

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairperson Don Myers at 9:00 a.m. on January 21, 1998 in Room 514-S of the Capitol.

All members were present except: Rep. Burroughs
Rep. McClure

Committee staff present: Lynne Holt, Legislative Research Department
Mary Ann Torrence, Revisor of Statutes
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

Chairman Don Myers asked if there were any bill introductions. He requested a motion for a bill regarding unbundling which was discussed last week. The Chairman recognized Representative Stone who made a motion to introduce a bill to unbundle electric bills. Representative Johnson seconded the motion. Motion carried.

The Chairman mentioned to the Committee that the Sub-committee on Retail Wheeling will meet three days next week beginning with Tuesday, January 27 in the West Lounge from 12:00 noon until 1:00 p.m.

The Chairman opened the meeting back up to bill introductions. The Chairman recognized Representative McKinney who made a motion to introduce a House Concurrent Resolution that would urge the Congress not to take action on retail wheeling and let the states handle the issue. Representative Kuether seconded the motion. Motion carried.

The minutes from the meetings of January 13, January 14 and January 15, 1998 were distributed and they will be discussed for approval or corrections next week.

The Chairman mentioned that Walker Hendrix of the Citizens' Utility Ratepayer Board (CURB) will give an overview regarding the pending litigation concerning the telecommunications act.

The Chairman introduced Lynne Holt, Staff, of the Legislative Research Department, who continued the review and discussion on the Retail Wheeling Task Force bill draft and policy. Topics discussed were: Divestiture/Affiliate Transactions, Consumer Information and Protection, Default Suppliers, Tax Implications of Retail Competition and the Nexus Issue. Staff distributed a copy of the Service Areas of the Electric Cooperatives of Kansas (Attachment#1). Questions and discussion followed.

The Chairman thanked Mary Ann Torrence, Revisor of Statutes Office, and Lynne Holt, Legislative Research Department, for their good job in reviewing the Retail Wheeling Task Force draft bill and policy.

The meeting was adjourned at 10:00 a.m.

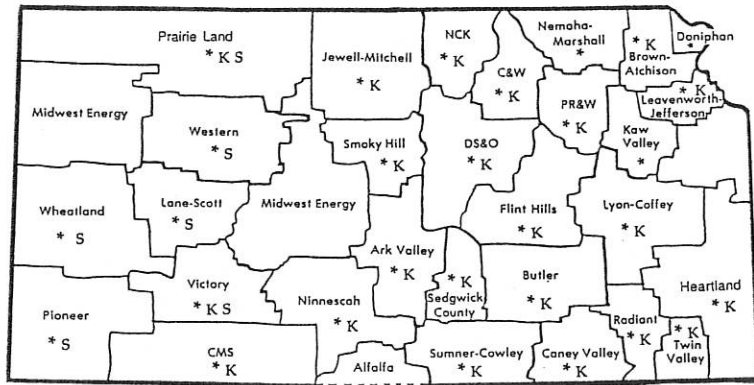
The next meeting is scheduled for January 22, 1998.

HOUSE UTILITIES COMMITTEE GUEST LIST

DATE: January 21, 1998

NAME	REPRESENTING
Larry Hallway	KCC
Jack Slaves	Duke & K-N
Stacie Heit	Helm & Wipir
Tom Coches	McGill's Asso.
J.C. Long	UtiliCap United Inc.
BRUCE GRAHAM	KEPCO
DAVID BYBEE	KDOCH
Jon K Miles	KPC
Wendy Holtrass	Western Resources
Leslie Kaufman	KFarm Bureau
Tom Schnacke	KIOGA
John Peterson	Ruytheon Aircraft Co
Cindy Doucra	DAB
Nick Carter	ENRON

Service Areas of the Electric Cooperatives of Kansas



* Member, Kansas Electric Cooperatives, Inc.

K - Member, Kansas Electric Power Cooperative, Inc.

S - Member, Sunflower Electric Power Corporation

The Electric Cooperatives in Kansas

RECs — There are 31 rural electric distribution cooperatives in Kansas. Also known as RECs, they operate as non-profit utilities and are governed by their membership. The co-ops all hold annual membership meetings to conduct business and elect a Board of Trustees which meets monthly to direct the activities of their utility. Most of these RECs have been faithfully serving the residents of rural Kansas for more than 50 years.

Statewide Association — The Kansas Electric Cooperatives, Inc., is a statewide association headquartered in Topeka that has provided a variety of activities and programs to these cooperatives since 1941. Its services include governmental relations, communications, and loss control and safety programs.

G&Ts — Kansas Electric Power Cooperative, Inc. (KEPCo) and Sunflower Electric Power Corporation are the two Generation and Transmission Co-ops (G&Ts) operating in Kansas. As the name implies, KEPCo and Sunflower generate and transmit electricity for their electric cooperative members. The G&Ts are also non-profit organizations.

Sunflower — supplies six distribution cooperatives serving 150,000 people in 34 western Kansas counties. Based in Hays, Sunflower owns 546 MW of generating capacity including the coal-fired Holcomb Station.

KEPCo — headquartered in Topeka, has 22 member cooperatives located in the eastern two-thirds of Kansas. KEPCo's generation resources consist of a six percent ownership share in the Wolf Creek Generating Station, hydropower allocations, and long-term contracts from area utilities.

Cooperative	Location	Manager
Alfalfa	Cherokee, OK	Max W. Ott
Ark Valley	So. Hutchinson	Bob Hall
Brown-Atchison	Horton	Rod Gerdes
Butler	El Dorado	Ernest J. Barker
C&W	Clay Center	Kenneth J. Maginley
Caney Valley	Cedar Vale	David A. Vince
CMS	Meade	Kirk Thompson
Doniphan	Troy	Jerry Jarrett
DS&O	Solomon	Don Hellwig
Flint Hills	Council Grove	Robert E. Reece
Heartland	Girard	Dale Coomes
Jewell-Mitchell	Mankato	Jim Gouldie
Kaw Valley	Topeka	Dan O'Brien
KEPCo	Topeka	Stephen E. Parr
Lane-Scott	Dighton	Jack Clinkscale
Leavenworth-Jefferson	McLouth	Shane L. Larson
Lyon-Coffey	Burlington	Larry N. Scott
NCK	Belleville	Douglas J. Jackson
Nemaha-Marshall	Axtell	Fenton G. Norwood
Ninnescah	Pratt	Walker Parris
Pioneer	Ulysses	David L. Jesse
Prairie Land	Norton	Allan Miller
PR&W	Wamego	Kenneth J. Maginley
Radiant	Fredonia	Leah Tindle
Sedgwick County	Cheney	Alan L. Henning
Smoky Hill	Ellsworth	Don Minard
Sumner-Cowley	Wellington	Cletas Rains
Sunflower	Hays	L. Christian Hauck
Twin Valley	Altamont	Debbie Foster
Victory	Dodge City	Jack Colgin
Western	WaKeeney	David L. Schneider
Wheatland	Scott City	Neil K. Norman

House Utilities

01-21-98

Attachment 1