

Approved _____ Date 4/8/92

MINUTES OF THE HOUSE COMMITTEE ON ENERGY & NATURAL RESOURCES

The meeting was called to order by Representative Ken Grotewiel at _____
Chairperson

3:35 ~~xxx~~/p.m. on March 31, 1992 in room 526-S of the Capitol.

All members were present except:
Representative Charlton, excused

Committee staff present:

Raney Gilliland, Principal Analyst, Legislative Research Department
Mary Torrence, Revisor of Statutes Office
Lenore Olson, Committee Secretary

Conferees appearing before the committee:

Bart Withers - CEO, Wolf Creek Nuclear Operating Corporation
Robert Martin - Administrator, Region 4, Nuclear Regulatory Commission
Kevin Moles - Manager of Technical Services, Wolf Creek Nuclear
Operating Corporation

Chairperson Grotewiel thanked the out-of-town conferees for taking the time to appear before the Committee.

Bart Withers, CEO, Wolf Creek Nuclear Operating Corporation, appeared before the Committee to explain the recent events at the Wolf Creek facility. He acknowledged the Committee's concerns regarding the safety of the Wolf Creek facility and assured them that the plant has been safe and that the events since February 28 did not compromise the safety of the plant in any way. Mr. Withers explained in detail the February 28 noise event and the subsequent investigations and corrective actions involving both in-house and outside experts. The cause of the noise was due to the shims in the crossover leg pipe whip restraint. The shims were removed and milled to restore the desired clearance. The noise events did not cause damage to the plant or its components according to Mr. Withers.

Mr. Withers then reviewed the motor operated valve problem at Wolf Creek which resulted in NRC notification of violation and assessment of civil penalties. Mr. Withers was questioned on the Governor's comments on the possibility of involving the State in regulating nuclear power plants. He said that it is proper for the State to have a concern, but that nuclear power plants are regulated and inspected most effectively by the NRC. (Attachment 1) Mr. Withers then responded to questions by Committee members.

Robert Martin appeared before the Committee as Region 4 Administrator of the NRC. He stated that it is extremely important in the NRC's regulatory scheme that the licensee have a very strong and comprehensive corrective action program to identify and address problems. He also said that the civil penalty assessed by the NRC was not for the motor operated valve problem, but was used to demonstrate the weaknesses in the Wolf Creek corrective action program. Mr. Martin said that the steps taken by Wolf Creek to resolve the noise problem were the proper corrective actions expected by the NRC when an unusual event occurs. Mr. Martin then responded to questions by Committee members.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ENERGY & NATURAL RESOURCES,
room 526-S, Statehouse, at 3:35 ~~xxx~~/p.m. on March 31, 1992

Kevin Moles, Manager of Technical Services, Wolf Creek Nuclear Operating Corporation, reviewed the emergency planning requirements for a nuclear power plant. He stressed that an emergency plan must be coordinated between licensees and state and local governments. Mr. Moles said that all licensees must have trained personnel to do emergency planning and that Wolf Creek has 11 full-time people trained for this procedure. In the area of emergency response, he said that there are over 660 Wolf Creek personnel trained to fill about 125 positions, plus about 600 state and local personnel. Mr. Moles responded to questions from the Committee regarding evacuation procedures. (Attachment 1)

Mr. Withers appeared again before the Committee to say that he would provide them with information on the number of reactor trips which have occurred at the Wolf Creek facility.

Written testimony on the Wolf Creek plant was submitted by:

Margaret Bangs (Attachment 2)
Margaret Miller (Attachment 3)

Chairperson Grotewiel closed the informational hearing on the Wolf Creek nuclear operating facility.

The Chair directed the members of the Committee to turn their attention to SB 435.

SB 435 - Providing for exemption of certain electric public utilities from certain aspects of state corporation commission regulation.

The Chair reviewed a balloon amendment for SB 435. (Attachment 4)

A motion was made by Representative Shore, seconded by Representative McClure, to adopt the balloon for SB 435. The motion carried.

A motion was made by Representative Patrick, seconded by Representative Corbin, to conceptually amend the SB 435 balloon that if a member of a coop decides to initiate the procedures under Sec. (g) (1), the coop must furnish a copy of their membership within a reasonable time, such as 21 days. The motion carried.

A motion was made by Representative Shore, seconded by Representative Correll, to pass SB 435 favorable as amended. The motion carried.

The Committee reviewed the minutes of March 23, 24, 25 and 26, 1992.

A motion was made by Representative McClure, seconded by Representative Thompson, to approve the March 23, 24, 25, and 26, 1992 minutes. The motion carried.

The meeting adjourned at 5:20 p.m.

GUEST LIST

COMMITTEE: ENERGY & NATURAL RESOURCES

DATE: 3/31/92

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Tom Tunnell	Topeka	KS GRAIN & FEED ASSN
Bill Fuller	Manhattan	Kansas Farm Bureau
Joe Lieber	Topeka	KS. Coop Council
Jim Blaauw	Topeka	KS Soybean Assn.
Sam Wilson	Topeka	KS Coop Council
Laura McClure	Iden Elder	Self
Joe Kramer	K.C., Mo.	KCPH
Rene Graham	Topeka	KEPCO
Joseph York	Burlington	WCNOC
Warren B. Wood	Burlington	WCNOC
W C Clark	Topeka	KCC
Mike Peters	Topeka	KCC
Dick Haden	Topeka	KPL
FRANK H. MOUSSA	Topeka	KDEP
Dan Karr	TOPEKA	K.D.E.P.
Harold L. Haun	Topeka	KEPCO
KENT BROWN	WICHITA	KG&E
Bill Goshorn	Topeka	KEPCO
Steve Paige	Topeka	KDHE
GERARD W ALLEN	Topeka	KDHE
Harold L. Spiker	Topeka	KDHE
William E. Brown	Topeka	KPL
Robert D. Elliott	Topeka	KCC
Dan Haas	Overland Park	KCPZ
RON WASSON	Blue Springs, MO	KCPZ

**Meeting with State of Kansas
House of Representatives
Energy and Natural Resources
Committee**



March 31, 1992

WOLF CREEK
NUCLEAR OPERATING CORPORATION

*3/31/92
House E & NR
attachment 1*

Agenda

Introduction

Bart Withers

I. Noise Event of February 28, 1992

Bart Withers

Investigations and Corrective Actions

Safety Impact and Plant Operability

**II. Violation of NRC Requirements
Involving Motor Operated Valves**

Bart Withers

III. Wolf Creek Emergency Plan

Kevin Moles

Questions

Committee

1-2

I. The Noise Event of February 28 and Immediate Actions

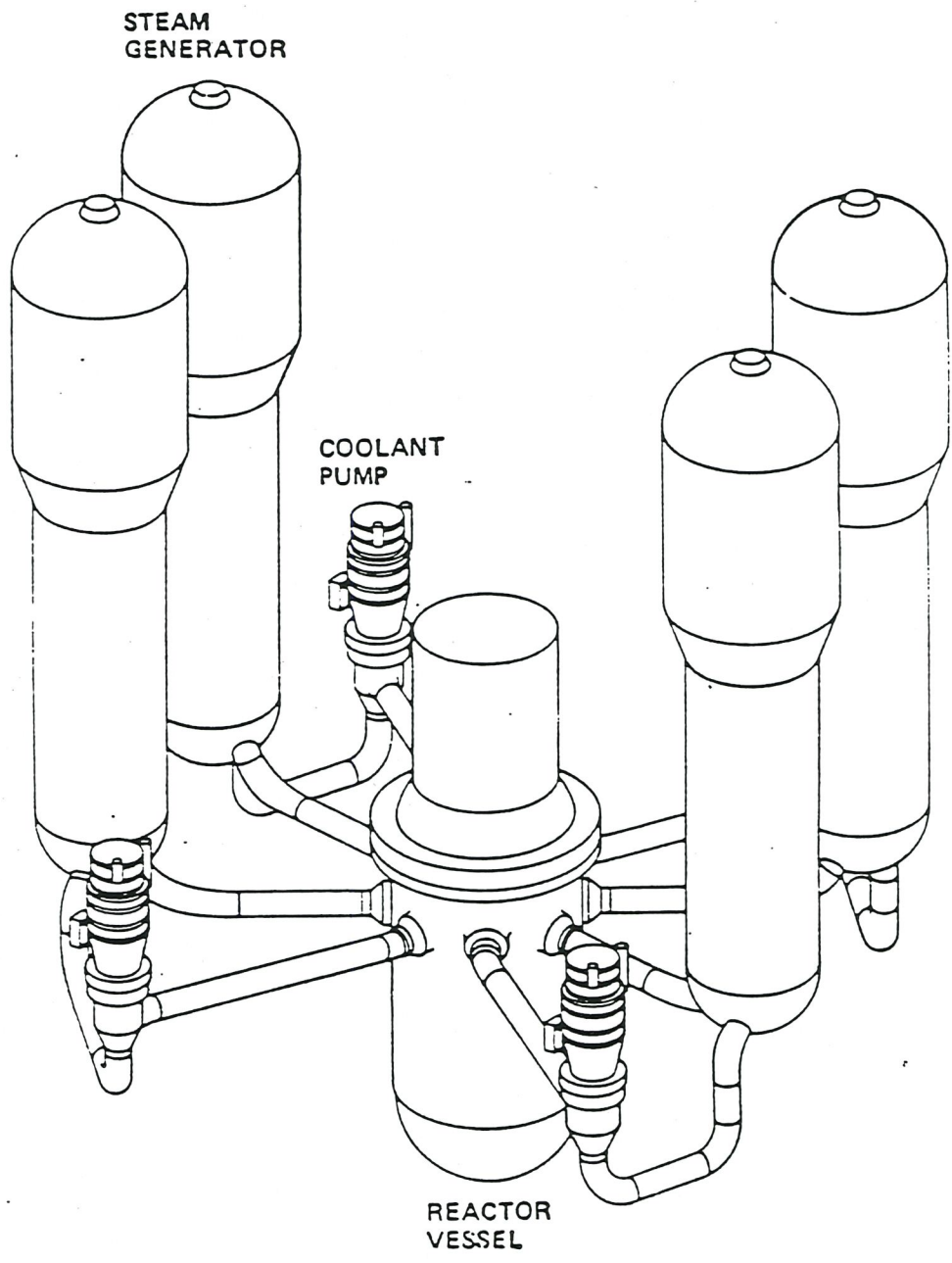
- **During conduct of containment walkdown at pressure for a reactor mode change**
- **Noted canopy seal weld weepage and commenced an in-plant evaluation**
- **While conducting seal weld evaluation, the noise occurred with accompanying control room alarms**
- **Held plant conditions constant and conducted containment walkdown to look for obvious damage**
- **Conducted the following actions in the morning of the first day**
 - **Initiated a company Incident Investigation Team (IIT) review**
 - **Began on-going information exchange with NRC Region IV**
 - **Sent letter to RIV committing to keep them informed of our intentions**
 - **Sent Loose Parts Monitor Tapes off for analysis**
 - **Checked reactor coolant system leakage rate**
 - **Began a detailed containment walkdown - confirmed ECCS availability**

The Noise Event of February 28 and Immediate Actions

(continued)

- **Without immediate discovery of a cause or apparent effects, went to cold shutdown and conducted an additional walkdown**
- **Began root cause investigation using change analysis methodology**

11-1



SIMPLIFIED DIAGRAM OF THE NSSS

Description of WCNOC Investigation

The investigation involved in-house expertise supplemented by outside experts. Contributions were as follows:

- **WCNOC Staff - approximately 125 persons - engineering, maintenance, instrument and control, operations, health physics, quality control, quality assurance, and management**
- **Westinghouse - provided assistance with: piping stress analysis, bounding calculations; loose parts noise analysis; and safety evaluation**
- **Bechtel - provided assistance with: seismic analysis; pipe load analysis; and thermal-hydraulic investigation**
- **MIT - provided assistance with thermal-hydraulic modeling**
- **Failure Prevention, Inc. - provides assistance with root cause analysis**

Description of the WCNOC Investigation (continued)

The IIT used a variety of means to gather information including:

- **records review**
- **interviews**
- **field inspections**
- **major modifications**
- **industry experience**
- **RCS check valve testing**

Within 48 hours, identified the event of January 9 and determined that it was similar to the February event - began to focus on commonality

Used coarse screening criteria (unexplained control room seismic alarm and confirming report of personnel in control room logs) to identify other possibly similar events

Loose Parts Data Analysis

Conclusion

- **No Loose Parts in Reactor Vessel or Steam Generators**
 - **Timing**
 - **Repetition Rate**
 - **Signal Character**
 - **Initiation Mechanism**
 - **Integrity Checks**
- **Timing Traces Suggest 3/92 Event Initiated in Reactor Coolant Loop 4**

6-1

Seismic Data Analysis

- **Loads Primarily Transmitted to the Shield Wall**
- **Initial Movement Toward West - Southwest**
- **Event Well Below Duration and Energy of Design Basis**
- **No Structural Distress is Indicated**

1-10

Description of the WCNOC Investigation

(continued)

Thermal-hydraulic Event

The postulated event is that a pressure wave propagated through the primary system. The wave was caused by the collapse of a saturated or superheated steam bubble.

To test this mechanism

- **installed additional pressure instrumentation on the safety injection system to measure conditions in the system and possible impacts on the reactor coolant system (provided data on conditions during the March 16 noise event)**
- **performing modelling of the saturated and superheated steam bubble situations**
- **tested check valves during restart (no problems noted)**

Based on the data provided from the above, concluded that this was not the mechanism that caused the noise.

Changed check valve test program to lessen the possibility of a thermal hydraulic event when restoring the accumulators to service. The March heatup confirmed the effectiveness of these measures.

11-1

Description of the WCNOC Investigation (continued)

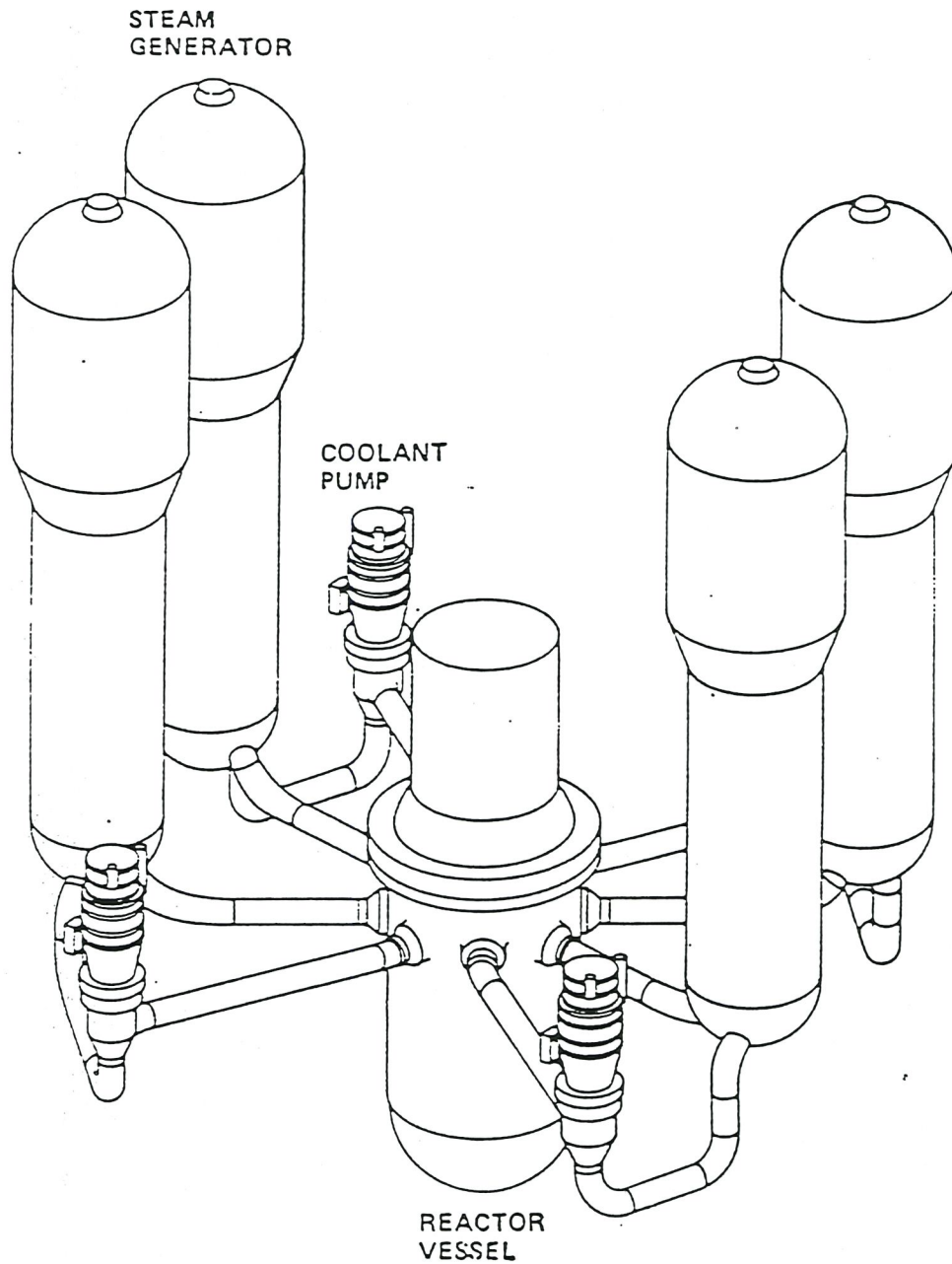
Thermal Growth

The postulated event here is a pipe, component, or support of the primary system, as it expanded during heatup, came into contact with another component of the system or containment structure and bound up. The resulting "give" caused the noise.

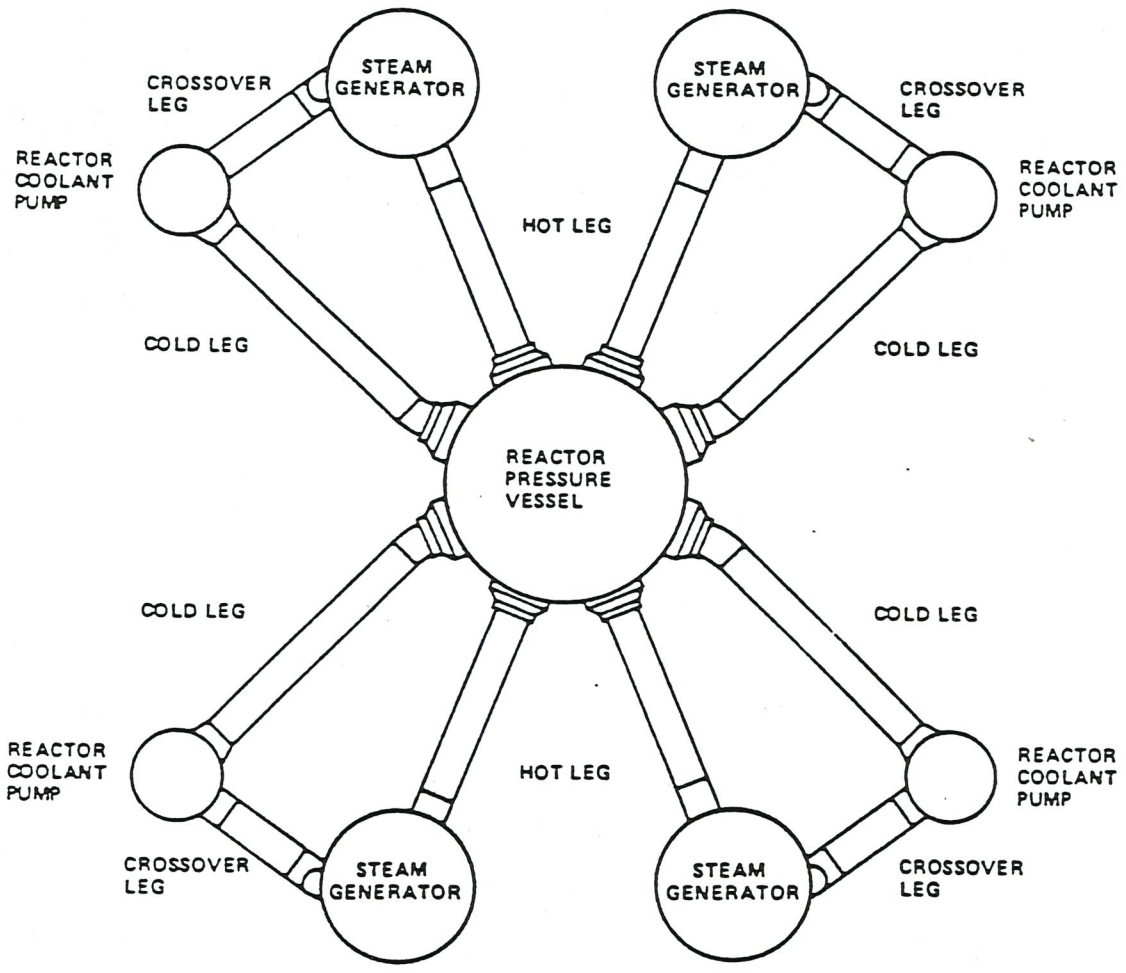
The investigation included a detailed inspection of the primary system and its support structures to identify interference points, as well as indications of mis-aligned supports. Evidence of damage or contact would be the key indicator that this mechanism initiated the noise.

The similarities of the January '92, February '92 and March '92 events (nearly same temperature and pressure, no other activities going on) suggest that pipe growth was a very likely initiator of the noises.

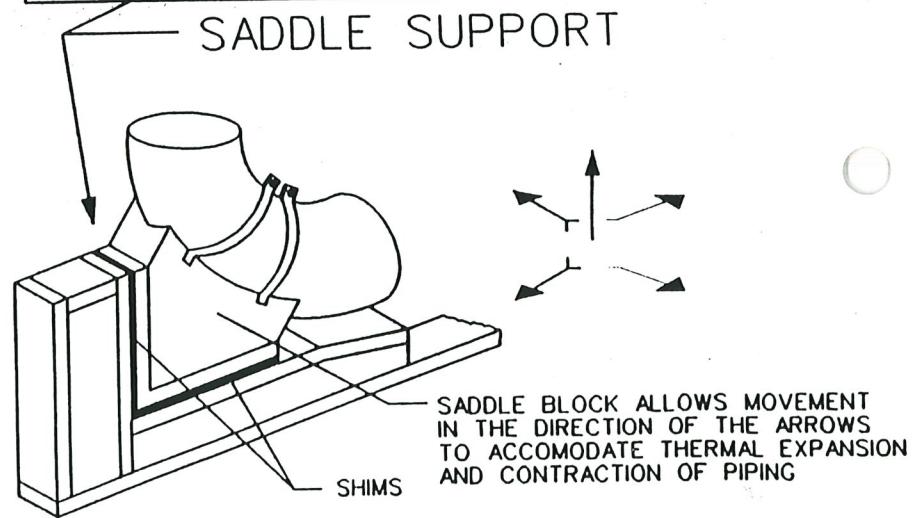
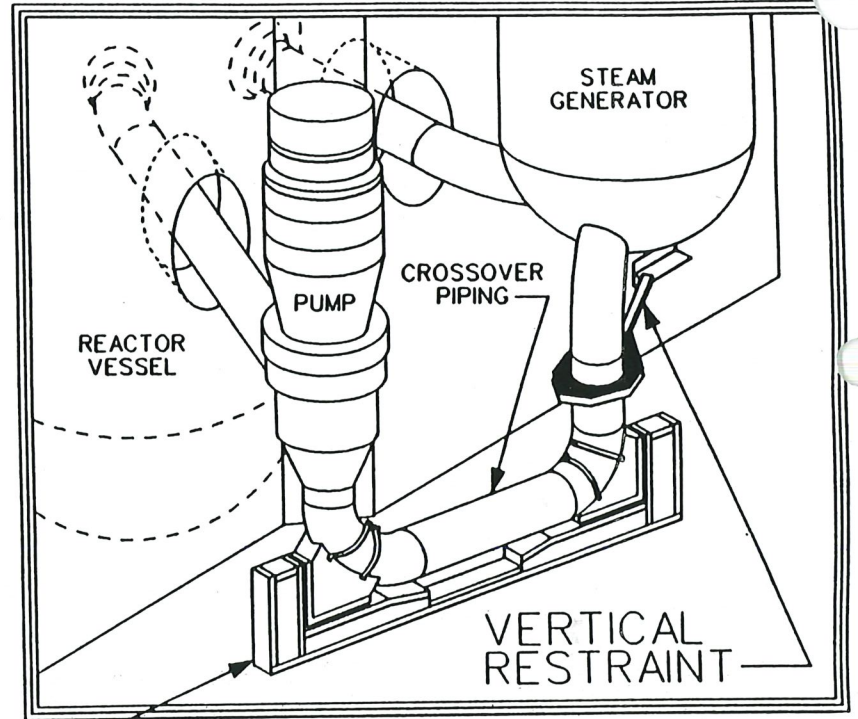
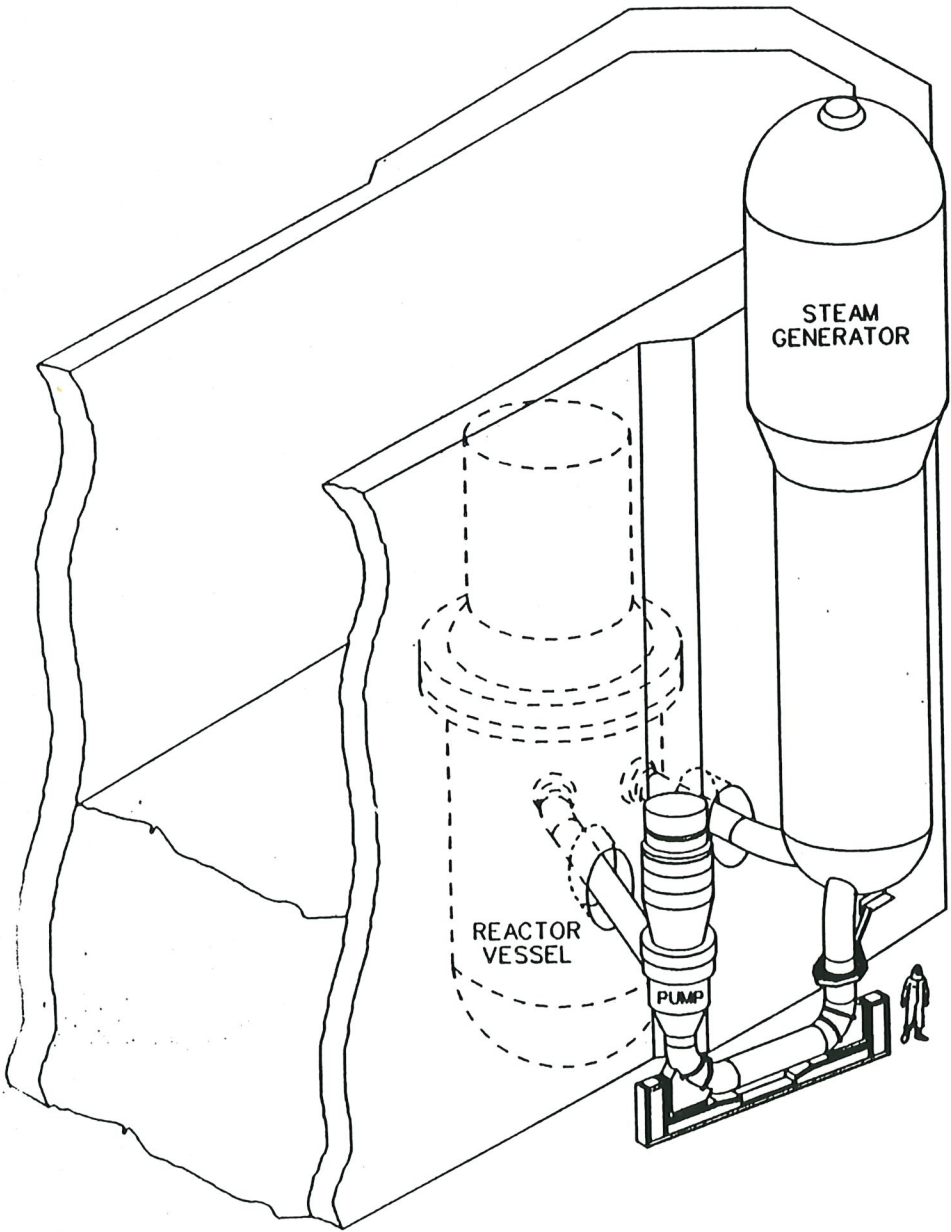
1-12



SIMPLIFIED DIAGRAM OF THE NSSS



PLAN VIEW OF THE REACTOR COOLANT LOOPS



1-15

The Identification and Correction of the Cause

An inspection of the shims in the crossover leg pipe whip restraint revealed evidence of hard contact.

To eliminate this as a cause, the shims were removed and milled to restore the desired clearance.

1-16

Safety Impact and Plant Operability

The noise events did not cause damage to the plant or its components.

- **Detailed visual inspections found no damage**
- **Loose parts analysis revealed no loose parts**
- **Calculated loadings and stresses well within safety margins**

Required systems are operable

- **Performed required surveillances**

No damage can result from noise events of this type

- **Performed bounding calculations**
 - **Additional seismic loading from RCS system shake**
 - **Maximum water hammer forces from accumulator discharge**
 - **Reestablish or verify support clearances**

1-17

II. Violations of NRC Requirements Involving Motor Operated Valves

- **Violations identified during NRC inspection conducted November 4-8, 1991, during Wolf Creek Refueling Outage.**
- **NRC issued Notice of Violation and Proposed Imposition of Civil Penalty February 20, 1992.**
- **Wolf Creek Nuclear Operating Corporation responded to Notice of Violation and paid Civil Penalty March 20, 1992.**

81-1

Violations Assessed A Civil Penalty

Wolf Creek did not take prompt corrective action regarding significant conditions adverse to Quality.

- **In February, 1991 prompt action not taken on a Work Request which identified five motor operated valves (MOVs) that might not be capable of performing design functions based on minimum voltage considerations.**
- **In May, 1991 prompt corrective action not taken in response to a contractor performed audit that identified a number of significant deficiencies in Wolf Creek's MOV testing and surveillance program.**

61-1

Root Cause and Issues Associated with Failure to Identify and Act on MOV Issues

Root Cause: Lack of Management Attention to MOV Program

- **Generic Letter 89-10 was treated as a narrow technical issue - an extension of an existing program (i.e., Bulletin 85-03)**
- **Did not receive adequate management oversight in program definition or execution**
 - **Long program time frame (i.e., June, 1994) created atmosphere of focusing on program end date and not on emergent questions of valve operability**
 - **Lacked assurance that technical content of the program was adequate**
 - **Lacked questioning attitude**

1-20

Short Term Corrective Actions

- **Established MOV Team to address issues in a two phased program**
 - **Phase I**
 - **Dedicated issue manager selected**
 - **Dedicated Team worked seven weeks**
 - **65 WCNOC employees**
 - **29 Personnel from 6 different consultants**
 - **Tasked with addressing technical issues to assure MOVs operable**
 - **Total of 156 safety related MOVs**
 - **Started with 37 MOVs**
 - **120 MOVs re-evaluated before restart**
 - **MOV related activities coordinated through MOV Team**

1-21

Operational Consideration for Five Valves Identified as not being Capable of Performing Design Functions

- **One valve was always operable**
- **Four valves not required to close until 24 hours into accident sequence - Lines could be isolated by manual means**
- **The four valves identified above have been upgraded by installing larger actuators**

1-22

Long Term Corrective Actions

- **MOV Team - Phase II**
 - **Continue efforts to successfully complete requirements of Generic Letter 89-10**
 - **Implement a continuing program to ensure operability of MOVs; trending, maintenance, testing**
- **Ensure ownership and accountability for non-routine activities**
 - **Nuclear issues management group**

Summary

- **Technical Issues have been addressed**
- **Valves were operable prior to operation**
- **Programmatic issues have been addressed**
- **Other activities**

1-24

III. Wolf Creek Emergency Plan

Regulatory requirements are found in 10 CFR 50.47 and Appendix E, and require:

- **Plans/Procedures**
- **Emergency Planning Organization**
- **Emergency Response Organization**
- **Training/Drills/Exercises**
- **Facilities**
- **Public Information**
- **Offsite Interfaces**

1-25

Plan/Procedures

- **Must be written and coordinated between licensees, state and local governments**
- **Must identify all parts of the Emergency Planning Program**
- **Must take into account an area about 10 miles around the plant**
 - **Called Plume Exposure Pathway Emergency Planning Zone**
 - **Also called 10-mile Emergency Planning Zone (10-mile EPZ)**
 - **Experts and Nuclear Regulatory Commission say direct effects of an accident could involve this area**
 - **Wolf Creek has approximately 6600 people in the 10 mile EPZ**
 - **All of Coffey County has less than 10,000**
- **Also a 50 mile EPZ**
 - **Called Ingestion Exposure Pathway EPZ**
 - **Concerned with food chain (water, milk, meat, grain, etc)**

Classifications

- **Notification of Unusual Event**
 - **Administrative in nature, or loss of non-safety related equipment, or need to send contaminated person to offsite hospital**
 - **Does not involve a "barrier" to release of radioactive material**

Next three based on "barriers"

fuel cladding, reactor coolant, containment

- **Alert - Loss or threat to any one barrier - except containment**
- **Site Emergency - loss or threat to any two barriers**
- **General Emergency**
 - **Loss or threat to all three barriers**
 - **A direct pathway for radioactive material to get into the environment**

1-27

- **Population is notified**
 - **Siren (10 sirens in EPZ)**
 - **Tone alert radio**
 - **Over 600 tone alert radios**
 - **To people not in siren coverage**
 - **Preset to go off by EBS**
- **Notification says either**
 - **Stay inside because**
 - **Short term problems, or**
 - **Travel is ill-advised**
 - **Evacuate**

1-28

Emergency Planning Organization

- **All licensees must have trained personnel to do the planning**
- **Wolf Creek has 11 full-time people**

Emergency Response Organization

- **over 660 Wolf Creek personnel trained to fill about 125 positions**
- **About 600 state and local personnel are also trained in response activities**

Training/Drills/Exercises

- **Classroom training averages 4-12 hours per Wolf Creek person depending on responsibilities**
- **Training required annually**
- **Drills allow personnel "hands-on" practice and are only evaluated internally**
- **Annual Exercise is required**
 - **Involves all facilities**
 - **Evaluated by NRC**
 - **Federal Emergency Management Agency (FEMA) evaluates state and local personnel**
 - **Must pass to retain license**

Facilities

- **At Wolf Creek Site**
 - **Control Room**
 - **Technical Support Center**
 - **Operations Support Center**
 - **Emergency Operations Facility**

- **In Topeka**
 - **Information Clearinghouse**
 - **Media Release Center**
 - **State Emergency Operations Center**

- **In Coffey County**
 - **Coffey County Emergency Operations Center**
 - **State Forward Staging Area**

- **In Wichita/Kansas City**
 - **Rumor Control facilities**

Public Information

- **Must interface with state and local public information activities**
- **Emergency Public Information is sent out annually to EPZ Residents. It explains**
 - **Emergency Classifications**
 - **How the public is told of an emergency**
 - **What the effect would be on them**
 - **Where they should go, if at all**
 - **How to get there**
 - **What they should do**

Offsite Interfaces

- **Plan/Procedures must be coordinated with state/local governments**
- **When necessary, joint training is conducted**
- **Joint drills are conducted**
- **Wolf Creek , state and locals send representatives to each other's facilities**
- **Public Information activities are joint**
 - **Joint news statements**
 - **Joint media briefings**
 - **Joint mailout - calendar**
- **State - Adjutant General, KDHE, KHP, KDOT, BOA, KWP**
- **County - Coffey**
- **Host Counties - Lyon, Anderson, Allen, Franklin**

Wichita

MARGARET W. BANGS
944 ST. JAMES PLACE
WICHITA, KANSAS 67206

March 31, 1992

TESTIMONY BEFORE THE HOUSE ENERGY AND NATURAL RESOURCES COMMITTEE RE-
GARDING THE WOLF CREEK NUCLEAR POWER PLANT

Preparing a paper on environmental disasters in the Soviet Union to be presented to a Wichita study group, I have been reminded anew of the horrendous environmental damage to the land and the people should a nuclear power disaster such as the one that occurred at Chernobyl strike our own rich farm and ranch lands in Kansas, our own towns, cities and people.

A 1990 Soviet study concluded that the economic cost of Chernobyl to the Soviet Union approached \$400 billion, because three million acres of the richest farm land in the world has been lost for generations to come because of radioactive contamination. The costs also include billions in lost electricity production, the gradual decontamination of the countryside, and the evacuation and resettling of people from the most contaminated areas. Commenting on this report, the Wall Street Journal suggested that the Soviet Union would have been better off if it had never begun building nuclear power plants in the first place.

But the human toll has been worse and cannot be quantified. Today, six years later, a Ukranian parliamentary panel released a report saying birth defects, growth problems and immune disorders have risen substantially because of the Chernobyl disaster. Children suffer from liver, thyroid and throat problems, and their immune systems are at a dangerously low threshold. Some farm animals are born deformed with two heads or eight feet, others with nostrils missing or twisted skulls. Trees either die off or grow ten times their normal size.

The explosion at Chernobyl was so powerful that it would have breached any modern containment vessel, because there is no protection against a nuclear explosion. The atomic bomb dropped on Hiroshima weighed 4.5 tons, but the Chernobyl reactor spewed into the atmosphere 50 tons of radioactive fuel. In other words, the equivalent of ten Hiroshima bombs. And that radioactive cloud also passed over all of northern Europe and the British Isles, causing many more billions of dollars of damage in those countries.

It is difficult to have faith in the Nuclear Regulatory Commission which continues to be a promoter and protector of the nuclear power industry rather than its strict regulator. I feel that it is the duty of the Kansas Legislature to make an in-depth study of the strange and ominous noises that have been coming from Wolf Creek. The Legislature would not want to be on record as having done nothing should there be a serious Wolf Creek accident.

Margaret W. Bangs
3/31/92
House E + NR
Attachment 2

TESTIMONY BEFORE THE HOUSE ENERGY AND NATURAL RESOURCES
COMMITTEE
REGARDING THE WOLF CREEK NUCLEAR PLANT
March 31, 1992

by Margaret J. Miller
6807 E. Bayley
Wichita KS 67207-2613
(316) 686-2555

I am very much concerned about the dangers to people and environment from the Wolf Creek nuclear plant. If we were to have an accident—always possible—on the scale of the Chernobyl accident in the Ukraine, we could wipe out Kansas.

In the Ukraine, Belarus and Russia, about 3 million acres of the richest farmland in the world have been lost for generations. By 1990, studies showed that the Chernobyl disaster had cost \$400 billion in the immediate area. Millions of people have been evacuated and thousands have died or have become very ill. As to other countries, Sweden was the hardest hit. After the accident, Sweden was pouring out thousands of gallons of milk every day. Laplanders have lost their way of life as 500,000 reindeer, upon which they base their existence, had to be destroyed. In Great Britain—mostly northern England, Scotland and Wales—millions of sheep and lambs had to be destroyed. Britain lost 4 million pounds sterling (\$7 million) the first year after the disaster. For several years, hundreds of thousands of sheep were still contaminated and had to be destroyed. This is what could happen here if Wolf Creek were to have the type of accident that Chernobyl had.

We need objective investigation of problems at Wolf Creek. The Nuclear Regulatory Commission and those in charge of Wolf Creek cannot be objective; they want the plant to run.

We in KG&E's service area have already paid the Wolf Creek penalty for 7 years as our rates have risen by about 50%. For the past 7 years, KG&E ratepayers have spent \$100 million per year because of this too-expensive and unnecessary plant. That three quarter billion dollars could have been used effectively in Kansas for worthwhile projects instead of going down the drain. But we continue to permit this uneconomic monstrosity to drain Kansas resources and we downplay the potential danger that it represents in the breadbasket of America.

So-called experts have not yet, in 50 years, developed a system for ridding us of high-level nuclear waste. This waste comes, principally, from the used fuel rods which are dangerously radioactive for thousands of years.

Because of all of these problems, we should be extremely careful about operating the Wolf Creek plant. In fact, we shouldn't operate it. If we told people from another planet that we are operating a dangerous, too-expensive, unnecessary generating plant, they would certainly question our sanity.

Margaret J. Miller
3/31/92
House E+NR
Attachment 3

SENATE BILL No. 435

By Committee on Governmental Organization

4-3

9 AN ACT concerning the state corporation commission; providing for
10 exemption of certain electric public utilities from certain aspects
11 of commission regulation.
12

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

14 Section 1. (a) As used in this section, "cooperative" means any
15 cooperative, as defined by K.S.A. 17-4603 and amendments thereto,
16 which has fewer than 15,000 customers and which provides power
17 principally at retail.

18 (b) Except as otherwise provided in subsection (f), a cooperative
19 may elect to be exempt from the jurisdiction, regulation, supervision
20 and control of the state corporation commission by complying with
21 the provisions of subsection (c).

22 (c) To be exempt under subsection (b), a cooperative shall poll
23 its members as follows:

24 (1) An election under this subsection may be called by the board
25 of trustees or shall be called upon receipt of a valid petition signed
26 by not less than 10% of the members of the cooperative.

27 (2) The proposition for deregulation shall be presented to a meet-
28 ing of the members, the notice of which shall set forth the proposition
29 for deregulation and the time and place of the meeting. Notice to
30 the members shall be written and delivered not less than 10 nor
31 more than 25 days before the date of the meeting.

32 (3) If the proposition for deregulation is approved by the affir-
33 mative vote of not less than 2/3 of the members voting on the prop-
34 osition, the cooperative shall notify the state corporation commission
35 in writing of the results within 10 days after the date of the election.

36 (4) Voting on the proposition for deregulation shall be in person
37 but, if the bylaws of the cooperative so provide, may also be by
38 proxy or by mail, or both. With regard to a vote on the proposition
39 for deregulation, no person shall vote as proxy for more than three
40 members.

(d) A cooperative exempt under this section may elect to ter-
43minate its exemption in the same manner as prescribed in subsection
(c).

not less than 180 days after

If the cooperative mails information to its members regarding the proposition for deregulation other than the notice of the meeting at which the proposition is to be voted on, the cooperative shall also include in such mailing any information in opposition to the proposition that is submitted by petition signed by not less than 1% of the cooperative's members. All expenses incidental to mailing the additional information, including any additional postage required to mail such additional information, must be paid by the signatories to the petition.

(4)

a majority

by mail ballot

3/8/92
House E+NR
Attachment 4

(e) An election under subsection (c) or (d) may be held not more often than once every two years.

(f) Nothing in this section shall be construed to affect the single certified service territory of a cooperative or the authority of the state corporation commission, as otherwise provided by law, over a cooperative with regard to service territory, charges for transmission services, sales of power for resale, wire stringing and transmission line siting, pursuant to K.S.A. 66-131, 66-183, 66-1,170 *et seq.* or 66-1,177 *et seq.*, and amendments thereto.

~~(g) Any cooperative exempt from regulation under the provisions of this section shall be required to establish just and reasonable rates, joint rates, tolls, charges and exactions. Every unjust or unreasonably discriminatory or unduly preferential rule, regulation, classification, rate, joint rate, toll, charge or exaction is prohibited and unlawful and shall be reviewable by the district court, sitting without a jury, which shall have jurisdiction to correct, modify, vacate or reverse such act.~~

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.

4-2

(g) (1) Notwithstanding a cooperative's election to be exempt under this section, the commission shall investigate all rates, joint rates, tolls, charges and exactions, classifications and schedules of rates of such cooperative if there is filed with the commission, not more than one year after a change in such cooperative's rates, joint rates, tolls, charges and exactions, classifications or schedules of rates, a petition signed by not less than 5% of all the cooperative's customers or 3% of the cooperative's customers from any one rate class. If, after investigation, the commission finds that such rates, joint rates, tolls, charges or exactions, classifications or schedules of rates are unjust, unreasonable, unjustly discriminatory or unduly preferential, the commission shall have the power to fix and order substituted therefor such rates, joint rates, tolls, charges and exactions, classifications or schedules of rates as are just and reasonable.

(2) The cooperative's rates, joint rates, tolls, charges and exactions, classifications or schedules of rates complained of shall remain in effect subject to change or refund pending the state corporation commission's investigation and final order.

(h) (1) If a cooperative is exempt under this section, not less than 10 days' notice of the time and place of any meeting of the board of trustees at which rate changes are to be discussed and voted on shall be given to all members of the cooperative and such meeting shall be open to all members.

(2) Violations of subsection (h)(1) shall be subject to civil penalties and enforcement in the same manner as provided by K.S.A. 77-4320 and 77-4320a, and amendments thereto, for violations of K.S.A. 77-4317 *et seq.* and amendments thereto.