

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES

The meeting was called to order by Sen. Bill Morris at _____
Chairperson

9:00 a.m./p.m. on February 3, 1988 in room 254-E of the Capitol.

All members were present ~~except~~.

Committee staff present:

Hank Avila, Legislative Research Department
Ben Barrett, Legislative Research Department
Bruce Kinzie, Revisor of Statutes
Louise Cunningham, Committee Secretary

Conferees appearing before the committee:

Sen. Parrish
Shirley Grantham, Topeka
Dr. Raymond Lumb, Topeka
Chip Wheelen, Kansas Medical Society
Ray Petty, Executive Director, Topeka Resource Center for the
Handicapped.
Keith Henley, Chairman, KCC

Hearing on S.B. 488 - Providing both license plates and placards
for handicapped parking.

Sen. Parrish explained the bill to the committee. A handicapped person could have a license and a placard. Both should be available to all handicapped people. It would be useful when traveling out of state. The disabled veterans now get both. She said the need for these would override the cases of abuse.

Shirley Grantham, Topeka, is a handicapped person and last summer when she got a convertible she would have had to give up her placard to get a license. She wants the privilege to drive whatever car she wants to and is in support of this bill.

Dr. Raymond Lumb, Topeka, is a doctor specializing in arthritis and generally, most of his patients are handicapped. He felt that perhaps they should have a written letter from their doctor in order to receive both. They should have the freedom to switch cars. He was asked about the requirement that a person not be able to walk 200 feet before being qualified to receive the placard was working. Dr. Lumb said there was no ideal way to determine this because it is a difficult decision but it does seem to be adequate.

Chip Wheelen, Kansas Medical Society, said they do not have a formal position on this subject but he thought the word "physician" should be better defined in this act. A copy of his statement is attached. (Attachment 1).

Ray Petty, Executive Director, Topeka Resource Center for the Handicapped, spoke of the need to have a placard when the vehicle bearing the license is out of service. He had several amendments to the bill. A copy of his statement is attached. (Attachment 2).

Staff was requested to prepare a balloon bill with all of the proposed amendments.

Hearing on S.B. 505 - Certain speeding violations not to be considered by insurance companies.

This bill would set limitations on speeding tickets where

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES,
room 254-E, Statehouse, at 9:00 a.m./~~p~~ on February 3, 19 88

they could not be used by insurance companies as a moving violation in determining the rate charged for liability insurance or to cancel any policy. Last year the speed limits were raised and this was not amended.

Briefing by KCC on Consumer Utility Ratepayers Board.

Keith Henley, Chairman, KCC, gave the background of the CURB task force which was appointed by Gov. Hayden. They were to find a process that would allow for small commercial ratepayers to have specific representation. The task force failed to agree on a recommendation. The funding was the major area of disagreement. KCC has a good track record for protecting the interests of small ratepayers, however the process can be enhanced by having a voice that speaks solely for these ratepayers.

After the task force failed to agree on a recommendation, KCC announced the creation of CURB. It would consist of five consumer advocate members, from different areas of the state. A copy of his statement is attached. (Attachment 3).

Mr. Henley answered questions from the committee. Among the comments were that the members and their attorneys should be independent and should not be dictated to by KCC. It might be a good idea to select a member from the Silver Haired Legislature or AARP. Mr. Henley said S.B. 526 and S.B. 556 are very close to what KCC now has except for the appointing authority. They do not provide for geographical balance which KCC feels is very important.

Meeting was adjourned at 10:00 a.m.

DATE: 2-3-88

ROOM: 254-E

GUEST REGISTER
SENATE

TRANSPORTATION AND UTILITIES COMMITTEE

NAME	ORGANIZATION	ADDRESS
Woody Woodman	KCP&L	1330 Baltimore Kc mo.
Low Stanton	Northern Natural Gas	Des Moines, Ia.
Jim Edwards	KCCI	Topeka
ED BRUSKE	KCCCI	TOPEKA
Peg Spenser	KRS	Topeka
Earl Nehring	Commun Comm / 15	"
Chp Wheeler	Ks Medical Society	Topeka
A.A. Maxwell	KCC	Topeka
Tom Day	KCC	Laneville
Kerth Henley	KCC	Topeka
Tom Whitaker	Ks Motor Carriers Assn	Topeka
Garry Reser	Kan. Telecomm. Assn.	Topeka
David Brevity	KCPR	Topeka
Tom Gleason	IndepTel COS -	Howard
MIKE REECHT	AT&T	TOPEKA
Tom Taylor	KPL Gas Service	Topeka
Ed Carter	Southwestern Bell	Topeka
Gerald H. Wiese	AARP	TOP
JERRY CONRAD	KGE	Topeka
JEFF RUSSELL	UNITED TEL.	TOP.
Denny Koch	SW Bell Tel	TOPEKA
John Hanna	AP	TK
Tim Gartner	SW Bell Tel.	Topeka

DATE: 2-3-88

ROOM: _____

GUEST REGISTER
SENATE

TRANSPORTATION AND UTILITIES COMMITTEE

NAME	ORGANIZATION	ADDRESS
Bill Schone	Ks Elec Coops	Topeka
Mike Peters	Kansas Elec. Coops	Topeka
Connie McGinness	Ks Elec. Coop	Topeka
Rick Kready	KPL Gas Service	Topeka
Mark Wakenight	SEN. PELECIANO	LAWRENCE
Judith McConnell	Cooperation Commission	Topeka
Charlene Stinard	Ks Nat Rsc Cncl	Topeka
Shirley Grantham	4948 N.W. Breakyd. Rd.	Topeka



KANSAS MEDICAL SOCIETY

1300 Topeka Avenue · Topeka, Kansas 66612 · (913) 235-2383

February 3, 1988

TO: Senate Transportation Committee

FROM: Kansas Medical Society *CW Nelson*

SUBJECT: Senate Bill 488, As Introduced

The Kansas Medical Society does not have a formal position on the subject of special parking privileges for handicapped persons. I am confident, however, that if the question was brought to a vote of the membership, we would be supportive.

We would like to point out that currently, the Director of Vehicles requires that applicants submit a form which verifies eligibility for special parking privileges. This form is specifically authorized by K.S.A. 1987 Supp. 8-1,125. The form requires a signature by a physician certifying that the handicapped person meets the definition criteria spelled out in K.S.A. 1987 Supp. 8-1,124. Furthermore, K.S.A. 1987 Supp. 8-1,130 stipulates that any physician who falsely certifies that a person meets the definition of handicapped shall be guilty of a class C misdemeanor.

The problem is that "physician" is not defined in this act. I am informed that occasionally the Division of Vehicles receives a form signed by a person who uses the title doctor but is not a physician. Current practice is to reject such forms and require a signature by a medical doctor or doctor of osteopathy.

We believe the current practice should be codified by adding a second definition to K.S.A. 1987 Supp. 8-1,124; simply that "physician" shall mean a person licensed to practice medicine and surgery in this state. This would help minimize abuses and insure that handicapped parking privileges remain reserved for those who truly deserve them.

We respectfully request that you amend SB 488 to incorporate the definition of physician. Thank you for considering our concerns.

ATT. 1
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2/3/88
1

CW:nb

Testimony on Senate Bill 488 regarding handicapped parking
presented to the Senate Transportation and Utilities Committee by
Ray Petty, Executive Director, Topeka Resource Center for the Handicapped
February 3, 1988

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to discuss handicapped parking with you once again. I have consulted with the bill's sponsor and Harold Turntine and Ken Clark of the Department of Revenue. Senator Parrish is aware only of the amendment which I am proposing with regard to the intent of her bill. The remainder of my suggestions are ideas which have come to my attention through discussions with Mr. Turntine and Mr. Clark, other advocates, and consumers of this privilege. I believe these changes are consistent with the evolving state of the art in our handicapped parking system.

Senator Parrish's issue is not new to this committee. Persons who have special license plates sometimes need a placard when the vehicle bearing the plate is out of service, when they might want to travel with friends in other vehicles but retain handicapped parking privileges, and when they travel by plane and rent a vehicle in another locale, to give three good examples. This committee has supported this change twice in the past and it should do so again. I have responded to several letters and phone calls about this problem from people - totally out of the blue. Virtually everyone I do know who is concerned with these privileges would support this change.

I would suggest that you go back to an issuance "by request" posture, rather than a mandatory issuance posture. Senator Parrish did not intend to force the department to issue both but to allow both to be issued. She was responding to the reasonable request of a constituent and put this bill together as a point of departure. You'll find this change in the balloons on the first page and the deletion of lines 69-77.

The remaining amendments are a blend of discussion with Department of Revenue officials and my own experience with previous legislation and statutes, here and elsewhere. What we're trying to accomplish is better oversight over the system, more stringent regulation, and beefed up enforcement capabilities. The changes would explicitly give more regulatory authority to the secretary of revenue (large balloon on page two), reduce the availability of multiple special plates except in certain cases (small balloon at top of page two) and add two new classes of misdemeanor (page three).

I appreciate this committee's continued attention to this issue and will make myself available now and later should you need further information.

Thank you.

ATT. 2
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SENATE BILL No. 488

By Senator Parrish

1-14

0017 AN ACT relating to motor vehicles; concerning handicapped
 0018 parking; amending K.S.A. 1987 Supp. 8-1,125 and 8-1,130 and
 0019 repealing the existing sections.

0020 *Be it enacted by the Legislature of the State of Kansas:*

0021 Section 1. K.S.A. 1987 Supp. 8-1,125 is hereby amended to
 0022 read as follows: 8-1,125. (a) Any Kansas resident who submits
 0023 satisfactory proof to the director of vehicles, on a form provided
 0024 by the director, that such person is a handicapped person or is
 0025 responsible for the transportation of a handicapped person shall
 0026 be issued a special license plate ~~and~~ a permanent placard for
 0027 any motor vehicle owned by such person or *shall be issued a*
 0028 ~~temporary or permanent~~ placard. Such placard shall be sus-
 0029 pended immediately below the rear view mirror of any motor
 0030 vehicle used for the transportation of a handicapped person so as
 0031 to be maximally visible from outside the vehicle. In addition to
 0032 the special license plate ~~or~~ *and* permanent placard, the director
 0033 of vehicles shall issue to the handicapped person an individual
 0034 identification card which must be carried by the handicapped
 0035 person when the motor vehicle being operated by or used for the
 0036 transportation of such handicapped person is parked in accord-
 0037 ance with the provisions of K.S.A. ~~1986~~ 1987 Supp. 8-1,126, *and*
 0038 *amendments thereto.* The special license plates and placards
 0039 shall display the international symbol of access to the physically
 0040 handicapped.

0041 (b) Special license plates issued pursuant to this section shall
 0042 be issued for the same period of time as other license plates are
 0043 issued or for the remainder of such period if an existing license
 0044 plate is to be exchanged for the special license plate. There shall
 0045 be no fee for such special license plates in addition to the regular

or

A person submitting satisfactory proof that their disability, condition or impairment is permanent in nature, and upon such person's request and payment of the fees referred to in subsections (b) and (c), such person shall be issued both a special license plate and a permanent placard, and an individual identification card.

0046 registration fee. Special license plates may be personalized li-
0047 cense plates subject to the provisions of K.S.A. 8-132, and
0048 amendments thereto, including the payment of the additional
0049 fee.

0050 (c) Except as otherwise provided in this section, placards and
0051 individual identification cards issued pursuant to this section
0052 shall be issued for such period of time as the person to whom
0053 issued continues to be a handicapped person or a person re-
0054 sponsible for the transportation of a handicapped person, except
0055 that the secretary of revenue shall make a determination of
0056 continued eligibility for a special license plate ~~or~~ and placard at
0057 least every three years from the original date of issuance of such
0058 license plate and placard. The secretary of revenue may adopt
0059 rules and regulations prescribing a fee for placards and individ-
0060 ual identification cards issued pursuant to this section, however,
0061 such fee shall not exceed the actual cost of issuance thereof.

0062 (d) On and after July 1, 1989, and every three years thereaf-
0063 ter, the secretary of revenue shall change the color of placards
0064 and identification cards issued under this section. After the
0065 effective date of this act, permanent placards and any individual
0066 identification cards issued under this section shall be reissued
0067 every three years from the original date of issuance of such
0068 placards and individual identification cards.

0069 (e) ~~Beginning in the year in which new license plates are~~
0070 ~~issued pursuant to subsection (b) of K.S.A. 8-132, and amend-~~
0071 ~~ments thereto, A person submitting satisfactory proof that the~~
0072 ~~disability, condition or impairment referred to in K.S.A. 1086~~
0073 ~~1987 Supp. 8-1,124, and amendments thereto, is permanent in~~
0074 ~~nature, and upon such person's request and payment of the fees~~
0075 ~~referred to in subsections (b) and (c), such person shall be issued~~
0076 ~~a special license plate and individual identification card or, a~~
0077 ~~permanent placard and an individual identification card.~~

0078 (f) Permanent placards and individual identification cards
0079 shall be returned to the department of revenue upon the death of
0080 the handicapped person. Temporary placards shall be returned
0081 to the department of revenue upon the expiration of the placard
0082 or upon the death of the handicapped person. Special license

No person shall be issued more than one special license plate, except that agencies or businesses which provide transportation for handicapped persons as a service may obtain additional special license plates for vehicles which are utilized in the provision of that service.

The secretary of revenue may adopt rules and regulations prescribing procedures for the reissuance, suspension, and revocation of handicapped parking privileges including the issuance of orders to return handicapped parking devices, notification of law enforcement agencies and personnel with regard to the validity or invalidity of any handicapped parking device, and revocation of handicapped parking devices subsequent to any conviction for fraudulent application for handicapped parking privileges or abuse of those privileges as set forth in K.S.A. Supp. 8-1,130, and amendments thereto.

NOTE: THE AMENDMENT CONTAINED IN LINES 71-77 HAS BEEN INTEGRATED INTO K.S.A. 8-1,125 AT LINE 38.

33 plates shall be returned to the county treasurer to be exchanged
34 for another license plate upon the death of the handicapped
35 person.

36 Sec. 2. K.S.A. 1987 Supp. 8-1,130 is hereby amended to read
37 as follows: 8-1,130. (a) Any person who willfully and falsely
38 represents that such person has the qualifications to obtain a
39 special license plate ~~or~~, a permanent placard and an individual
40 identification card or temporary placard pursuant to this act shall
41 be guilty of a class C misdemeanor.

42 (b) Any physician who willfully and falsely certifies that a
43 person has the qualifications to obtain a special license plate ~~or~~,
44 a permanent placard and an individual identification card or
45 temporary placard pursuant to this act shall be guilty of a class C
46 misdemeanor.

47 Sec. 3. K.S.A. 1987 Supp. 8-1,125 and 8-1,130 are hereby
48 repealed.

49 Sec. 4. This act shall take effect and be in force from and
50 after its publication in the statute book.

(c) Any person who utilizes any handicapped parking device which has been revoked or suspended by the secretary of revenue pursuant to subsections (c) or (e) of K.S.A. 8-1,125, and amendments thereto, shall be guilty of a class C misdemeanor.

(d) Any person who utilizes any handicapped parking device issued to another person, an agency, or a business to park in any designated handicapped parking space except when transporting or arriving to transport the handicapped person(s) to whom or for whom the device was issued shall be guilty of a class C misdemeanor.

REMARKS BY KEITH R. HENLEY
SENATE TRANSPORTATION AND UTILITIES COMMITTEE
FEBRUARY 3, 1988, 9:00 A.M.
"CITIZENS' UTILITY RATEPAYERS BOARD"

GOOD MORNING. IT IS A PLEASURE FOR ME TO COME BEFORE YOU TODAY TO PROVIDE DETAILS ON THE RECENT CREATION BY THE KANSAS CORPORATION COMMISSION OF THE CITIZENS' UTILITY RATEPAYERS BOARD AND THE OFFICE OF THE CONSUMER COUNSEL.

FIRST, TO PROVIDE A LITTLE BACKGROUND: LAST SPRING GOVERNOR HAYDEN APPOINTED A CONSUMER UTILITY RATEPAYERS BOARD TASK FORCE, OF WHICH I WAS A MEMBER, TO EXPLORE THE CREATION OF A SYSTEM WHICH WOULD PROVIDE REGULAR AND ONGOING CONSUMER REPRESENTATION IN THE UTILITY REGULATORY PROCESS. SPECIFICALLY, THE TASK FORCE'S CHARGE WAS TO MAKE A RECOMMENDATION TO GOVERNOR HAYDEN BY JANUARY 1, 1988, CONCERNING A PROCESS THAT WOULD ALLOW FOR RESIDENTIAL AND SMALL COMMERCIAL RATEPAYERS TO HAVE SPECIFIC REPRESENTATION BEFORE THE KCC AND PERHAPS FEDERAL REGULATORY AGENCIES AS WELL. THE PLAN

--MORE--

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CALLED FOR THE GOVERNOR TO CONSIDER MAKING THE TASK FORCE'S RECOMMENDATION PART OF HIS LEGISLATIVE AGENDA FOR THE 1988 LEGISLATIVE SESSION.

THE TASK FORCE, AFTER MEETING SEVERAL TIMES, DISBANDED LAST OCTOBER AFTER FAILING TO AGREE ON A RECOMMENDATION. THE FUNDING METHOD FOR A PERMANENT CURB AND RATEPAYERS' ADVOCATE OFFICE WAS THE MAIN AREA OF DISAGREEMENT.

THE MOVEMENT TO CREATE AN ORGANIZATION WHICH WOULD REPRESENT THE INTERESTS OF RESIDENTIAL AND SMALL COMMERCIAL RATEPAYERS HAD ITS GENESIS IN THE MID 1980s DURING THE HIGHLY VOLATILE WOLF CREEK RATE CASE. THE HEIGHTENED CONSUMER AWARENESS AWAKENED BY THE PROSPECT OF SIZABLE RATE INCREASES CREATED A MOVEMENT TO ESTABLISH AN ORGANIZATION THAT WOULD REPRESENT RESIDENTIAL AND SMALL COMMERCIAL RATEPAYERS BEFORE THE KCC.

AS YOU KNOW, THE COMMISSION, IN REACHING RATE CASE DECISIONS, MUST BALANCE THE INTERESTS OF THE UTILITY WITH THOSE OF UTILITY RATEPAYERS. THE COMMISSION MUST ENSURE THAT CUSTOMERS PAY FAIR RATES, WHILE AT THE SAME TIME MUST ALLOW THE UTILITY TO CHARGE RATES THAT WILL ALLOW IT TO ATTRACT THE CAPITAL NECESSARY TO PROVIDE QUALITY SERVICE. LIKEWISE, THE COMMISSION'S TECHNICAL STAFF MUST BALANCE THE INTERESTS OF ALL CUSTOMER CLASSES IN MAKING ITS RECOMMENDATIONS TO THE COMMISSION.

OFTEN, IN UTILITY RATE CASES BEFORE THE COMMISSION, SOME OF A UTILITY'S INDUSTRIAL CUSTOMERS WILL BAND TOGETHER TO HIRE AN ATTORNEY TO REPRESENT THEIR INTERESTS BEFORE THE KCC. HOWEVER, RARELY DO RESIDENTIAL AND SMALL COMMERCIAL RATEPAYERS HAVE SPECIFIC REPRESENTATION TO PRESENT ONLY THEIR VIEWPOINT.

I HAVE SERVED ON THE COMMISSION FOR FOUR YEARS, AND I SPEAK FROM EXPERIENCE WHEN I SAY THAT THE KCC HAS A STRONG TRACK

RECORD IN PROTECTING THE INTERESTS OF RESIDENTIAL AND SMALL COMMERCIAL RATEPAYERS. MANY OF OUR JURISDICTIONAL UTILITIES, IN FACT, WOULD SAY THAT WE HAVE DONE TOO GOOD OF A JOB IN THIS AREA. HOWEVER, I ALSO RECOGNIZE THE FACT THAT THE UTILITY REGULATORY PROCESS CAN ONLY BE ENHANCED BY HAVING A VOICE THAT SPEAKS SOLELY FOR THESE RATEPAYERS.

AFTER THE INABILITY OF THE GOVERNOR'S CURB TASK FORCE TO AGREE ON A RECOMMENDATION, I SOUGHT TO DEVELOP A COMPROMISE PROPOSAL.

ON JANUARY 7, 1988, THE COMMISSION ANNOUNCED THE CREATION OF THE CITIZENS' UTILITY RATEPAYERS BOARD, OR CURB, AND THE OFFICE OF THE CONSUMER COUNSEL, WHICH WILL REPRESENT RESIDENTIAL AND SMALL COMMERCIAL RATEPAYERS BEFORE THE KCC.

CURB WILL BE COMPOSED OF FIVE CONSUMER ADVOCATE MEMBERS, ONE FROM EACH OF KANSAS' FIVE CONGRESSIONAL DISTRICTS, WHO WILL SERVE

STAGGERED FOUR-YEAR TERMS. THE KCC CHAIRMAN WILL APPOINT THE BOARD MEMBERS, INCLUDING THE CHAIRMAN AND VICE-CHAIRMAN. THE BOARD WILL MEET AT LEAST FOUR TIMES EACH YEAR. ITS MAIN FUNCTION WILL BE TO HIRE AND GUIDE THE ACTIVITIES OF THE CONSUMER COUNSEL.

THE CONSUMER COUNSEL, WHO WILL BE HOUSED IN THE KCC'S OFFICES IN THE DOCKING STATE OFFICE BUILDING, WILL BE A FULL-TIME ATTORNEY WHO WILL REPRESENT RESIDENTIAL AND SMALL COMMERCIAL CUSTOMERS BEFORE THE KCC. THE COUNSEL WILL BE HIRED BY THE CURB CHAIRMAN AND GOVERNOR HAYDEN AND IN NO WAY WILL ANSWER TO THE KCC CHAIRMAN OR THE OTHER TWO COMMISSIONERS.

THE CONSUMER COUNSEL MAY FUNCTION AS AN OFFICIAL INTERVENOR IN CASES FILED WITH THE KCC, INCLUDING RATE INCREASE REQUESTS, OR MAY INITIATE ACTION BEFORE THE KCC. THE ATTORNEY WILL ALSO REPRESENT RESIDENTIAL AND SMALL COMMERCIAL RATEPAYERS THAT FILE FORMAL UTILITY COMPLAINTS WITH THE KCC, OR MAY INTERVENE IN OTHER

FORMAL COMPLAINT CASES WHICH COULD AFFECT THESE RATEPAYERS. THE COUNSEL WILL HAVE THE FULL COOPERATION OF THE KCC TECHNICAL STAFF, INCLUDING ACCOUNTANTS, ENGINEERS, AND RATE DESIGN AND DEPRECIATION ANALYSTS.

THE CONSUMER COUNSEL WILL HANDLE ELECTRIC-, GAS-, TELEPHONE- AND WATER-RELATED MATTERS. THE COUNSEL WILL BE INVOLVED WITH MATTERS CONCERNING ELECTRIC COOPERATIVES THAT SELL POWER WHOLESALE, SUCH AS SUNFLOWER ELECTRIC, AND LARGE RETAIL DISTRIBUTION COOPERATIVES, SUCH AS MIDWEST ENERGY. THE COUNSEL WILL NOT BE INVOLVED WITH MATTERS CONCERNING SMALL RETAIL RURAL ELECTRIC DISTRIBUTION COOPERATIVES.

THE CONSUMER COUNSEL WILL FILL A VACANT UPPER-LEVEL ATTORNEY'S POSITION WITH THE KCC, AT AN ANNUAL SALARY OF \$35,000, AND WILL USE EXISTING KCC SUPPORT PERSONNEL AND TECHNICAL STAFF.

THE KCC ACCOUNTING DEPARTMENT HAS DEVELOPED A FISCAL IMPACT STATEMENT FOR THE CREATION OF CURB AND THE CONSUMER COUNSEL OFFICE. BY ISOLATING ALL COSTS DIRECTLY ATTRIBUTABLE TO CURB AND THE CONSUMER COUNSEL, OUR ACCOUNTING STAFF ESTIMATES THAT TOTAL ANNUAL COSTS WILL BE ABOUT \$73,000, INCLUDING SUCH ITEMS AS SALARIES AND WAGES FOR THE CONSUMER COUNSEL AND HALF OF AN EXISTING SECRETARIAL POSITION; COMMUNICATIONS; PRINTING AND ADVERTISING; RENTS; TRAVEL, SUBSISTENCE AND PROFESSIONAL DEVELOPMENT; AND OTHER MISCELLANEOUS COSTS. ONE-TIME START-UP COSTS, INCLUDING THE PURCHASE OF A MICROCOMPUTER AND PRINTER, WOULD AMOUNT TO ABOUT \$7,000, RESULTING IN A GRAND TOTAL OF ABOUT \$80,000 FOR THE FIRST YEAR OF OPERATION.

OF THE \$73,000 IN ANNUAL ONGOING EXPENSES, ONLY ABOUT \$10,000 REPRESENTS "NEW," OR ADDITIONAL, COSTS, SINCE THE COMMISSION WOULD HAVE FILLED THE VACANT ATTORNEY'S POSITION WITH A STAFF ATTORNEY

AND WOULD HAVE INCURRED SOME OF THE SUPPORT COSTS. THE KCC WILL ABSORB THIS ADDITIONAL COST INTO ITS EXISTING BUDGET.

LIKE ALL OF THE KCC'S REGULATORY EXPENSES, CURB'S OPERATING EXPENSES WILL BE RECOVERED THROUGH ASSESSMENTS AGAINST KCC JURISDICTIONAL UTILITIES.

MY ORIGINAL INTENTIONS WERE TO APPOINT THE BOARD IN JANUARY, BUT I HAVE DECIDED TO DELAY THE PROCESS A LITTLE BIT WHILE I RECEIVE SUGGESTIONS CONCERNING PERSONS WHO WOULD BE EFFECTIVE BOARD MEMBERS. HOWEVER, I WOULD HOPE TO APPOINT THE BOARD IN THE NEXT FEW WEEKS SO THAT A CONSUMER COUNSEL MIGHT BE ON BOARD THIS SPRING.

I THINK I'VE COVERED JUST ABOUT EVERYTHING. I WOULD BE HAPPY TO ANSWER ANY QUESTIONS YOU MIGHT HAVE.

--KCC--

SAM 2-1-88