energy and Natural Resources,
room 519-S, Statehouse, at 3:30 ~~am~~/p.m. on February 8, 1984, 19 .

There being no further business before the committee, the meeting was adjourned at 4:50 p.m. The next meeting of the House Energy and Natural Resources Committee will be held at 3:30 p.m., February 9, 1984 in Room 519-S.



David J. Heinemann, Chairman

Date Feb 8, 1984

GUESTS

HOUSE ENERGY AND NATURAL RESOURCES COMMITTEE

NAME	ADDRESS	ORGANIZATION
Jim McBride	Topeka	United Way of Topeka
Chip Wheelen	Topeka	Ks Legis. Policy Group
Whitney Damon	Topeka	KNRC
Joe Hodges	Tulsa	Ocean Service Oil & Gas Corp
Ronald Wiley	Topeka	Ks Ass of Wheat Producers
Lon Stanton	Topeka	Northern Natural Gas
Walter DUNN	✓	EKOLA
Dennis Murphy	✓	KDHE
John Paul Roth	✓	
Art Casper	✓	✓
Salim Haman	Topeka	K. D. HE
B. Hable	Topeka	KDHE
Dan McMea	Great Bend	Western Power
Ed Reinert		As LWV
KANDAL LODER		SWKANS IRRIGATORS
Rick Kready	Topeka	KPL / Gas Service
Hank Ernst	Topeka	Kansas Farmer

The changes in H.B. 2740 are summarized below into one of these four categories:

		<u>Amendment Code</u>
Page 1	Line 33 - 35	d
	40 - 42	d
	43 - 46	d
Page 2	Line 47 - 67	a, c, d
	68 - 72	d
	73 - 82	c
Page 3	Line 83 - 89	c
	90 - 93	d
	94 - 98	b
	99 - 103	c
	104 - 111	c
	112 - 118	a, c
	119 - 121	c
Page 4	Line 121 - 133	c, d
	138 - 143	d
	144 - 146	b
	149 - 154	c
	144 - 160	d
Page 5	Line 161 - 165	d
	166 - 176	d
	177 - 187	a, b, c
Page 6	Line 209	d
	211	d
	212 - 216	a, c
	221 - 238	a, c
Page 7	Line 239 - 250	c
	251 - 256	c
	257 - 267	a, c
Page 8	Line 268 - 286	c
	287 - 295	c
Page 9	Line 309 - 321	a, c
	322 - 351	a, b, c
Page 10	Line 352 - 385	b, c
Page 11	Line 386 - 460	b
Page 13	Line 461 - 464	c
	470 - 472	c
	488	c

Amendment Code

Page 14	Line 511 - 514	c
Page 15	Line 550 - 551	b
Page 16	Line 589 - 598	b, c
Page 17	Line 607	b
	610	b
	623 - 627	b
Page 18	Line 639	c
	642 - 649	b
	652	b
	658 - 659	c
	665 - 666	c
Page 19	Line 698 - 704	c
Page 20	Line 720	c
	721 - 776	c
Page 22	Line 792 - 795	c, d
	807	b
	810	b
	812	c
	819 - 820	a, c
	821 - 841	a, c
<i>Page 23</i>	857	a
Page 24	Line 872 - 884	c
	885 - 891	c
	892 - 896	c
Page 25	Line 900 - 926	a, c, d
Page 26	Line 951 - 960	a, c, d
	970 - 971	a, c, d
Page 27	Line 977	c
	996 - 999	a, c
	1002-1003	a, c
Page 28	Line 1039-1044	c
Page 29	Line 1050-1052	c
	1068-1072	a, c