

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairperson Don Myers at 9:00 a.m. on March 4, 1998 in Room 514-S of the Capitol.

All members were present except: Rep. Humerickhouse - excused
Rep. Klein - excused

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

Conferees appearing before the committee: Susan Cunningham, Kansas City Power & Light
Jon Miles, Kansas Electric Cooperatives
Earnest Lehman, Western Resources
Bruce Graham, Kansas Electric Power Cooperative, Inc.
Kim Gulley, League of Kansas Municipalities
Larry Holloway, Kansas Corporation Commission

Others attending: See attached list

Chairman Don Myers announced that the Committee would be hearing **SB 436** and that he would need to hold the conferees to testifying within a five minute time limit.

Hearing on SB 436 - Establishment of Joint Committee on Taxation of Electric Public Utilities

The Chairman recognized Susan B. Cunningham, Attorney for Kansas City Power & Light Company, proponent, who spoke in support of **SB 436**. Ms. Cunningham noted in her testimony that when addressing the taxation of public utilities, three perspectives must be considered to ensure tax equity: customers, utilities and taxing authorities. Also that the disproportionate level of taxes currently paid by investor owned utilities, such as KCPL, can place the incumbent utility companies in Kansas at a competitive disadvantage and as amended, **SB 436** provides for the goal recommending a uniform tax policy that allows all electricity providers to be taxed on a fair and equal basis. (Attachment#1)

The Chairman recognized Jon Miles, Director of Governmental Relations for Kansas Electric Cooperatives, proponent, who spoke in support of **SB 436**. Mr. Miles noted in his testimony that participants in a competitive electric market in Kansas, should one come to exist, should be treated equitably. Also, that electric generation utilities from other states should not be afforded a competitive advantage against Kansas' electric generation utilities by virtue of the tax structure in Kansas. (Attachment#2)

The Chairman recognized Earnest Lehman, Director, Rates, Western Resources, proponent, who spoke in support of **SB 436**, and spoke on behalf of Western Resources (KPL) and it's KGE subsidiary. Mr. Lehman noted in his testimony that the Retail Wheeling Task Force had received a great deal of information concerning the generally higher taxes paid by Kansas electric utilities relative to other Kansas businesses and relative to electric utilities in nearby states. Also he indicated that from a customer perspective, directly and indirectly levied taxes are one of the largest components of the cost of electricity. Mr Lehman mentioned in testimony that Western Resources supports this legislation and offers its internal tax experts as a resource to work with the staff that will support the committee. (Attachment#3)

The Chairman recognized Bruce Graham, Vice President, Member Services and External Affairs, Kansas Electric Power Cooperative, Inc., proponent, who spoke in support of **SB 436**. Mr. Graham noted in his testimony that KEPCo supports the amendment made by the Senate Utilities Committee which refined the mission of the task force to assure that electric providers based in Kansas are taxed on a fair and equal basis with non-native firms poised to provide electric services in Kansas. (Attachment#4) Also, Mr. Graham

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES, Room 514-S Statehouse, at 9:00 a.m. on March 4, 1998.

distributed an article titled "Electric utility tax laws must be examined in road to deregulation" from Electric Light and Power. (Attachment#5)

The Chairman recognized Kim Gulley, Assistant General Counsel, League of Kansas Municipalities, proponent, who spoke in support of **SB 436**. Ms. Gulley noted in her testimony that just the possibility of electric restructuring gives rise to the following issues: sales and use taxes, franchise fees and property taxes. She also stated that a joint legislative committee is the appropriate vehicle for the discussion and resolution of these issues. (Attachment#6)

The Chairman recognized Larry Holloway, Chief of Electric Operations for the Kansas Corporation Commission appearing on behalf of the Staff of the KCC, proponent, who spoke in support of **SB 436**. Mr. Holloway noted in his testimony that the KCC is the first to admit that it has no direct role in the development of state and local tax policies and has no unique expertise in that arena; however, the KCC staff believes it has a role in the development of a competitive market for generation in Kansas. Also, that a tax policy which is not imposed equitably between incumbent utility service providers and potential competitors could have a chilling effect on the development of competition and that they recommend the insertion of language in **SB 436** that the proposed tax policies developed by joint committee shall be competitively neutral to all current and future Kansas electric industry participants. (Attachment#7)

The Chairman announced that hearings on **SB 436** will continue at the next meeting. Questions and discussion followed.

The meeting was adjourned at 9:40 a.m.

The next meeting is scheduled for March 5, 1998.

HOUSE UTILITIES COMMITTEE GUEST LIST

DATE: March 4, 1998

NAME	REPRESENTING
Tom Laches	McGill Assn.
John Miles	KEC
Patrick Hurley	KCPA
Susan Cunningham	KCPA
Joe Nick	BPU KCK
Lady Holloway	KCC
Emma Johnson	Western Resources
Jack Laves	KN - Duke + Ory
Greg Wright	WRI
Bruce Graham	KEPCO
Kathy Valentine	SRS
John Rezac	Kaw Valley USD 321
Wendy Holman	Western Resources
John Lewis	Ham & Lewis
Harrie Ann Brown	KS Govt Consulting
Kim Gulley	League of KS Municipalities

**Testimony before the House Utilities Committee
In Support of Senate Bill No. 436 as Amended**

**By Susan B. Cunningham
Kansas City Power & Light Company**

March 4, 1998

Chairman Myers and members of the Committee:

I am Susan Cunningham, Attorney for Kansas City Power & Light Company, and am appearing before you today in support of SB 436, as amended by the Senate Committee, which establishes a joint committee on taxation of public utilities. My remarks today are substantively the same as the testimony I presented last month to the Senate Utilities Committee on this bill.

KCPL recognizes that one of the most important aspects of restructuring is properly addressing the issue of taxation of public utilities as it relates to moving to a competitive market. This issue must be addressed, and the necessary tax reform measures in place, prior to allowing customers the ability to choose an alternative provider of generation services. When addressing the taxation of public utilities, three perspectives must be considered to ensure tax equity: customers, utilities and taxing authorities.

First, for a truly efficient and competitive market to develop in Kansas, all participants must be allowed to compete on equal terms. Taxation is a major component to fair competition. The disproportionate level of taxes currently paid by investor owned utilities, such as KCPL, can place the incumbent utility companies in Kansas at a competitive disadvantage. KCPL was pleased to note that SB 436, as amended, provides for the goal of recommending a uniform tax policy that allows all electricity providers to be taxed on a fair and equal basis.

Second, it will be important to ensure tax equity between customers and customer classes. Whatever mechanism is utilized to collect tax revenues, it should not unfairly shift the tax burden between customers. Such a shift could have serious impacts.

And lastly, the impact on Kansas communities can be substantial. KCPL does not want the communities we serve to be detrimentally impacted in this move to retail competition.

As taxation is such a complex issue affecting every part of the Kansas economy, it will take a substantial amount of effort to ensure that the correct solutions are developed and implemented. KCPL believes this process should begin as soon as possible and therefore supports the formation of a joint tax committee as set out in amended SB 436.

Thank you for your time.

House Utilities
03-04-98
Attachment 1

**TESTIMONY OF KANSAS ELECTRIC COOPERATIVES, INC.
ON SENATE BILL 436**

**Kansas State House of Representatives
Committee on Utilities**

March 4, 1998

Good morning, Chairman Myers and members of the House Utilities Committee. My name is Jon Miles, and I am Director of Governmental relations for Kansas Electric Cooperatives, Inc., the statewide association of rural electric cooperatives in Kansas. I am testifying in support of SB 436.

KEC served as a member of the Legislative Task Force studying retail wheeling. As the members of that task force discovered, retail wheeling is a complex issue. Implementing retail wheeling in Kansas will require attention to a myriad of regulatory and operational details. No detail is more complicated than the impact of retail wheeling on public utility taxation.

All participants in a competitive electric market in Kansas, should one come to exist, should be treated equitably. Electric generation utilities from other states should not be afforded a competitive advantage against Kansas' electric generation utilities by virtue of the tax structure in Kansas. We believe that the Joint Committee on Taxation can properly study the issue, determine the impacts of the introduction of competition in the retail electric business on utilities, and on the state revenues, and make and make a recommendation to the Legislature. We urge the passage of SB 436.

House Utilities
03-04-98
Attachment 2

**TESTIMONY BEFORE THE
HOUSE UTILITIES COMMITTEE
IN SUPPORT OF SB 436**

By Earnest A. Lehman,
Director, Rates - Western Resources

March 4, 1998

Mr. Chairman and members of the Committee:

I am Earnie Lehman, appearing on behalf of Western Resources (KPL) and its KGE subsidiary to support passage of SB 436. Establishment of a joint legislative tax committee on taxation of deregulated electric generation public utilities would resolve one of the largest unanswered questions from the Retail Wheeling Task Force.

As you may recall, HB 2600, which established the Retail Wheeling Task Force, required analysis of "the impact on state general fund revenues and local franchise and tax revenues". The task force received a great deal of information concerning the generally higher taxes paid by Kansas electric utilities relative to other Kansas businesses and relative to electric utilities in nearby states. Attached is an example of such information, a one page comparison prepared by the Department of Revenue last fall highlighting the property tax disparity between Kansas and neighboring states. The task force also heard the concerns of municipal utilities and local governments concerning sales taxes and franchise revenues.

From a customer perspective, directly and indirectly levied taxes are one of the largest components of the cost of electricity. Last summer, Western Resources presented estimates of the tax component of electric bills as follows (rounded to nearest percent):

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Attachment 3

<u>Utility/Class</u>	<u>% Taxes</u>
KPL residential	23%
KPL commercial	21%
KPL industrial	23%
KGE residential	17%
KGE commercial	29%
KGE industrial	26%

Let me emphasize that these are estimates and depend in large part on how costs are allocated to each customer class through the regulatory process.

Ultimately, the Retail Wheeling Task Force determined the tax issues to be so complex, involving issues of revenue stability, competitive equality and fairness to customers, that the task force was unable to recommend appropriate revisions. The proposed Joint Legislative Tax Committee would have the clarity of purpose and access to expertise to recommend appropriate revisions. That is why Western Resources supports this legislation and offers its internal tax experts as a resource to work with the staff that will support the committee.

Thank you again for providing Western Resources with an opportunity to appear before the Committee. I would be pleased to answer your questions.

Kansas Department of Revenue
Multi-State Tax Comparison
October 1997

3-3

Property Tax Comparison

Item	Kansas	Iowa	Oklahoma	Arkansas	Missouri
State Assessed	Yes	Yes	Yes	Yes	Yes
Appraisal Method	Going Concern	Going Concern	Going Concern	Going Concern	Going Concern
Special Utility Rate *	Yes	No	Yes	No	Yes
Utility Assessment Rate	33%	100%	22.85%	20%	32.2%
Average Statewide Mill Levy	118 mills	29 mills	80 mills	42 mills	58 mills
Tax Dollars @ \$1 M of Market Value	\$38,940	\$2,897	\$18,280	\$8,400	\$18,676
Other states property tax compared to \$1.00 of Kansas property tax	1.0	.0744	.4694	.2157	.4796

The Average Mill Levy was computed by dividing the total utility property tax by the total utility assessed value.



Kansas Electric Power Cooperative, Inc.

Testimony on SB 436 -- March 4, 1998 Before the House Utilities Committee

by Bruce Graham
Vice President, Member Services and External Affairs
Kansas Electric Power Cooperative, Inc.

The Kansas Electric Power Cooperative (KEPCo) is a non-profit generation and transmission electric cooperative. Headquartered in Topeka, it is KEPCo's responsibility to procure an adequate and reliable power supply for its 22 rural electric distribution members in Kansas. KEPCo's power supply resources consist of six percent ownership in the Wolf Creek Generating Station, hydro allocations from the Western Area Power Administration and the Southwestern Power Administration and power purchases from regional utilities.

KEPCo was an active participant in the Retail Wheeling Task Force and we strongly support SB 436 to establish a joint committee on utility taxation. Many states --Virginia, Iowa, Maryland, Minnesota, Ohio, and Oklahoma, just to name a few, are conducting similar studies before making decisions on how, or if, they should implement retail wheeling.

I included Oklahoma in that list because their Electric Restructuring Act of 1997 simply sets a goal of July 1, 2002 for implementation of retail wheeling while mandating numerous studies including a similar tax task force. In fact, Oklahoma legislation includes a provision which states "...in the event a uniform tax policy which allows all competitors to be taxed on a fair and equal basis has not been established on or before July 1, 2002, the effective date for implementing customer choice shall be extended until such time as a uniform tax policy has been established."

KEPCo also supports the amendment made by the Senate Utilities Committee which refined the mission of the task force to assure that electric providers based in Kansas are taxed on a fair and equal basis with non-native firms poised to provide electric service in Kansas.

In conclusion, KEPCo believes that establishment of this tax task force in Kansas is an essential and prudent step as we continue the state's deliberate evaluation of retail wheeling and its impact on each and every Kansas consumer.

Electric utility tax laws must be examined in road to deregulation

Denise Warkentin, Managing Editor

One of the most often overlooked issues in the restructuring of the electric utility industry is taxation. With most electric utilities operating under federal, state and local tax laws enacted under the assumption electric utilities would provide electricity on a monopoly basis to consumers with prices set by cost-of-service rate regulation, the issue of taxation promises to be one of the greatest hurdles yet in the deregulation of the industry.

According to a National Council on Competition and the Electric Industry report, "Federal, State and Local Tax Implications of Electric Utility Industry Restructuring," with competition and nontraditional regulation looming on the horizon the current tax laws warrant scrutiny.

The report listed four major challenges legislators and utility regulators likely will face in the area of taxation and deregulation. They are:

1. Decisions made on the scope and pace of restructuring will have significant

revenue implications for state and local governments, which legislators and regulators may wish to consider as they deliberate these issues.

2. Full economic benefits assumed to result from competition may not be attained under current tax laws, which treat various types of electricity providers differently.
3. Tax laws may affect transactions, such as corporate restructurings, that are needed to effectuate industry change.
4. Legislators and regulators, utilities and other interested parties may want to make suggestions as to how federal and state tax laws should be changed to facilitate the transition to competition.

State and local taxes

According to the report, investor-owned electric utilities (IOUs) in 1994 had several different types of state and local taxes to pay. For instance, IOUs paid a collective \$5.4 billion in property and ad valorem taxes, \$4 billion in gross receipts taxes, \$1.5 billion in miscellaneous taxes, \$2 billion in state income and franchise taxes and \$0.6 billion in regulatory fees and other local utility charges. Property

taxes and gross receipts taxes, the report stated, comprise the major portion of state and local taxes IOUs pay each year (Figure 1).

The report pointed out although public power systems don't pay state and local income taxes, they are required to make payments, including "payments in lieu of taxes." In addition, public power systems provide free or reduced cost services to local governments. The report stated public power systems' total payments to state and local governments in 1994 included payments in lieu of taxes of \$936 million, gross receipts taxes of \$214.5 million, other taxes and fees in the amount of \$64.2 million, free or reduced cost electrical service in the amount of \$44.5 million and other contributions that amounted to \$15.2 million.

Gross receipts taxes

Most states impose some form of gross receipts tax on electric utility revenues. This is a tax in which a single tax rate is applied to the taxpayers' gross revenues. Often, the report pointed out, the tax is a part of a utility's corporate franchise tax and in many cases is more than what utilities would pay under a net income tax (where the tax rate is applied to the company's net income).

Typically, gross receipts taxes only apply to customer sales within the utility's particular taxing state. However, as the industry changes, interstate commerce will increase. "Consequently," the report stated, "the treatment of interstate sales under gross receipts taxes will increase in importance." Sales of electricity by municipally owned utilities, as well as sales of electricity by entities other than regulated utilities, are generally exempt

from gross receipts taxes; however, most rural electric cooperatives are subject to paying the tax, according to the report.

Some states require utilities to pay other taxes in addition to the basic gross receipts tax. The report listed New York as an example, where the state includes a tax on excess dividends equal to dividends paid in excess of a percentage of capital. The report also noted local governments in some states impose their own gross receipts taxes on utilities based on the utilities' sales of electricity to customers in the taxing jurisdiction. Figure 2 shows the states that have a gross receipts and/or a corporate income tax.

Franchise taxes

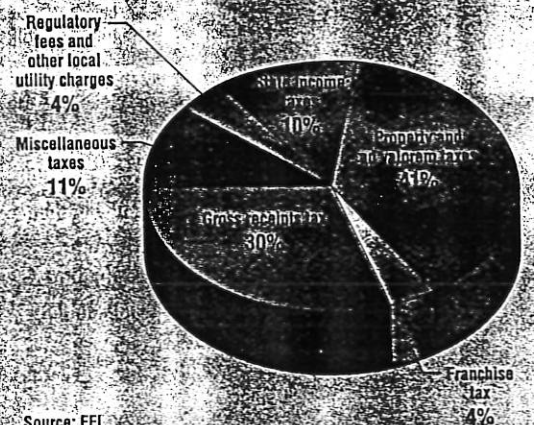
The franchise tax is common in most states and is based on the taxable net income earned by the utility doing business intrastate. Some states, however, exempt regulated utilities from the franchise tax, and opt to charge them gross receipts taxes instead. And, still yet, some states impose the ordinary corporate net income tax on utilities as well as a gross receipts tax. An example is the Commonwealth of Pennsylvania, where both a 4.4 percent gross receipts tax is levied on regulated electric utilities as well as the ordinary 9.99 percent net income tax.

According to the report, "When a corporation does business in more than one state, it is necessary to determine how much of the taxpayer's income should be taxed by each of those states. For most kinds of income, this is done by taking the taxpayer's total income and applying an apportionment formula that divides that total among the various states in which the taxpayer is doing business. Under the most common formulas in use today, the taxpayer's sales, property and payroll in the taxing state are divided by its total sales, property and payroll to determine the percentage of the taxpayer's net income taxed in each state."

The report pointed out in order to achieve greater uniformity, many states use the apportionment formula created in the 1960s and codified in the model Uniform Division of Income for Tax Purposes Act. This formula the report stated, calls for receipts from the sale of electricity to be sourced for apportionment

FIGURE 1

State and local taxes for investor-owned electric utilities, 1994



Source: EEI

FIGURE 2

States that have gross receipts taxes and income taxes



Source: National Council on Competition and the Electric Industry

▲ From page 1 Power plants ...

O'Flynn pointed out that new entrants to power generation must pay about \$600 per kW for new combined-cycle generation and can produce electricity at a generation cost of about 3¢ per kWh, which helps set the value of existing power plants.

USGen got 5,000 MW, including 1,100 MW of long-term purchased power contracts, for \$1.59 billion, which is equal to \$318 per kW.

Ed Tirello, Natwest Securities Inc. senior vice president, said the United States is moving toward a structure of having electric power generation concentrated in about 50 large companies. Tirello is famous for his prediction about 10 years ago that utility mergers would result in 50 investor-owned utilities in five years. He's holding to the prediction based on a "moving five years." He expects to see electric transmission dominated by 10 large regional companies with

three to five large generation firms in each transmission region. USGen is now a major factor in the northeast.

According to Charles Whitmore, the Federal Energy Regulatory Commission's (FERC) Office of Economic Policy assistant director, divestiture is closely related to the electric utility stranded asset issue. Whitmore defined stranded asset value as the difference between book value and market value.

He noted the only way to determine market value is to sell the asset. As a result, divestiture of generating assets will be the answer to the stranded cost problem for some utilities, Whitmore said, adding that electric utility stranded costs total \$200 billion.

Who are the buyers?

According to O'Flynn, there are at least 100 potential power plant buyers "sniffing around." As shown in the figure, they range from domestic utilities to international utilities, independent power producers (IPPs),

oil and gas companies, power marketers and financial firms. "Some are tire-kickers," he said, but at least 60 of these firms are strong candidates to make major purchases.

A domestic electric utility that declared its continuing interest in generation at the divestiture conference was Wisconsin Power & Light (WP&L) which currently has 2,200 MW and will be part of a merged entity with 5,400 MW. David Doyle, WP&L power production vice president, told the conference attendees divestiture of generation is a solution looking for a problem.

The real problem is not that some power generation systems are too large, said Doyle, but the markets may be too small. There are many inherent advantages in large, integrated power generation systems, such as improved bargaining power with suppliers like railroads, more incentive for generation innovation, better economies of scale and better transmission support.

▲ Continued on page 6

House utilities
03-04-98
Attachment 5

▲ from page 4

Tax laws ...

ment purposes to the state where the ultimate electricity user is located. "This approach," the report warned, "may be impractical for a competitive electric industry."

Property and other taxes

In at least 36 states, real and personal property owned by regulated utilities is assessed at the state level. In some states, however, it is the case that it is assessed at the local level. In the valuation assessment process, the report

stated, state and local assessors often use the unit method. The assessor estimates the unit value of the entire utility, taking into account the cost of the utility's taxable assets, the income earned by the utility or the value financial markets place on the utility's debt and equity securities. This value is apportioned among the various taxing authorities in which the utility owns property.

The report noted some states assess utility property based on the value of each specific item of property and some states will use a combination of both methods. Some state and local governments also apply franchise

fees to utilities. The franchise fee, according to the report, equals a percentage of utility revenues from the sale of electricity to customers in that jurisdiction. The local franchise agreement most used states the franchise fee paid by the utility is in lieu of all other business licenses and permits other businesses would normally have to pay.

Many states require utilities to pay sales and use taxes. If a sales tax applies, it is imposed on sales made in the taxing state (except sales for resale). If a use tax applies, it is imposed on the use of a taxable good or service in the taxing state when that good or ser-

vice has not been subjected to a sales tax. According to the report, in most states, the sales tax is imposed on the buyer and is collected and remitted to the state by the seller. An exception to this is in California, for example, where the legal incidence of the sales tax is on the seller. In some states, the report pointed out, the sales and use tax laws include exemptions for certain sales of electricity even though the sales or use tax may be in force and applicable to electricity sales generally. The report cited New York as an example, where residential electricity sales and electricity used in manufacturing are exempt.

Apart from sales and use taxes, several state and local governments impose taxes on electricity consumption. User tax laws relate to public utilities only, thus other electricity providers and power marketers may not be under an obligation to collect a utility user tax based on their nonutility status. Utility user taxes can be based on a percentage of the cost of purchasing electricity or on a fixed amount per kilowatt-hour, the report stated.

Some 39 states, according to the report, impose a regulatory assessment, tax or a fee that applies to regulated utilities. This fee is based on gross receipts or revenues. The proceeds of this tax cover the cost of public service commissions that regulate utilities. The report indicated the fee equals a percentage of the revenue from selling or transmitting electricity, and in some cases states may assess the fee on the value of public utility property located in the state.

Utilities also pay various miscellaneous taxes. For example, in New York petroleum users must pay a petroleum business tax (this includes utilities that use residual fuel oil to generate electricity). The report also mentioned Maryland and South Carolina as well as several other states that impose a tax on power generation.

IOUs, as well as some nonutility entities such as independent power producers, must pay federal income tax. Municipal and state-owned utilities, most rural electric co-ops and the federal power marketing agencies, however, are not subject to the federal income tax. IOUs are also subject to a number of unique tax provisions, the report noted. These provisions include normalization rules for depreciation and the former investment tax credit, nuclear decommissioning costs, depreciable life of certain public utility property and the treatment of dividends on certain public utility stock.

The 62-page report is available for \$15 from the National Association of Regulatory Utility Commissioners at (202) 898-2200 or from the National Conference of State Legislatures at (303) 830-2200. ■

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Corrections

In the "Telecom and electric utilities: risks and opportunities" article that appeared on page 32 of the June issue, under examples of utilities that have entered into joint ventures with telecommunications companies, the third listing should be Pacific Gas & Electric.

In the July issue on page 9, the headline should read "Duke and Mass. Electric Construction Co. take top honors." On page 21, the headline should read "TVA sets refueling record in under 20 days."

In an article on page 22, which reported that Charles W. Shivery has been named the new CEO of Constellation Power Source Inc., it was mentioned the company would be headquartered in Boston. Constellation will be headquartered in Baltimore, Md. Also, Shivery's photo inadvertently appeared on page 11. *EL&P* regrets these errors and any inconvenience they may have caused. ■



**League of
Kansas
Municipalities**

Legal Department
300 S.W. 8th
Topeka, Kansas 66603
Phone: (785) 354-9565/ Fax: (785) 354-4186

To: House Utilities Committee
From: Kim Gulley, Assistant General Counsel
Date: March 4, 1998
Re: Support for SB 436

Thank you for allowing me to appear today on behalf of the League of Kansas Municipalities and our 527 member cities. The League supports passage of SB 436 and the establishment of a joint committee to study taxation issues related to the electric industry.

We have barely begun to scratch the surface in understanding the potential impact of electric restructuring on taxing units in Kansas. The issues are complex and interrelated. Just the possibility of electric restructuring gives rise to the following issues:

Sales and Use Taxes

- ▶ Is there a sufficient nexus to impose a sales or use tax on all power which is furnished or used in the state?
- ▶ How will the taxes be applied to an unbundled bill?
- ▶ Which company will be responsible for the collection and payment of the taxes?
- ▶ Will we be able to obtain accurate gross receipts information?

Franchise Fees (See Research Information Bulletin No. 644)

- ▶ How will existing long-term franchise agreements between cities and electric providers be affected?
- ▶ How will the city be adequately reimbursed for the use of the public rights-of-way?
- ▶ Will we be able to obtain accurate gross receipts information?

Property Taxes (See Research Information Bulletin No. 643)

- ▶ Will cities which operate municipal electric utilities be allowed to continue to offset property taxes with utility revenues?
- ▶ How will the state classify the various components of the electric industry and how will that impact all levels of government?

As you can see, there are many questions to be studied and resolved. We believe that the joint committee established by SB 436 will give policymakers the opportunity to focus on these issues and work with interested parties on solutions. The debate concerning electric restructuring gives rise to both philosophical questions and practical questions relating to our current tax structure.

We believe that a joint legislative committee is the appropriate vehicle for the discussion and resolution of these issues. The League is committed to providing whatever assistance the joint committee may need in this area. For these reasons, we wholeheartedly support the passage of SB 436.

House Utilities
03-04-98
Attachment 6

Municipal Electric Utilities in Kansas

6-2

City	Pop.	Year Est.	City	Pop.	Year Est.	City	Pop.	Year Est.
ALMA	872	1938	GREENSBURG	1747	1911	NORTON	2905	1912
ALTAMONT	1032	1934	HAVEN	1252	1908	OAKLEY	2106	1910
ANTHONY	2376	1909	HERINGTON	2643	1888	OBERLIN	1977	1901
ARCADIA	312	1913	HERNDON	160	1937	OSAGE CITY	2719	1890
ARMA	1545	1909	HILL CITY	1768	1900	OSAWATOMIE	4758	1913
ASHLAND	985	1909	HILLSBORO	2681	1930	OSBORNE	1744	1921
ATTICA	630	1915	HOISINGTON	3246	1940	OTTAWA	11418	1906
AUGUSTA	8439	1911	HOLTON	3253	1909	OXFORD	1194	1923
AXTELL	379	0	HOLYROOD	472	1918	POMONA	1107	1914
BALDWIN CITY	3654	1906	HORTON	1847	1912	PRATT	6702	1910
BELLEVILLE	2361	1923	HUGOTON	3240	1919	PRESCOTT	284	1921
BELOIT	4052	1890	IOLA	6336	1900	RADIUM	45	1935
BLUE MOUND	225	0	ISABEL	99	0	ROBINSON	285	0
BRONSON	313	1926	IUKA	169	1916	RUSSELL	4760	1910
BURLINGAME	1115	1902	JETMORE	892	1914	SABETHA	2354	1901
BURLINGTON	2904	1935	JOHNSON CITY	1327	1938	SAVONBURG	108	1902
CAWKER CITY	571	1913	KANSAS CITY	142630	1929	SCRANTON	722	1919
CENTRALIA	420	1911	KINGMAN	3302	1913	SENECA	1991	1903
CHANUTE	9497	1903	KIOWA	1129	1976	SEVERANCE	91	0
CHAPMAN	1290	1911	LACROSSE	1384	1906	SEWARD	59	0
CHETOPA	1243	1937	LAHARPE	718	1899	SHARON SPRINGS	871	1918
CIMARRON	1716	1913	LAKIN	2155	1915	ST FRANCIS	1442	1914
CLAY CENTER	4786	1907	LARNED	4474	1916	ST JOHN	1334	1910
COFFEYVILLE	12191	1901	LINCOLN CENTER	1274	1906	ST MARYS	1884	1908
COLBY	5625	1910	LINDSBORG	3272	1904	STAFFORD	1326	1910
DIGHTON	1342	1916	LUCAS	444	0	STERLING	2248	1916
ELLINWOOD	2226	1948	LURAY	233	1915	STOCKTON	1503	1908
ELSMORE	86	0	MANKATO	978	1950	SUMMERFIELD	160	0
ELWOOD	810	0	MARION	1978	1928	TORONTO	321	1917
ENTERPRISE	961	1910	MCPHERSON	12937	1909	TROY	1049	1911
ERIE	1278	1915	MEADE	1545	1910	UDALL	820	1939
EUDORA	3818	0	MINNEAPOLIS	1940	1921	VERMILLION	106	0
FREDONIA	2583	1901	MONTEZUMA	745	1921	WAMEGO	4435	1908
GALVA	677	1918	MORAN	511	1900	WASHINGTON	1277	1938
GARDEN CITY	24902	0	MORRILL	292	1927	WATERVILLE	561	0
GARDNER	4277	1918	MOUNDRIDGE	1568	1909	WATHENA	1130	1937
GARNETT	3252	1918	MOUNT HOPE	1092	1920	WEBBER	39	1937
GIRARD	2756	1904	MULBERRY	530	1915	WELLINGTON	8574	1902
GLASCO	545	1910	MULVANE	5101	1902	WINFIELD	12090	1904
EN ELDER	444	1905	MUSCOTAH	161	0			
JODLAND	5034	1937	NEODESHA	2817	1922			

Shaded cities operate both generation and distribution systems.

Quick Facts

Total Municipal Utilities = 121

63 Generation & Distribution
58 Distribution Only

City Size

76 Cities of 3rd Class
42 Cities of 2nd Class
3 Cities of 1st Class

Number of Publicly Owned Electric Utilities by State*:

1. Nebraska 157
2. Iowa 137
3. Minnesota 130
4. **Kansas 121**
5. Missouri 89

40 states have less than 50

*APPA, *Number of State & Local Publicly Owned Electric Utilities by State, 1995.*

Average Rate Comparison**

	Residential	All Classes
Munis	7.4	6.0
IOUs	7.7	6.3
COOPs	9.9	8.8

**1995 Average Revenue/kWh

RESEARCH / INFORMATION BULLETIN

League of Kansas Municipalities / 300 S.W. Eighth Street / Topeka, Kansas 66603 / 913-354-9565

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THE EFFECTS OF MUNICIPAL ELECTRIC UTILITIES

In a continuing attempt to quantify the impacts of electric utilities on those cities which operate them as municipal services, the League surveyed 125 cities with municipal electric utilities on the total financial contribution of those utilities to the cities. Cities were asked such questions as the amount of direct transfers from the electric fund to other city funds, the value of free or discounted electricity provided to city departments and other facilities, the value of free or discounted electricity to other governments and non-profits, and the value of personnel services paid from electric department monies. (A copy of the questionnaire form is attached.) A total of 105 cities responded to our inquiry. One city indicated that it no longer operates a municipal electric utility; data from the other 104 cities is included in the attached tables.

In the aggregate, municipal electric utilities contributed \$37,252,080.62 to these 104 Kansas cities in 1995. These contributions ranged from a low of \$0 in Elsmore to a high of \$12,808,078 in Kansas City, with a mean of \$358,193.08 and a median of \$151,635.79. These cities ranged in population from Kansas City, with 144,266 residents, to Webber, with 39. The mean value for support per capita was \$97.39, with a median of \$80.41.

If these funds were no longer available to cities, they would have to cut city services or raise additional revenues. One of the principal sources of revenue to local governments in Kansas is the ad valorem property tax, so the impacts of eliminating municipal electric utilities have been quantified as the property tax mill levy equivalent of the support provided by the electric utilities in 1995. Using assessed valuation and total city mill levy data from the "1995 City Tax Rates for 1996," published in the January, 1996, issue of the *Kansas Government Journal*, figures were obtained for both the mill levy needed to replace electric utility support and the percent increase that would reflect in city mill levies. These figures are summarized in the attached tables.

Summary of Potential Retail Electric Wheeling Impacts on Kansas Communities with Municipal Electric Utilities

City	Total Support from Electric Utility	Population 7/1/94 certified 96	Assessed Valuation 1995	Total Support Per Capita	Mill Levy Needed to Replace Total Support	Total City Mill Levy	New Levy	Percent Increase in Mill Levy
Alma	\$68,093.08	872	\$2,269,865	\$78.09	29.999	22.354	52.353	134.20%
Altamont	\$91,923.00	1,032	\$2,274,326	\$89.07	40.418	28.816	69.234	140.26%
Anthony	\$127,578.83	2,376	\$6,024,451	\$53.69	21.177	64.652	85.829	32.76%
Arcadia	\$61,942.51	313	\$327,755	\$197.90	188.990	50.715	239.705	372.65%
Ashland	\$91,809.20	984	\$2,608,937	\$93.30	35.190	69.237	104.427	50.83%
Attica	\$255,505.38	630	\$1,439,796	\$405.56	177.459	35.924	213.383	493.99%
Augusta	\$249,624.29	8,439	\$26,438,985	\$29.58	9.442	34.201	43.643	27.61%
Axtell	\$35,383.00	379	\$1,092,927	\$93.36	32.375	31.488	63.863	102.82%
Baldwin City	\$210,840.00	3,654	\$8,882,595	\$57.70	23.736	32.009	55.745	74.16%
Belleville	\$462,000.00	2,361	\$6,514,704	\$195.68	70.916	59.463	130.379	119.26%
Beloit	\$154,471.86	4,052	\$11,597,402	\$38.12	13.320	51.265	64.585	25.98%
Blue Mound	\$5,550.00	225	\$401,970	\$24.67	13.807	45.058	58.865	30.64%
Bronson	\$13,600.00	313	\$490,282	\$43.45	27.739	46.012	73.751	60.29%
Burlington	\$206,119.00	2,903	\$8,473,267	\$71.00	24.326	32.897	57.223	73.95%
Cawker City	\$59,800.00	576	\$1,395,470	\$103.82	42.853	37.500	80.353	114.27%
Centralia	\$62,217.00	420	\$1,082,600	\$148.14	57.470	31.282	88.752	183.72%
Chanute	\$963,536.61	9,498	\$27,557,654	\$101.45	34.964	31.164	66.128	112.19%
Chapman	\$95,465.00	1,290	\$2,806,887	\$74.00	34.011	46.647	80.658	72.91%
Chetopa	\$12,638.33	1,243	\$2,096,196	\$10.17	6.029	43.214	49.243	13.95%
Cimarron	\$68,390.00	1,715	\$6,453,969	\$39.88	10.597	26.661	37.258	39.75%
Clay Center	\$215,462.00	4,786	\$12,654,152	\$45.02	17.027	43.214	60.241	39.40%
Coats	\$2,927.06	123	\$182,119	\$23.80	16.072	25.495	41.567	63.04%

City	Total Support from Electric Utility	Population 7/1/94 certified 96	Assessed Valuation 1995	Total Support Per Capita	Mill Levy Needed to Replace Total Support	Total City Mill Levy	New Levy	Percent Increase in Mill Levy
Coffeyville	\$1,318,752.00	12,191	\$29,158,009	\$108.17	45.228	44.925	90.153	100.67%
Colby	\$381,289.09	5,625	\$23,197,134	\$67.78	16.437	35.182	51.619	46.72%
Dighton	\$186,949.38	1,342	\$3,491,072	\$139.31	53.551	62.393	115.944	85.83%
Ellinwood	\$275,066.00	2,226	\$4,508,880	\$123.57	61.005	27.140	88.145	224.78%
Elsmore	\$0.00	86	\$121,890	\$0.00	0.000	15.219	15.219	0.00%
Enterprise	\$26,287.37	961	\$2,297,877	\$27.35	11.440	50.289	61.729	22.75%
Erie	\$211,982.00	1,278	\$2,758,044	\$165.87	76.860	39.089	115.949	196.63%
Eudora	\$198,555.00	3,818	\$12,112,968	\$52.00	16.392	12.744	29.136	128.62%
Fredonia	\$632,739.23	2,583	\$7,773,794	\$244.96	81.394	32.567	113.961	249.93%
Garden City	\$893,000.00	24,902	\$80,487,792	\$35.86	11.095	26.970	38.065	41.14%
Gardner	\$393,080.00	4,277	\$19,719,418	\$91.91	19.934	19.648	39.582	101.45%
Garnett	\$234,089.32	3,252	\$8,669,997	\$71.98	27.000	48.892	75.892	55.22%
Girard	\$483,334.32	2,756	\$9,555,925	\$175.38	50.580	41.286	91.866	122.51%
Glasco	\$52,170.42	545	\$707,347	\$95.73	73.755	32.331	106.086	228.12%
Glen Elder	\$61,684.36	444	\$1,298,113	\$138.93	47.518	35.100	82.618	135.38%
Goodland	\$506,460.69	5,034	\$16,046,131	\$100.61	31.563	41.082	72.645	76.83%
Greensburg	\$45,007.78	1,747	\$4,736,352	\$25.76	9.503	40.056	49.559	23.72%
Haven	\$230,373.94	1,252	\$3,092,553	\$184.00	74.493	29.002	103.495	256.86%
Herington	\$262,392.00	2,643	\$6,036,472	\$99.28	43.468	56.310	99.778	77.19%
Hill City	\$336,068.62	1,768	\$3,924,546	\$190.08	85.632	55.952	141.584	153.05%
Hillsboro	\$263,078.00	2,680	\$7,541,615	\$98.16	34.884	55.904	90.788	62.40%
Hoisington	\$145,729.00	3,246	\$4,914,341	\$44.89	29.654	61.875	91.529	47.93%
Holton	\$242,074.00	3,253	\$11,428,967	\$74.42	21.181	37.556	58.737	56.40%

City	Total Support from Electric Utility	Population 7/1/94 certified 96	Assessed Valuation 1995	Total Support Per Capita	Mill Levy Needed to Replace Total Support	Total City Mill Levy	New Levy	Percent Increase in Mill Levy
Holyrood	\$43,758.38	472	\$1,078,028	\$92.71	40.591	52.281	92.872	77.64%
Horton	\$88,518.00	1,847	\$2,794,320	\$47.93	31.678	54.717	86.395	57.89%
Hugoton	\$153,390.58	3,240	\$9,977,539	\$47.34	15.374	32.610	47.984	47.14%
Iola	\$737,375.00	6,336	\$19,026,620	\$116.38	38.755	28.922	67.677	134.00%
Jetmore	\$78,760.83	892	\$1,985,563	\$88.30	39.667	34.406	74.073	115.29%
Johnson City	\$82,329.00	1,326	\$3,881,763	\$62.09	21.209	25.100	46.309	84.50%
Kansas City	\$12,808,078.00	144,266	\$544,388,812	\$88.78	23.527	64.220	87.747	36.64%
Kingman	\$130,240.00	3,302	\$10,295,528	\$39.44	12.650	37.969	50.619	33.32%
Kiowa	\$111,589.00	1,129	\$2,780,689	\$98.84	40.130	32.352	72.482	124.04%
LaCrosse	\$357,876.73	1,384	\$3,009,563	\$258.58	118.913	81.910	200.823	145.18%
LaHarpe	\$39,925.00	718	\$756,654	\$55.61	52.765	35.461	88.226	148.80%
Lakin	\$96,617.00	2,156	\$5,436,761	\$44.81	17.771	56.348	74.119	31.54%
Larned	\$250,616.00	4,474	\$11,249,059	\$56.02	22.279	84.173	106.452	26.47%
Lincoln Center	\$107,784.00	1,274	\$2,547,895	\$84.60	42.303	33.673	75.976	125.63%
Lindsborg	\$145,662.89	3,272	\$9,321,641	\$44.52	15.626	38.015	53.641	41.11%
Lucas	\$51,295.61	444	\$835,677	\$115.53	61.382	46.825	108.207	131.09%
Mankato	\$24,215.08	977	\$1,779,745	\$24.79	13.606	33.126	46.732	41.07%
McPherson	\$877,300.00	12,937	\$54,207,388	\$67.81	16.184	49.754	65.938	32.53%
Meade	\$916,800.00	1,545	\$3,947,771	\$593.40	232.232	87.782	320.014	264.56%
Minneapolis	\$228,597.00	1,940	\$4,444,597	\$117.83	51.433	63.682	115.115	80.76%
Montezuma	\$5,000.00	745	\$3,106,990	\$6.71	1.609	16.191	17.800	9.94%
Moran	\$27,550.00	511	\$938,550	\$53.91	29.354	21.582	50.936	136.01%
Morrill	\$3,407.50	292	\$463,591	\$11.67	7.350	17.410	24.760	42.22%

City	Total Support from Electric Utility	Population 7/1//94 certified 96	Assessed Valuation 1995	Total Support Per Capita	Mill Levy Needed to Replace Total Support	Total City Mill Levy	New Levy	Percent Increase in Mill Levy
Moundridge	\$157,265.00	1,568	\$9,146,504	\$100.30	17.194	18.561	35.755	92.64%
Mount Hope	\$74,170.54	1,092	\$1,831,194	\$67.92	40.504	29.034	69.538	139.51%
Mulberry	\$21,655.00	530	\$482,069	\$40.86	44.921	47.155	92.076	95.26%
Mulvane	\$315,448.00	5,101	\$14,276,100	\$61.84	22.096	45.112	67.208	48.98%
Neodesha	\$461,300.00	2,817	\$5,607,426	\$163.76	82.266	38.547	120.813	213.42%
Norton	\$234,166.00	2,906	\$7,904,205	\$80.58	29.625	52.064	81.689	56.90%
Oakley	\$177,420.00	2,106	\$6,339,615	\$84.25	27.986	39.565	67.551	70.73%
Oberlin	\$580,505.00	1,977	\$5,505,699	\$293.63	105.437	43.131	148.568	244.46%
Osage City	\$106,230.00	2,720	\$8,474,172	\$39.06	12.536	30.859	43.395	40.62%
Osawatomie	\$484,531.00	4,758	\$9,556,659	\$101.84	50.701	35.422	86.123	143.13%
Osborne	\$248,176.03	1,744	\$3,993,366	\$142.30	62.147	63.934	126.081	97.21%
Ottawa	\$867,927.00	11,419	\$33,384,855	\$76.01	25.998	46.962	72.960	55.36%
Oxford	\$33,983.88	1,194	\$2,395,950	\$28.46	14.184	40.005	54.189	35.46%
Pomona	\$23,430.00	1,107	\$1,354,773	\$21.17	17.294	16.572	33.866	104.36%
Pratt	\$625,598.00	6,701	\$21,663,312	\$93.36	28.878	30.193	59.071	95.65%
Robinson	\$42,140.05	285	\$489,439	\$147.86	86.099	31.752	117.851	271.16%
Russell	\$404,112.00	4,760	\$14,697,918	\$84.90	27.495	46.103	73.598	59.64%
Sabetha	\$159,000.00	2,354	\$12,214,577	\$67.54	13.017	40.211	53.228	32.37%
Savonburg	\$2,085.60	108	\$203,715	\$19.31	10.238	51.980	62.218	19.70%
Seneca	\$149,881.00	1,991	\$9,853,328	\$75.28	15.211	24.344	39.555	62.48%
Sharon Springs	\$37,062.42	871	\$2,351,180	\$42.55	15.763	28.881	44.644	54.58%
St. Francis	\$230,149.89	1,442	\$4,277,460	\$159.60	53.805	35.510	89.315	151.52%
St. John	\$70,345.00	1,335	\$3,251,401	\$52.69	21.635	68.259	89.894	31.70%

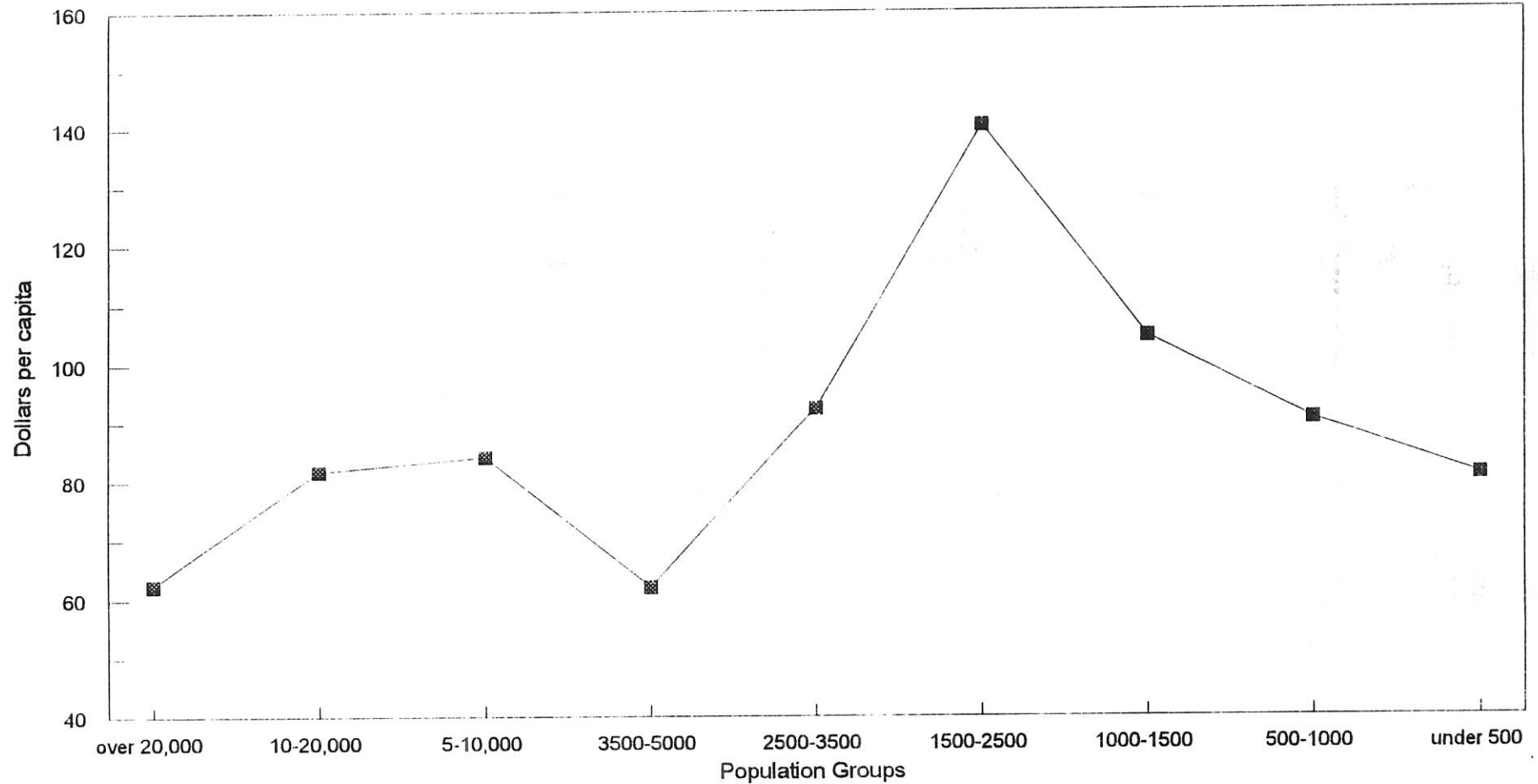
City	Total Support from Electric Utility	Population 7/1//94 certified 96	Assessed Valuation 1995	Total Support Per Capita	Mill Levy Needed to Replace Total Support	Total City Mill Levy	New Levy	Percent Increase in Mill Levy
St. Marys	\$243,500.00	1,884	\$6,755,414	\$129.25	36.045	36.644	72.689	98.37%
Stafford	\$139,869.13	1,326	\$2,169,941	\$105.48	64.458	58.278	122.736	110.60%
Sterling	\$235,440.44	2,248	\$3,854,198	\$104.73	61.087	61.409	122.496	99.48%
Stockton	\$357,745.95	1,503	\$4,194,672	\$238.02	85.286	40.960	126.246	208.22%
Troy	\$247,050.50	1,049	\$1,986,412	\$235.51	124.370	14.801	139.171	840.28%
Udall	\$65,794.00	820	\$2,175,887	\$80.24	30.238	41.580	71.818	72.72%
Wamego	\$135,750.00	4,435	\$12,708,861	\$30.61	10.682	28.971	39.653	36.87%
Washington	\$51,498.92	1,277	\$2,669,551	\$40.33	19.291	43.697	62.988	44.15%
Waterville	\$91,300.00	561	\$1,620,859	\$162.75	56.328	25.014	81.342	225.19%
Wathena	\$125,000.00	1,130	\$2,808,908	\$110.62	44.501	11.657	56.158	381.76%
Webber	\$3,000.00	39	\$88,030	\$76.92	34.079	N/A	N/A	N/A
Wellington	\$879,774.00	8,575	\$25,589,792	\$102.60	34.380	50.228	84.608	68.45%
Winfield	\$908,052.00	12,090	\$44,463,162	\$75.11	20.423	47.796	68.219	42.73%
			mean	\$97.39	40.760			108.43%
			median	\$80.41	30.118			77.01%

City	Population 7/1/94cert96	Total Suppt. Per Cap.	Mill Levy to Replace	Increase in Mill Levy
over 20,000				
Kansas City	144,266	\$88.78	23.527	36.64%
Garden City	24,902	\$35.86	11.095	41.14%
mean		\$62.32	17.311	38.89%
10-20,000				
McPherson	12,937	\$67.81	16.184	32.53%
Coffeyville	12,191	\$108.17	45.228	100.67%
Winfield	12,090	\$75.11	20.423	42.73%
Ottawa	11,419	\$76.01	25.998	55.36%
mean		\$81.78	26.958	57.82%
5-10,000				
Chanute	9,498	\$101.45	34.964	112.19%
Wellington	8,575	\$102.60	34.380	68.45%
Augusta	8,439	\$29.58	9.442	27.61%
Pratt	6,701	\$93.36	28.878	95.65%
Iola	6,336	\$116.38	38.755	134.00%
Colby	5,625	\$67.78	16.437	46.72%
Mulvane	5,101	\$61.84	22.096	48.98%
Goodland	5,034	\$100.61	31.563	76.83%
mean		\$84.20	27.064	76.30%
3500-5000				
Clay Center	4,786	\$45.02	17.027	39.40%
Russell	4,760	\$84.90	27.495	59.64%
Osawatomie	4,758	\$101.84	50.701	143.13%
Larned	4,474	\$56.02	22.279	26.47%
Wamego	4,435	\$30.61	10.682	36.87%
Gardner	4,277	\$91.91	19.934	101.45%
Beloit	4,052	\$38.12	13.320	25.98%
Eudora	3,818	\$52.00	16.392	128.62%
Baldwin City	3,654	\$57.70	23.736	74.16%
mean		\$62.01	22.396	70.64%
2500-3500				
Kingman	3,302	\$39.44	12.650	33.32%
Lindsborg	3,272	\$44.52	15.626	41.11%
Holton	3,253	\$74.42	21.181	56.40%
Garnett	3,252	\$71.98	27.000	55.22%
Hoisington	3,246	\$44.89	29.654	47.93%
Hugoton	3,240	\$47.34	15.374	47.14%
Norton	2,906	\$80.58	29.625	56.90%
Burlington	2,903	\$71.00	24.326	73.95%
Neodesha	2,817	\$163.76	82.266	213.42%

City	Population 7/1/94cert96	Total Suppt. Per Cap.	Mill Levy to Replace	Increase in Mill Levy
Girard	2,756	\$175.38	50.580	122.51%
Osage City	2,720	\$39.06	12.536	40.62%
Hillsboro	2,680	\$98.16	34.884	62.40%
Herington	2,643	\$99.28	43.468	77.19%
Fredonia	2,583	\$244.96	81.394	249.93%
mean		\$92.48	34.326	84.15%
1500-2500				
Anthony	2,376	\$53.69	21.177	32.76%
Belleville	2,361	\$195.68	70.916	119.26%
Sabetha	2,354	\$67.54	13.017	32.37%
Sterling	2,248	\$104.73	61.087	99.48%
Ellinwood	2,226	\$123.57	61.005	224.78%
Lakin	2,156	\$44.81	17.771	31.54%
Oakley	2,106	\$84.25	27.986	70.73%
Seneca	1,991	\$75.28	15.211	62.48%
Oberlin	1,977	\$293.63	105.437	244.46%
Minneapolis	1,940	\$117.83	51.433	80.76%
St. Marys	1,884	\$129.25	36.045	98.37%
Horton	1,847	\$47.93	31.678	57.89%
Hill City	1,768	\$190.08	85.632	153.05%
Greensburg	1,747	\$25.76	9.503	23.72%
Osborne	1,744	\$142.30	62.147	97.21%
Cimarron	1,715	\$39.88	10.597	39.75%
Moundridge	1,568	\$100.30	17.194	92.64%
Meade	1,545	\$593.40	232.232	264.56%
Stockton	1,503	\$238.02	85.286	208.22%
mean		\$140.42	53.440	107.05%
1000-1500				
St. Francis	1,442	\$159.60	53.805	151.52%
LaCrosse	1,384	\$258.58	118.913	145.18%
Dighton	1,342	\$139.31	53.551	85.83%
St. John	1,335	\$52.69	21.635	31.70%
Johnson City	1,326	\$62.09	21.209	84.50%
Stafford	1,326	\$105.48	64.458	110.60%
Chapman	1,290	\$74.00	34.011	72.91%
Erie	1,278	\$165.87	76.860	196.63%
Washington	1,277	\$40.33	19.291	44.15%
Lincoln Center	1,274	\$84.60	42.303	125.63%
Haven	1,252	\$184.00	74.493	256.86%
Chetopa	1,243	\$10.17	6.029	13.95%
Oxford	1,194	\$28.46	14.184	35.46%
Wathena	1,130	\$110.62	44.501	381.76%
Kiowa	1,129	\$98.84	40.130	124.04%
Pomona	1,107	\$21.17	17.294	104.36%

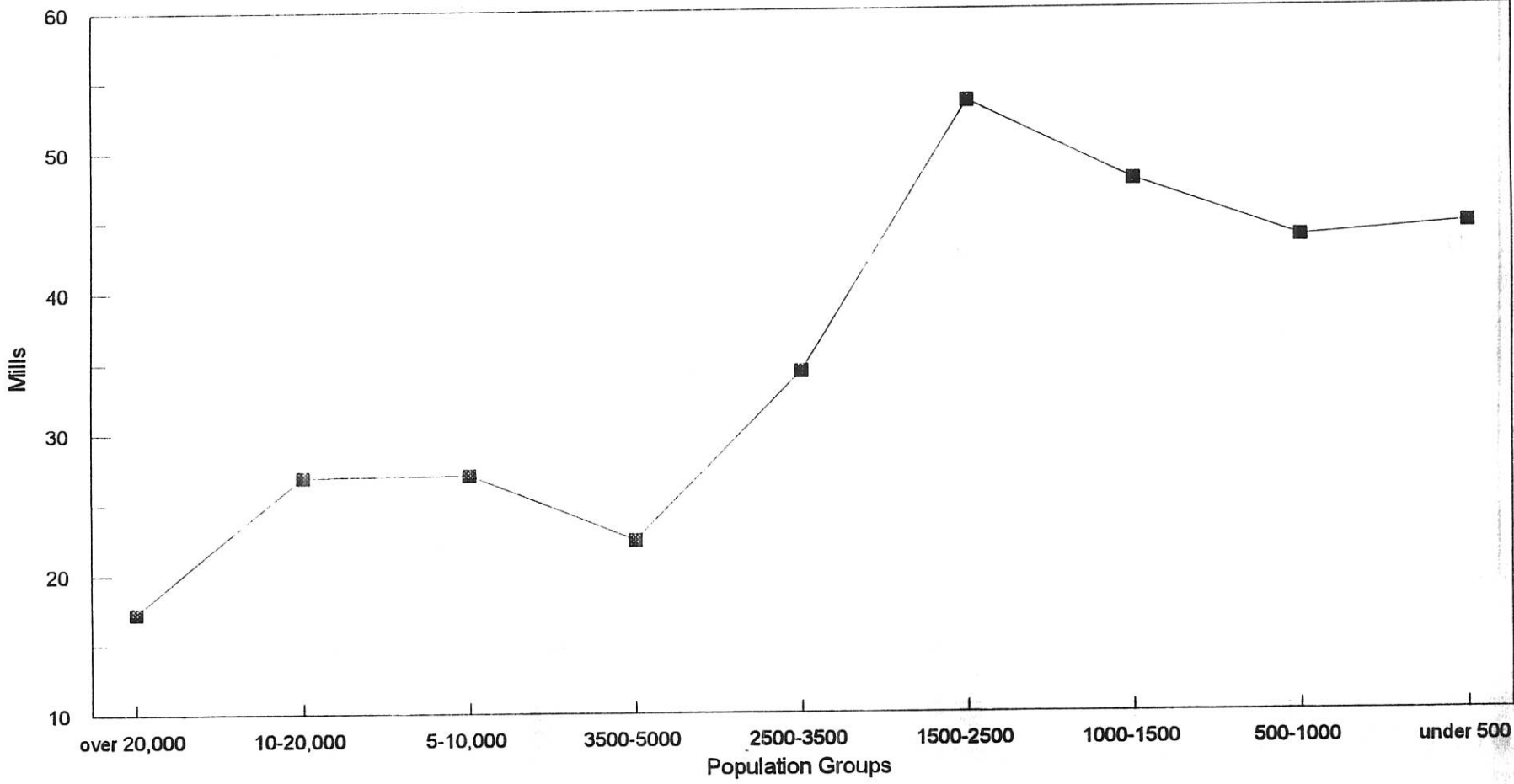
City	Population		Total Suppt. Per Cap.	Mill Levy to Replace	Increase in Mill Levy
	7/1/94	cert96			
Mount Hope	1,092		\$67.92	40.504	139.51%
Troy	1,049		\$235.51	124.370	840.28%
Altamont	1,032		\$89.07	40.418	140.26%
mean			\$104.65	47.787	162.37%
500-1000					
Ashland	984		\$93.30	35.190	50.83%
Mankato	977		\$24.79	13.606	41.07%
Enterprise	961		\$27.35	11.440	22.75%
Jetmore	892		\$88.30	39.667	115.29%
Alma	872		\$78.09	29.999	134.20%
Sharon Springs	871		\$42.55	15.763	54.58%
Udall	820		\$80.24	30.238	72.72%
Montezuma	745		\$6.71	1.609	9.94%
LaHarpe	718		\$55.61	52.765	148.80%
Attica	630		\$405.56	177.459	493.99%
Cawker City	576		\$103.82	42.853	114.27%
Waterville	561		\$162.75	56.328	225.19%
Glasco	545		\$95.73	73.755	228.12%
Mulberry	530		\$40.86	44.921	95.26%
Moran	511		\$53.91	29.354	136.01%
mean			\$90.64	43.663	129.53%
under 500					
Holyrood	472		\$92.71	40.591	77.64%
Glen Elder	444		\$138.93	47.518	135.38%
Lucas	444		\$115.53	61.382	131.09%
Centralia	420		\$148.14	57.470	183.72%
Axtell	379		\$93.36	32.375	102.82%
Bronson	313		\$43.45	27.739	60.29%
Arcadia	313		\$197.90	188.990	372.65%
Morrill	292		\$11.67	7.350	42.22%
Robinson	285		\$147.86	86.099	271.16%
Blue Mound	225		\$24.67	13.807	30.64%
Coats	123		\$23.80	16.072	63.04%
Savonburg	108		\$19.31	10.238	19.70%
Eismore	86		\$0.00	0.000	0.00%
Webber	39		\$76.92	34.079	N/A
mean			\$81.02	44.551	106.45%

Average Support per Capita

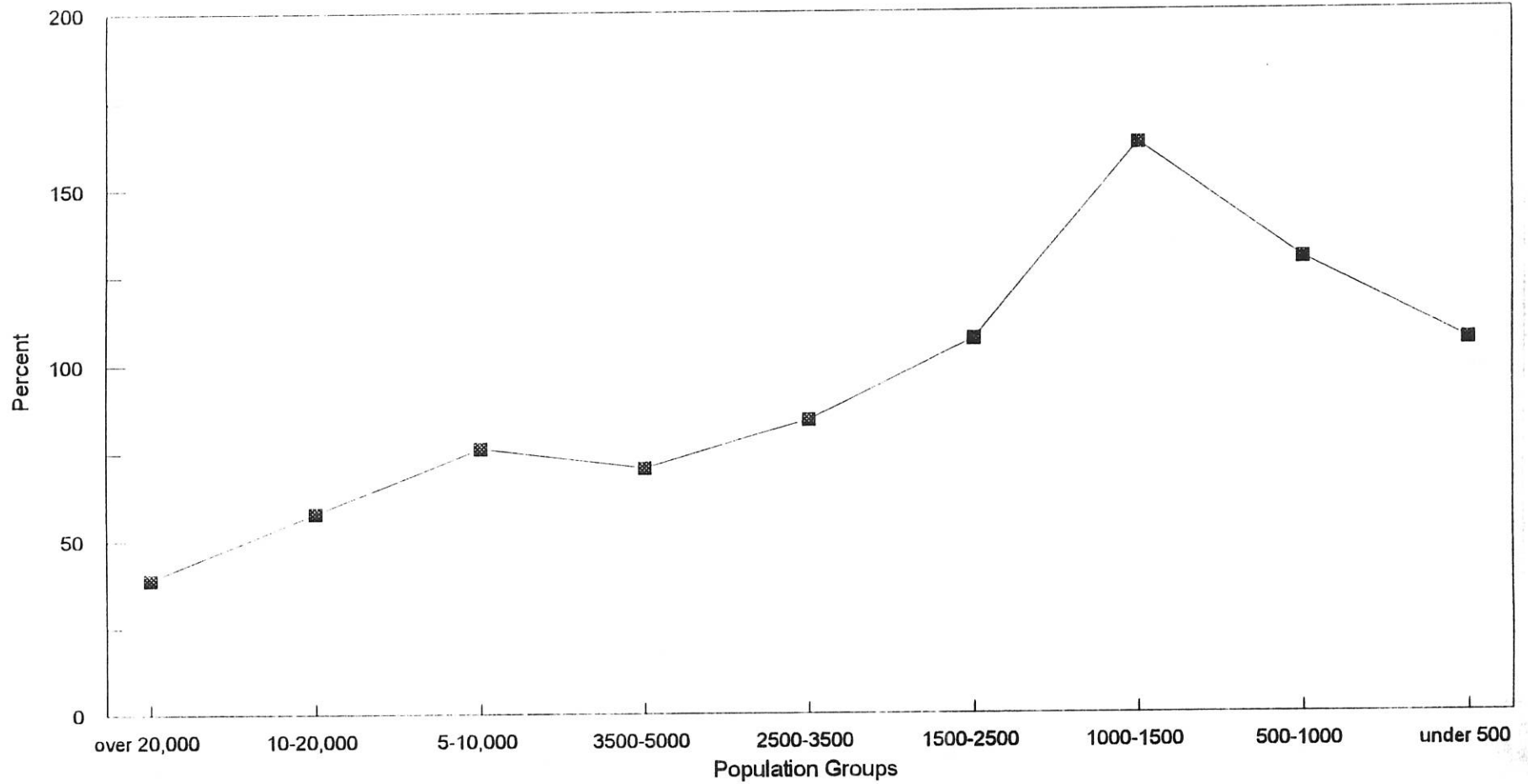


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Average Mill Levy to Replace



Average Percent Increase in Mill Levy



TAIL ELECTRIC WHEELING IMPACTS

INDIVIDUAL CITY DATA

51-9

City	Transfers from Elec. 1995	Dept.	Value of Support 1995	Street Lights	Parking	Signals	Sirens	Others Specify	Others Value of Suppt.	Svcs. to Others	Personnel	Misc. Explain	Misc. Amnt.	Total Suppt.
Alma	\$60,000.00	Parks Office Shops TOTAL	\$717.24 \$870.08 \$736.00 \$2,323.32	\$5,769.76										\$68,093.08
Altamont	\$45,000.00	Sewer Water Cable Fire Swim Pool City Hall Maint Shop Hwy Patrol TOTAL	\$5,038.00 \$350.00 \$2,200.00 \$1,800.00 \$700.00 \$3,355.00 \$600.00 \$240.00 \$14,283.00	\$11,472.00			\$100.00			\$1,068.00	\$20,000.00			\$91,923.00
Anthony	\$69,390.00	Police Shop Clerk's Ofc. Airport Water Well Sewer Recreation TOTAL	\$613.55 \$3,957.46 \$5,411.89 \$3,716.87 \$12,155.73 \$10,010.69 \$1,482.20 \$37,348.39	\$16,000.00				Library Muni. Hall Housing TOTAL	\$1,726.17 \$2,267.71 \$846.56 \$4,840.44					\$127,578.83
Arcadia	\$10,000.00	Maint. Bldg. City Barn City Hall Police TOTAL	\$225.70 \$250.55 \$916.62 \$2,045.82 \$3,438.69	\$22,140.00						\$360.34	\$26,003.48			\$61,942.51
Ashland	\$64,500.00	Parks Cemetery Airport Water City Hall Sewer Street Dept. TOTAL	\$242.64 \$127.36 \$974.96 \$361.04 \$2,302.40 \$1,191.28 \$1,303.28 \$6,502.96	\$17,122.16	\$468.64	\$117.76		City Signs Library TOTAL	\$216.08 \$2,267.20 \$2,483.28	\$614.40				\$91,809.20
Attica	\$250,000.00	Recreation Park Mem. Bldg. TOTAL	\$160.62 \$106.56 \$1,438.20 \$1,705.38	\$3,600.00						\$200.00				\$255,505.38
Augusta	\$65,488.00	Park Water Plant Sanitation Wastewater Lift Stations Street Dept. TOTAL	\$4,121.03 \$58,633.56 \$899.75 \$40,929.78 \$6,746.71 \$1,457.00 \$112,787.83	\$36,317.50		\$5,102.48		Ball Field Park Mulvane wp TOTAL	\$5,792.43 \$2,005.38 \$18,418.00 \$26,215.81	\$3,712.67				\$249,624.29
Axtell	\$4,000.00	All	\$10,047.00							\$356.00	\$20,980.00			\$35,383.00
Madison City	\$134,470.00	Swim Pool	\$900.00	\$26,470.00				Scout Cabi	\$600.00	\$400.00	\$48,000.00			\$210,840.00
Delleville	\$67,500.00	Water General	\$2,000.00 \$25,000.00	\$29,000.00				Arpt & TIC	\$6,000.00	\$6,500.00	\$326,000.00			\$462,000.00

Beloit	\$97,109.97		\$46,882.67				Misc. Dist. & Sub TOTAL	\$1,227.02 \$4,552.20 \$5,779.22	\$4,700.00		\$131,171.00	
Mound			\$1,500.00				Ball Park Water/Sew City Hall TOTAL	\$1,250.00 \$2,500.00 \$300.00 \$4,050.00			\$5,550.00	
Bronson	\$2,500.00	City Hall Library City Park TOTAL	\$400.00 \$450.00 \$500.00 \$1,350.00	\$2,000.00	\$100.00	\$150.00			\$300.00	\$7,200.00	\$13,600.00	
Burlington	\$70,000.00	Clerk Park Dept. Street Dept. Police TOTAL	\$1,907.00 \$2,712.00 \$1,234.00 \$1,920.00 \$7,773.00	\$49,067.00	\$713.00	\$250.00	\$100.00		\$2,262.00	\$75,954.00	\$206,119.00	
Cawker City	\$33,000.00			\$19,000.00		\$500.00	\$300.00		\$3,000.00	\$4,000.00	\$59,800.00	
Centralia	\$30,000.00	Park & Pool City Office Equipment TOTAL	\$2,344.00 \$1,200.00 \$5,000.00 \$8,544.00	\$4,854.00	\$100.00	\$50.00	Ball Field Library TOTAL	\$533.00 \$1,172.00 \$1,705.00	\$1,000.00	\$15,964.00	\$62,217.00	
Chanute	\$700,000.00	TOTAL	\$205,789.00						\$16,800.00	GSI-86	\$40,947.61	\$963,536.61
Chapman	\$55,000.00	Sts. Dept. Golf Clubhse City Bldg. Sewer Plan Water Well TOTAL	\$100.00 \$3,750.00 \$5,500.00 \$10,100.00 \$7,450.00 \$26,900.00	\$7,000.00	\$500.00	\$50.00	\$50.00	Ball Field Tennis Cts. TOTAL	\$2,000.00 \$500.00 \$2,500.00	\$3,465.00	\$95,465.00	
Chetopa	\$9,443.33	City Hall Library Fire Station Swim Pool Ball Field TOTAL	\$508.50 \$401.00 \$221.00 \$268.00 \$133.00 \$1,529.50	\$1,615.50		\$50.00					\$12,638.33	
Cimarron	\$24,000.00	Water Sewer Park Recreation Airport TOTAL	\$19,044.00 \$3,600.00 \$800.00 \$1,720.00 \$680.00 \$25,844.00	\$17,760.00		\$786.00					\$68,390.00	
Clay Center	\$35,000.00	Water	\$34,815.00	\$44,563.00			Utility Park	\$48,393.00	\$11,372.00	\$41,319.00	\$215,462.00	
Coats				\$2,927.06							\$2,927.06	
Coffeyville	\$939,351.00	All Bldgs. Pumping St TOTAL	\$203,223.00 \$1,941.00 \$205,164.00	\$121,661.00		\$7,455.00			\$6,741.00	\$38,380.00	\$1,318,752.00	

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DETAIL ELECTRIC WHEELING IMPACTS

INDIVIDUAL CITY DATA

City	Transfers from Elec. 1995	Dept.	Value of Support 1995	Street Lights	Parking	Signals	Sirens	Others Specify	Others Value of Suppt.	Svcs. to Others	Personnel	Misc. Explain	Misc. Amnt.	Total Suppt.
Colby	\$226,376.00	Water	\$50,424.00	\$16,977.48						\$2,610.31				\$381,289.09
		Sewer	\$40,544.39											
		Parks/Pool	\$4,272.81											
		Law Enforc	\$9,001.66											
		Library	\$3,601.40											
		City Hall	\$13,531.76											
		Unmetered	\$13,949.28											
		TOTAL	\$135,325.30											
Dighton	\$150,000.00	City Office	\$1,633.95	\$24,164.00										\$186,949.38
		Fire station	\$579.56											
		Swim Pool	\$2,100.21											
		Utility Shed	\$2,089.08											
		Wells	\$6,382.58											
		TOTAL	\$12,785.38											
Ellinwood	\$150,679.00	TOTAL	\$32,397.00	\$31,950.00							\$60,040.00			\$275,066.00
Elsmore								N/A		N/A	N/A			\$0.00
Enterprise		Swim Pool	\$3,590.76	\$4,815.12						\$360.87	\$13,400.00			\$26,287.37
		Parks	\$116.88											
		Water	\$1,165.23											
		Sewer	\$1,739.01											
		City Bldgs.	\$1,099.50											
		TOTAL	\$7,711.38											
Erie	\$211,982.00													\$211,982.00
Eudora	\$103,000.00	Water/Sew	\$8,500.00	\$3,000.00	\$650.00	\$200.00	\$200.00				\$72,500.00			\$198,555.00
		Mun. Bldgs.	\$5,755.00											
		Water pum	\$2,250.00											
		Rec. Facil.	\$2,500.00											
		TOTAL	\$19,005.00											
Fredonia	\$460,000.00	Police/Fire	\$10,601.54	\$147,429.34										\$632,739.23
		Cemetery	\$1,339.52											
		Parks	\$6,978.46											
		Library	\$4,412.52											
		Recycling	\$1,977.85											
		TOTAL	\$25,309.89											
Garden City	\$385,000.00	Admin.	\$14,850.00		\$600.00	\$16,250.00				\$11,500.00	\$225,450.00			\$893,000.00
		Cemetery	\$730.00											
		Police	\$1,490.00											
		Fire	\$9,380.00											
		Park & Zoo	\$41,250.00											
		Street	\$7,150.00											
		Solid Wast	\$1,300.00											
		Water	\$153,700.00											
		Airport	\$22,900.00											
		Golf Cours	\$1,450.00											
		TOTAL	\$254,200.00											
Gardner	\$304,600.00	Parks & Re	\$6,560.00	\$24,500.00							\$8,500.00			\$393,080.00
		Water	\$12,410.00											
		Sewer	\$20,450.00											
		Gen. Govt.	\$16,060.00											
		TOTAL	\$55,480.00											
Garnett	\$73,092.39	Gas	\$902.66	\$50,000.00		\$960.64	\$50.00	Tn. Hall Ct	\$2,741.24	\$256.00	\$10,000.00			\$234,089.32

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DETAIL ELECTRIC WHEELING IMPACTS

INDIVIDUAL CITY DATA

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City	Transfers from Elec. 1995	Dept.	Value of Support 1995	Street Lights	Parking	Signals	Sirens	Others Specify Tower	Others Value of Suppt. \$1,358.38	Svcs. to Other	Personnel	Misc. Explain	Misc. Amnt.	Total Suppt. \$43,758.38
Holyrood	\$42,400.00													\$88,518.00
Horton	\$75,000.00	Sanitation Park Water Gen. Adm TOTAL	\$1,450.00 \$1,750.00 \$527.00 \$8,091.00 \$11,818.00	\$1,000.00	\$500.00	\$200.00								
Hugoton		Street Police Admin. Park Sewer Water TOTAL	\$4,812.36 \$105.25 \$3,514.70 \$2,440.11 \$5,454.77 \$55,459.69 \$71,786.88	\$70,709.53		\$2,442.55		Xmas Light Museum TOTAL	\$208.37 \$631.50 \$839.87	\$7,611.75				\$153,390.58
Iola	\$604,276.00	Park Gas Water Fire Dept. Sewer City Hall TOTAL	\$8,724.00 \$530.00 \$21,212.00 \$1,964.00 \$3,707.00 \$7,336.00 \$43,473.00	\$552.00		\$560.00		City (use)	\$43,514.00		\$45,000.00			\$737,375.00
Jetmore	\$50,000.00	Park Water/Lig Sewer Office Water We TOTAL	\$15.37 \$511.17 \$575.55 \$922.85 \$9,678.49 \$11,703.43	\$16,757.03				Pool	\$300.37					\$78,760.83
Johnson City	\$23,341.00	Street sho	\$1,068.00	\$12,309.00			\$148.00	City Hall Fire Dept. TOTAL	\$1,762.00 \$1,496.00 \$3,258.00	\$72.00	\$42,133.00			\$82,329.00
Kansas City		TOTAL	\$2,117,749.00	\$2,890,207.00						\$668,297.00	\$39,000.00	Pmnt in lieu	\$7,092,825.00	\$12,808,078.00
Kingman	\$100,000.00			\$12,713.00		\$420.00		Xmas Light Spl. Constr. Don. L & E TOTAL	\$1,407.00 \$1,200.00 \$14,500.00 \$17,107.00					\$130,240.00
Kiowa	\$108,218.00	Shop Park Ball Field TOTAL	\$1,331.00 \$396.00 \$41.00 \$1,768.00	\$1,503.00			\$100.00							\$111,589.00
LaCrosse	\$320,000.00	Swim Pool Auditoriu Police Offi City Office Parks Shop Disposal Water To Water Pla TOTAL	\$1,484.00 \$3,048.76 \$825.19 \$3,412.14 \$918.05 \$1,907.60 \$4,431.50 \$142.60 \$10,855.50 \$27,025.34	\$9,086.04		\$1,437.43		Xmas Light	\$327.92					\$357,876.73
LaHarpe	\$19,500.00	Water	\$100.00	\$6,000.00			\$150.00			\$1,200.00	\$8,000.00			\$39,925.00

DETAIL ELECTRIC WHEELING IMPACTS

INDIVIDUAL CITY DATA

City	Transfers from Elec. 1995	Dept.	Value of Support 1995	Street Lights	Parking	Signals	Sirens	Others Specify	Others Value of Suppt.	Svcs. to Other	Personnel	Misc. Explain	Misc. Amnt.	Total Suppt.
Moran	\$25,000.00	City Hall Water Sewer Parks TOTAL	\$950.00 \$500.00 \$250.00 \$250.00 \$1,950.00	\$300.00			\$50.00			\$250.00				\$27,550.00
Morrill		Fire Dept. Water De TOTAL	\$294.50 \$257.00 \$551.50	\$2,665.00			\$75.00	Park	\$96.00	\$20.00				\$3,407.50
Moundridge	\$42,000.00	Airport Ball Field City Office Fire & Am Library Parks Street Sho TOTAL	\$1,065.00 \$2,000.00 \$3,725.00 \$800.00 \$1,450.00 \$200.00 \$450.00 \$9,690.00	\$19,000.00				Sewer lift	\$4,575.00		\$82,000.00			\$157,265.00
Mount Hope	\$60,000.00	Park/Pool Pool Fire Statio Ball Field Water #4 Water #5 City Shop City Bldg. Cmty. Ctr. Concessio Med. Clini TOTAL	\$2,325.91 \$298.60 \$794.10 \$592.90 \$3,950.80 \$1,016.55 \$865.83 \$2,009.17 \$1,732.44 \$426.71 \$157.53 \$14,170.54											\$74,170.54
Mulberry	\$13,200.00	Plant Office Police/Fir Other TOTAL	\$2,000.00 \$2,000.00 \$2,000.00 \$2,455.00 \$8,455.00											\$21,655.00
Mulvane	\$101,240.00	TOTAL	\$18,772.00	\$28,081.00		\$2,755.00	\$750.00	Ball Field Xmas Light TOTAL	\$7,500.00 \$1,000.00 \$8,500.00	\$3,500.00	\$90,770.00	Equipment	\$61,080.00	\$315,448.00
Neodesha	\$409,000.00	Enterprise Gen. fund TOTAL	\$44,850.00 \$4,450.00 \$49,300.00					Ball Fields	\$3,000.00					\$461,300.00
Norton	\$26,098.00	Water Sewer City shop City Hall Library Parks Airport TOTAL	\$30,640.00 \$12,000.00 \$7,000.00 \$4,750.00 \$7,680.00 \$5,000.00 \$3,141.00 \$70,211.00	\$27,157.00		\$2,000.00	\$200.00			\$8,500.00	\$100,000.00			\$234,166.00
Oakley	\$30,000.00	Water Police Ra Swim Pool Sewer TOTAL	\$24,785.00 \$79.00 \$1,611.00 \$1,005.00 \$27,480.00	\$58,000.00				Airport Ligh	\$2,540.00	\$750.00	\$58,650.00			\$177,420.00

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DETAIL ELECTRIC WHEELING IMPACTS

INDIVIDUAL CITY DATA

6-22

City	Transfers from Elec. 1995	Dept.	Value of Support 1995	Street Lights	Parking	Signals	Sirens	Others Specify	Others Value of Suppt.	Svcs. to Other	Personnel	Misc. Explain	Misc. Amnt.	Total Suppt.
Oberlin	\$480,031.00			\$5,000.00	\$288.00	\$100.00	\$20.00	Ball Parks Library TOTAL	\$200.00 \$1,830.00 \$2,030.00	\$3,036.00	\$90,000.00			\$580,505.00
Osage City	\$60,000.00			\$45,110.00			\$70.00			\$1,050.00				\$106,230.00
Osawatomie	\$147,000.00	Parks Pub. Work Sewer Library City Hall TOTAL	\$14,176.00 \$14,367.00 \$42,514.00 \$10,913.00 \$8,427.00 \$90,397.00	\$37,679.00		\$500.00	\$500.00				\$208,455.00			\$484,531.00
Osborne	\$206,000.00	Water Pla Library TOTAL	\$8,219.25 \$956.78 \$9,176.03	\$5,000.00							\$28,000.00			\$248,176.03
Ottawa	\$515,000.00	Water De Fire Statio Sewer Cemetery Gen. Fund TOTAL	\$94,902.00 \$21,414.00 \$6,187.00 \$8,714.00 \$24,256.00 \$155,473.00	\$20,693.00	\$10,571.00	\$16,168.00		Legal fees	\$21,747.00		\$128,275.00			\$867,927.00
Oxford	\$15,000.00	TOTAL	\$18,983.88											\$33,983.88
Pomona	\$5,000.00	Wells Park & Sh City Bldg. Fire Dept. TOTAL	\$5,517.00 \$786.00 \$2,694.00 \$322.00 \$9,319.00	\$6,178.00						\$2,933.00				\$23,430.00
Pratt	\$580,000.00			\$40,578.00		\$5,020.00								\$625,598.00
Robinson	\$37,000.00										\$5,140.05			\$42,140.05
Russell	\$251,585.00	Golf Cour Parks Airport Wastewat Water Police/Fir City Hall Streets TOTAL	\$5,625.00 \$6,394.00 \$6,799.00 \$17,898.00 \$42,621.00 \$7,472.00 \$11,334.00 \$5,223.00 \$103,366.00	\$46,310.00		\$2,851.00								\$404,112.00
Sabetha	\$41,000.00										\$118,000.00			\$159,000.00
Savonburg		City Hall	\$300.00	\$1,785.60										\$2,085.60
Seneca	\$80,000.00	Ambulanc Water Sewer Library Maint. Sho Parks Ball Field TOTAL	\$403.00 \$16,361.00 \$9,621.00 \$4,000.00 \$1,824.00 \$280.00 \$863.00 \$33,352.00	\$22,870.00		\$1,507.00	\$200.00	City Hall Museum Swim Pool TOTAL	\$3,110.00 \$648.00 \$1,194.00 \$4,952.00	\$500.00	\$4,000.00	Equipment	\$2,500.00	\$149,881.00

DETAIL ELECTRIC WHEELING IMPACTS

INDIVIDUAL CITY DATA

City	Transfers from Elec. 1995	Dept.	Value of Support 1995	Street Lights	Parking	Signals	Sirens	Others Specify	Others Value of Suppt.	Svcs. to Other	Personnel	Misc. Explain	Misc. Amnt.	Total Suppt.
Moran	\$25,000.00	City Hall Water Sewer Parks TOTAL	\$950.00 \$500.00 \$250.00 \$250.00 \$1,950.00	\$300.00			\$50.00			\$250.00				\$27,550.00
Morrill		Fire Dept. Water De TOTAL	\$294.50 \$257.00 \$551.50	\$2,665.00			\$75.00	Park	\$96.00	\$20.00				\$3,407.50
Moundridge	\$42,000.00	Airport Ball Field City Office Fire & Am Library Parks Street Sho TOTAL	\$1,065.00 \$2,000.00 \$3,725.00 \$800.00 \$1,450.00 \$200.00 \$450.00 \$9,690.00	\$19,000.00				Sewer lift	\$4,575.00		\$82,000.00			\$157,265.00
Mount Hope	\$60,000.00	Park/Pool Pool Fire Statio Ball Field Water #4 Water #5 City Shop City Bldg. Cmty. Ctr. Concessio Med. Clini TOTAL	\$2,325.91 \$298.60 \$794.10 \$592.90 \$3,950.80 \$1,016.55 \$865.83 \$2,009.17 \$1,732.44 \$426.71 \$157.53 \$14,170.54											\$74,170.54
Mulberry	\$13,200.00	Plant Office Police/Fir Other TOTAL	\$2,000.00 \$2,000.00 \$2,000.00 \$2,455.00 \$8,455.00											\$21,655.00
Mulvane	\$101,240.00	TOTAL	\$18,772.00	\$28,081.00		\$2,755.00	\$750.00	Ball Field Xmas Light TOTAL	\$7,500.00 \$1,000.00 \$8,500.00	\$3,500.00	\$90,770.00	Equipment	\$61,080.00	\$315,448.00
Neodesha	\$409,000.00	Enterprise Gen. fund TOTAL	\$44,850.00 \$4,450.00 \$49,300.00					Ball Fields	\$3,000.00					\$461,300.00
Norton	\$26,098.00	Water Sewer City shop City Hall Library Parks Airport TOTAL	\$30,640.00 \$12,000.00 \$7,000.00 \$4,750.00 \$7,680.00 \$5,000.00 \$3,141.00 \$70,211.00	\$27,157.00		\$2,000.00	\$200.00			\$8,500.00	\$100,000.00			\$234,166.00
Oakley	\$30,000.00	Water Police Ra Swim Pool Sewer TOTAL	\$24,785.00 \$79.00 \$1,611.00 \$1,005.00 \$27,480.00	\$58,000.00				Airport Ligh	\$2,540.00	\$750.00	\$58,650.00			\$177,420.00

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TAIL ELECTRIC WHEELING IMPACTS

INDIVIDUAL CITY DATA

City	Transfers from Elec. 1995	Dept.	Value of Support 1995	Street Lights	Parking	Signals	Sirens	Others Specify	Others Value of Suppt.	Svcs. to Other \$205.83	Personnel	Misc. Explain	Misc. Amnt.	Total Suppt. \$37,062.42
Sharon Springs		Water	\$10,573.94	\$19,878.71										
		Sewer	\$3,353.06											
		Park	\$698.85											
		Fire Statio	\$236.92											
		City Office	\$2,115.11											
		TOTAL	\$16,977.88											
St. Francis	\$155,000.00	Office Shop	\$1,350.82	\$11,473.30				Lift Station	\$1,906.55	\$4,293.69	\$7,500.00			\$230,149.89
		Wells & St	\$2,544.82											
		Library	\$39,130.43											
		Fire Dept.	\$6,024.80											
		TOTAL	\$925.48											
		TOTAL	\$49,976.35											
St. John	\$36,000.00	Water	\$2,288.00	\$5,577.00				TOTAL	\$6,913.00	\$915.00	\$13,247.00			\$70,345.00
		Sewer	\$400.00											
		Parks	\$5,005.00											
		TOTAL	\$7,693.00											
St. Marys	\$200,000.00	City Hall	\$2,500.00	\$15,000.00			\$200.00			\$1,500.00	\$1,200.00			\$243,500.00
		Park/Stree	\$6,500.00											
		Sewer	\$5,000.00											
		Water	\$4,500.00											
		Golf Cour	\$4,600.00											
		Fire Dept.	\$2,500.00											
		TOTAL	\$25,600.00											
Stafford	\$17,000.00	Swim Pool	\$1,046.54	\$20,466.32				Fire Dept.	\$1,115.83	\$4,143.16	\$24,300.00			\$139,869.13
		Street/Alle	\$111.13					City Office	\$4,629.62					
		Parks	\$1,080.05					Police Dept	\$429.93					
		Airport	\$1,481.67					Animal Sitr.	\$77.71					
		Xmas Ligh	\$3,000.00					TOTAL	\$6,253.09					
		Water	\$59,653.29											
		Sewer	\$1,333.88											
		TOTAL	\$67,706.56											
Sterling	\$36,000.00	Lake Sltrs.	\$8,076.00	\$25,079.00		\$1,138.00	\$834.00	Ball Field	\$2,248.00		\$77,486.00			\$235,440.44
		Fire Dept.	\$896.00											
		Cemetery	\$2,465.00											
		Svc. Bldg.	\$2,488.00											
		Library	\$3,548.00											
		City Hall	\$6,142.00											
		TOTAL	\$92,655.44											
Stockton	\$320,870.00	Water	\$6,785.54	\$17,870.00						\$3,668.74	\$2,055.00			\$357,745.95
		Sewer	\$4,115.91											
		City Hall	\$1,024.36											
		Fire/Amb.	\$409.20											
		Parks	\$577.06											
		Street sho	\$370.14											
		TOTAL	\$13,282.21											
Troy	\$167,000.00	City Hall	\$2,000.00					TOTAL	\$73,000.00	\$243.50				\$247,050.50
		City Shop	\$2,000.00											
		Pump Hse	\$883.50											
		Water To	\$1,923.50											
		TOTAL	\$6,807.00											
Jdall	\$39,093.00	Police De	\$80.00	\$50.00			\$10.00	Park	\$50.00		\$26,401.00			\$65,794.
		City Bldg	\$110.00											

6-24

TAIL ELECTRIC WHEELING IMPACTS

INDIVIDUAL CITY DATA

City	Transfers from Elec.		Value of Support		Street Lights	Parking	Signals	Sirens	Others Specify	Others Value of Suppt.	Svcs. to Other	Personnel	Misc. Explain	Misc. Amnt.	Total Suppt.
	1995	Dept. TOTAL	1995	\$190.00											
Wamego	\$98,000.00				\$14,557.00		\$2,544.00		TOTAL	\$17,049.00	\$3,600.00				\$135,750.00
Washington		Fire	\$84.00		\$30,000.00			\$200.00	Sr. Citizens	\$2,394.66	\$998.44				\$51,498.92
		Library	\$2,580.20						Camper Pk	\$491.27					
		City Hall	\$2,608.82						Park/Fair	\$3,000.00					
		Ambulanc	\$467.56						TOTAL	\$5,885.93					
		Sewer/Wa	\$1,420.29												
		Water	\$7,253.68												
		TOTAL	\$14,414.55												
Waterville	\$39,800.00	Water	\$3,943.00		\$7,802.00	\$411.00	\$99.00	\$41.00			\$4,971.00	\$24,982.00			\$91,300.00
		Sewer	\$6,389.00												
		City Bldg.	\$2,665.00												
		Fire & Am	\$197.00												
		TOTAL	\$13,194.00												
Wathena	\$38,000.00	TOTAL	\$39,000.00									\$48,000.00			\$125,000.00
Webber					\$3,000.00										\$3,000.00
Wellington	\$575,882.00	Police	\$2,300.00				\$91,066.00		Wastewater	\$55,301.00	\$102,851.00				\$879,774.00
		Fire/EMS	\$2,723.00						Water	\$27,303.00					
		Parks	\$4,073.00						Sanitation	\$147.00					
		Auditoriu	\$5,672.00						Golf Course	\$4,141.00					
		Street/PW	\$1,839.00						TOTAL	\$86,892.00					
		Cemetery	\$803.00												
		City Hall	\$4,479.00												
		Lake	\$1,194.00												
		TOTAL	\$23,083.00												
Winfield	\$882,352.00						\$5,200.00	\$500.00				\$20,000.00			\$908,052.00
No. of cities		104													

NOTE: Reported Figures on Support for Electric Utility Operation (e.g., free power provided to run the electric generation facilities) have not been included in this spreadsheet.

6-25

1996 LEAGUE QUESTIONNAIRE
Total Value of City Electric Utility Contributions

NAME: _____ **CITY:** _____ **PHONE:** _____

1. Fund Transfers

Total funds transferred from your electric fund to other city funds in 1995? \$ _____
 Estimated amount of transfers in 1996: \$ _____

2. Support from Electric Utility Fund for City Departments

Value of the electricity provided to city departments in 1995?

Department	Value
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

NOTE ON ELECTRIC VALUES

Please calculate all electric values as follows:
 Kilowatt hours used x commercial rate +
 customer and energy charges

Example:

City Park used 16,000 kwh x \$.18/kwh (comm-
 ercial rate) = \$2,880 energy charge + (\$250
 customer cg.) + (\$700 fuel cg.) = \$3,830 total

3. Support from Electric Utility Fund for City and Other Facilities/Operations

Value of the electricity used to power following facilities in 1995:

Street lights	\$ _____
Lighted parking lots	\$ _____
Traffic signals	\$ _____
Sirens	\$ _____
Other (please specify): _____	\$ _____
_____	\$ _____
_____	\$ _____

Please include the value of any electric service provided by the city, even if not billed to a customer, but do not duplicate values reported in another section.

4. Services to Other Governments and Non-Profits. Does the city provide free or discounted electricity or free use of city facilities (including electricity) to any other government entity (e.g., county, school district) or non-profit organization (e.g., sporting events, scout troops, churches)? If so, what was the value of that electricity in 1995? \$ _____

5. Personnel Services. Do any city employees, paid from electric utility funds, perform services for another city department? If so, what was the value of those services in 1995?
 (Number of hours times hourly pay, including benefits) \$ _____

6. Background Information (Complete or check as applicable)

- (a) City electric utility outstanding bonded or lease purchase indebtedness as of January 1, 1995? \$ _____
- (b) Our city: Distributes electricity only _____ Generates all its own electricity _____
 Generates electricity only at certain times _____ (When? _____)

Please attach copies of your city's: (1) electric rate ordinance, (2) debt service schedules for each outstanding electric utility bond or lease-purchase issue as of 1/1/95, and (3) 1995 (or 1994 if 1995 not available) audited financial statements for the electric utility. Attach additional sheets if needed.

Please Return To: League of Kansas Municipalities, 300 SW 8th, Topeka, KS 66603, Attn. Phil Hanes

PLEASE RETURN BY OCTOBER 15, 1996

RESEARCH / INFORMATION BULLETIN

League of Kansas Municipalities / 300 S.W. Eighth Street / Topeka, Kansas 66603 / 913-354-9565

Vol. XVII No. 644
January 8, 1997

THE EFFECTS OF ELECTRIC FRANCHISE FEES

In a continuing attempt to quantify the importance of various revenue sources to Kansas cities, the League analyzed data reported in the *Kansas Municipal Revenue Practices for 1995* on the revenues cities derive from franchise fees on electric utilities.

If these funds were no longer available to cities, they would have to cut city services or raise additional revenues. One of the principal sources of revenue to local governments in Kansas is the ad valorem property tax, so the impacts of eliminating franchise fees have been quantified as the property tax mill levy equivalent of the revenue produced by the franchise fees in 1995. Using assessed valuation and total city mill levy data from the "1995 City Tax Rates for 1996," published in the January, 1996, issue of the *Kansas Government Journal*, figures were obtained for both the mill levy needed to replace electric utility support and the percent increase that would reflect in city mill levies. These figures are summarized in the attached tables.

The average franchise fee per capita in the 124 cities with reported data was \$17.04. The average mill levy to replace this fee would be 7.474 mills. In general, the increase in mill levies necessary to replace electric franchise fees is significant as a percentage of present mill levies. For 75% of cities, the increase would be 10.41% or more.

The tables also present the cities sorted into twelve population categories, and give averages for the cities within each population category. This analysis reveals that the population group with the lowest average mill levy to replace franchise fees is cities with 20,000-49,999 population. The average mill levy to replace electric franchise fees in these cities is 3.826. At the other extreme, cities with populations of 250-499 would require an average of 10.725 mills to replace electric franchise fees. Six of the population categories would have average percentage increases of around 15%, while the 250-499 population range would require an average increase in mill levies of 56.81% to replace franchise fees.

TOTAL REVENUE NEEDED TO REPLACE ELECTRIC FRANCHISE FEES

CITY	POP.	ELECTRIC FRANCHISE FEES, 1995		ASSESSED TANGIBLE VALUATION	TOTAL CITY MILL LEVY	MILL LEVY TO REPLACE ELEC. FRANCH. FEES	PERCENT INCREASE IN MILL LEVY
	1994 cert 7/96	TOTAL	PER/CAP	1995	1995		
ABILENE	6,727	124,286	18.48				
ALLEN	225	2,550	11.33	\$458,140	24.574	5.566	22.65%
ALTA VISTA	464	5,630	12.13	\$1,040,019	39.449	5.414	13.72%
ANDOVER	4,991	70,966	14.22	\$23,813,227	36.104	2.980	8.25%
ARKANSAS CITY	12,480	287,397	23.03	\$31,342,282	64.881	9.170	14.13%
ATWOOD	1,342	29,154	21.72	\$3,888,424	26.760	7.498	28.02%
BAXTER SPRINGS	4,365	85,354	19.55	\$14,295,215	21.899	5.971	27.27%
BENNINGTON	590	8,535	14.47	\$1,402,946	30.933	6.084	19.67%
BENTLEY	411	3,588	8.73	\$719,864	41.184	4.984	12.10%
BIRD CITY	529	11,376	21.50	\$1,907,428	17.880	5.964	33.36%
BONNER SPRINGS	7,118	107,612	15.12	\$29,705,963	43.566	3.623	8.32%
BUFFALO	319	420	1.32	\$344,824	75.581	1.218	1.61%
BUHLER	1,381	23,583	17.08	\$3,911,806	42.913	6.029	14.05%
CALDWELL	1,350	35,340	26.18	\$3,939,984	64.444	8.970	13.92%
CARBONDALE	1,667	23,343	14.00	\$3,287,007	17.844	7.102	39.80%
CEDAR VALE	704	8,867	12.60	\$1,282,319	30.008	6.915	23.04%
CHAUTAQUA	129	1,524	11.81	\$162,025	12.524	9.404	75.09%
CHENEY	2,033	32,655	16.06	\$4,898,229	46.618	6.667	14.30%
CHERRYVALE	2,471	42,836	17.34	\$4,631,643	50.081	9.249	18.47%
CLEAR WATER	2,165	20,754	9.59	\$6,665,629	34.299	3.114	9.08%
COLDWATER	852	23,338	27.39	\$2,132,980	72.650	10.942	15.06%
COLONY	387	4,140	10.70	\$690,142	40.778	5.998	14.71%
CONCORDIA	5,897	163,678	27.76	\$16,093,360	51.230	10.171	19.85%
CONWAY SPRINGS	1,408	5,652	4.01	\$2,169,491	60.430	2.605	4.31%
COTTONWOOD FALLS	798	12,323	15.44	\$1,841,225	64.367	6.693	10.40%
COUNCIL GROVE	2,278	38,609	16.95	\$7,567,543	38.853	5.102	13.13%
COURTLAND	327	6,146	18.79	\$892,221	52.211	6.888	13.19%
CUNNINGHAM	534	6,658	12.47	\$1,210,015	35.257	5.503	15.61%
DEERFIELD	710	8,026	11.30	\$1,376,010	58.044	5.833	10.05%
DERBY	16,588	269,979	16.28	\$63,278,754	39.606	4.267	10.77%
EDGERTON	1,383	7,001	5.06	\$3,121,618	42.397	2.243	5.29%
EDWARDSVILLE	3,554	69,583	19.58	\$17,191,998	38.605	4.047	10.48%
EL DORADO	12,032	257,339	21.39	\$44,190,352	40.592	5.823	14.35%
ELGIN	102	1,595	15.64	\$199,093	0.000	8.011	
ELLIS	1,828	24,123	13.20	\$4,700,934	53.889	5.132	9.52%
ELLSWORTH	2,827	75,775	26.80	\$7,078,032	49.355	10.706	21.69%
EMPORIA	25,522	531,065	20.81	\$93,265,641	34.316	5.694	16.59%
EVEREST	268	8,410	31.38	\$944,880	11.372	8.901	78.27%
FAIRVIEW	269	6,651	24.72	\$649,399	2.469	10.241	414.80%
FAIRWAY	4,124	115,451	27.99	\$37,016,359	10.294	3.119	30.30%
FLORENCE	626	3,914	14.24	\$1,228,265	88.897	7.257	8.16%
FOWLER	548	9,566	17.46	\$1,196,989	42.451	7.992	18.83%
FRANKFORT	916	18,324	20.00	\$1,931,537	73.801	9.487	12.85%
GARDEN PLAIN	916	10,047	10.97	\$2,638,865	42.363	3.807	8.99%
GRAINFIELD	334	2,031	6.08	\$1,000,274	26.293	2.031	7.72%
GRENOLA	244	2,493	10.22	\$333,959	70.312	7.465	10.62%
GRIDLEY	337	8,315	24.67	\$97,531	33.068	85.255	257.82%
GRINNELL	343	7,767	22.64	\$1,268,592	26.680	6.123	22.95%
HALSTEAD	2,159	40,782	18.89	\$7,894,160	62.006	5.166	8.33%
HARPER	1,627	44,322	27.24	\$4,232,386	70.321	10.472	14.89%
HARRIS	38	600	15.79	\$127,358	8.409	4.711	56.02%
HAVILAND	625	3,084	4.94	\$1,591,300	49.945	1.938	3.88%
HAYSVILLE	8,561	140,284	16.39	\$22,339,965	38.051	6.280	16.50%

TOTAL REVENUE NEEDED TO REPLACE ELECTRIC FRANCHISE FEES

HESSTON	3,078	79,271	25.75	\$16,182,386	30.799	4.899	15.91%
HIGHLAND	951	24,064	25.30	\$1,904,120	32.527	12.638	38.85%
HOLCOMB	1,823	1,493	0.82	\$3,654,707	61.930	0.409	0.66%
HOXIE	1,279	22,369	17.49	\$3,859,498	63.925	5.796	9.07%
HUMBOLDT	2,211	36,689	16.59	\$3,631,243	54.704	10.104	18.47%
HUTCHINSON	39,770	631,226	15.87	\$139,319,176	40.461	4.531	11.20%
JAMESTOWN	328	6,347	19.35	\$477,943	45.018	13.280	29.50%
JUNCTION CITY	20,380	358,095	17.57	\$66,429,402	52.217	5.391	10.32%
KANOPOLIS	614	15,416	25.11	\$822,951	61.830	18.733	30.30%
KECHI	827	8,438	10.20	\$3,628,428	22.244	2.325	10.45%
KISMET	410	8,774	21.40	\$759,394	21.152	11.554	54.63%
LANSING	7,967	84,024	10.55	\$22,370,779	23.352	3.756	16.08%
LATHAM	203	2,388	11.76	\$226,155	89.280	10.557	11.82%
LAWRENCE	71,721	1,525,245	21.27	\$356,295,015	22.867	4.281	18.72%
LEAWOOD	24,852	671,170	27.01	\$247,421,437	25.459	2.713	10.66%
LEBO	908	12,298	13.54	\$257,036	22.984	47.847	208.17%
LE ROY	545	7,797	14.31	\$165,387	35.747	47.146	131.89%
LOUISBURG	2,499	19,132	7.66	\$8,291,574	16.325	2.307	14.13%
LYNDON	1,065	24,864	23.35	\$2,931,059	40.083	8.483	21.16%
LYONS	3,494	51,490	14.74	\$8,443,670	40.421	6.098	15.09%
MANHATTAN	43,836	585,228	13.35	\$145,800,085	41.715	4.014	9.62%
MARYSVILLE	3,275	61,287	18.71	\$11,590,567	58.053	5.288	9.11%
MEDICINE LODGE	2,305	47,806	20.74	\$5,922,077	52.760	8.073	15.30%
MERRIAM	13,095	502,754	38.39	\$89,954,849	22.011	5.589	25.39%
MILTONVALE	470	11,535	24.54	\$1,044,163	58.353	11.048	18.93%
MINNEOLA	750	10,373	13.83	\$1,625,135	23.112	6.383	27.62%
MISSION	9,145	352,057	38.50	\$79,551,647	5.136	4.426	86.17%
MISSION HILLS	3,633	130,457	35.91	\$68,048,321	21.600	1.917	8.88%
MOUND CITY	806	5,342	6.63	\$2,038,960	27.808	2.620	9.42%
MUNDEN	137	518	3.78	\$290,606	46.552	1.783	3.83%
NARKA	107	1,732	16.19	\$143,175	94.737	12.098	12.77%
NESS CITY	1,638	32,227	19.67	\$4,652,327	51.458	6.927	13.46%
NEWTON	17,011	395,310	23.24	\$57,596,085	53.902	6.863	12.73%
NORTH NEWTON	1,284	29,741	23.16	\$4,189,844	34.310	7.098	20.69%
OGDEN	1,299	16,185	12.46	\$2,639,596	33.786	6.132	18.15%
OLPE	482	8,955	18.58	\$1,214,701	24.926	7.372	29.58%
OSWEGO	1,927	34,616	17.96	\$4,226,211	56.552	8.191	14.48%
OVERBROOK	948	14,270	15.05	\$3,051,565	28.220	4.676	16.57%
PAOLA	5,527	131,095	23.72	\$20,267,407	42.420	6.468	15.25%
PARK CITY	5,375	85,494	15.91	\$13,924,773	21.293	6.140	28.83%
PARSONS	11,473	187,389	16.33	\$32,371,169	57.185	5.789	10.12%
PHILLIPSBURG	2,711	59,378	21.90	\$7,884,228	48.569	7.531	15.51%
PITTSBURG	18,483	581,014	31.44	\$63,652,363	41.081	9.128	22.22%
PRAIRIE VILLAGE	23,056	581,035	25.20	\$161,578,089	16.336	3.596	22.01%
PRETTY PRAIRIE	685	7,070	10.32	\$1,277,927	29.735	5.532	18.61%
PROTECTION	579	13,007	22.46	\$1,290,786	68.190	10.076	14.78%
QUINTER	935	6,265	6.70	\$3,364,905	51.177	1.862	3.64%
RANDOLPH	146	4,227	28.95	\$347,074	11.562	12.178	105.33%
ROSSVILLE	1,032	19,147	18.55	\$3,171,980	12.696	6.036	47.54%
SALINA	44,167	809,207	18.32	\$203,881,792	27.145	3.969	14.62%
SHAWNEE	40,471	156,455	3.87	\$224,469,017	23.202	0.697	3.00%
SILVER LAKE	1,456	16,258	11.17	\$4,686,752	13.812	3.469	25.12%
SMITH CENTER	1,956	43,831	22.41	\$5,271,407	62.844	8.315	13.23%
SPEARVILLE	754	7,769	10.30	\$2,497,542	21.623	3.111	14.39%
ST. GEORGE	465	3,419	7.35	\$613,213	30.484	5.576	18.29%
STRONG CITY	633	7,330	11.58	\$929,549	44.548	7.886	17.70%
SYLVIA	317	3,305	10.43	\$509,853	20.544	6.482	31.55%

TABLE 1: REVENUE NEEDED TO REPLACE ELECTRIC FRANCHISE FEES

TONGANOXIE	3,100	34,115	11.00	\$8,524,202	27.702	4.002	14.45%
TRIBUNE	917	13,130	14.32	\$2,849,033	65.970	4.609	6.99%
UNIONTOWN	301	4,493	14.93	\$741,905	17.808	6.056	34.01%
VICTORIA	1211	14,520	11.99	\$3,682,628	53.077	3.943	7.43%
VIRGIL	86	1,329	15.45	\$144,887	94.350	9.169	9.72%
WAKEFIELD	1040	6,848	6.58	\$2,099,923	15.991	3.261	20.39%
WALTON	284	4,329	15.24	\$867,666	22.766	4.990	21.92%
WESTPHALIA	149	2,250	15.10	\$304,129	13.355	7.398	55.39%
WESTWOOD	424	7,676	18.10	\$20,904,886	9.041	0.367	4.06%
WHITE CITY	529	6,261	11.84	\$1,179,637	17.542	5.308	30.26%
WHITEWATER	701	8,395	11.98	\$1,854,135	48.644	4.528	9.31%
WICHITA	310,238	13,766,329	44.37	\$1,545,829,579	31.443	8.905	28.32%
WILSON	816	2,283	2.80	\$1,859,098	59.317	1.228	2.07%
WINDOM	115	2,145	18.65	\$327,482	14.421	6.550	45.42%
NO. OF RESPONSES:	124	124	124	123	123	123	122
MEDIAN AMOUNT:		\$15,800	\$16.23	\$3,121,618	38.853	5.998	15.07%
MEAN AMOUNT:		\$203,916	\$17.04	\$34,170,719	39.228	7.474	27.33%
75% PERCENTILE:		\$69,929	\$21.56	\$12,757,670	52.489	8.042	23.02%
25% PERCENTILE:		\$6,656	\$11.83	\$1,042,091	23.048	4.157	10.41%

CITY	POP.	ELECTRIC FRANCHISE FEES,1995		ASSESSED TANGIBLE VALUATION	TOTAL CITY MILL LEVY	MILL LEVY TO REPLACE ELEC. FRANCH. FEES	PERCENT INCREASE IN MILL LEVY
	1994 cert 7/96	TOTAL	PER/CAP	1995	1995		
50,000+							
WICHITA	310,238	13,766,329	44.37	\$1,545,829,579	31.443	8.905	28.32%
LAWRENCE	71,721	1,525,245	21.27	\$356,295,015	22.867	4.281	18.72%
AVG		7,645,787	32.82	\$951,062,297	27.155	6.593	23.52%
20,000-49,999							
SALINA	44,167	809,207	18.32	\$203,881,792	27.145	3.969	14.62%
MANHATTAN	43,836	585,228	13.35	\$145,800,085	41.715	4.014	9.62%
SHAWNEE	40,471	156,455	3.87	\$224,469,017	23.202	0.697	3.00%
HUTCHINSON	39,770	631,226	15.87	\$139,319,176	40.461	4.531	11.20%
EMPORIA	25,522	531,065	20.81	\$93,265,641	34.316	5.694	16.59%
LEAWOOD	24,852	671,170	27.01	\$247,421,437	25.459	2.713	10.66%
PRAIRIE VILLAGE	23,056	581,035	25.20	\$161,578,089	16.336	3.596	22.01%
JUNCTION CITY	20,380	358,095	17.57	\$66,429,402	52.217	5.391	10.32%
AVG		540,435	17.75	\$160,270,580	32.606	3.826	12.25%
10,000-19,999							
PITTSBURG	18,483	581,014	31.44	\$63,652,363	41.081	9.128	22.22%
NEWTON	17,011	395,310	23.24	\$57,596,085	53.902	6.863	12.73%
DERBY	16,588	269,979	16.28	\$63,278,754	39.606	4.267	10.77%
MERRIAM	13,095	502,754	38.39	\$89,954,849	22.011	5.589	25.39%
ARKANSAS CITY	12,480	287,397	23.03	\$31,342,282	64.881	9.170	14.13%
EL DORADO	12,032	257,339	21.39	\$44,190,352	40.592	5.823	14.35%
PARSONS	11,473	187,389	16.33	\$32,371,169	57.185	5.789	10.12%
AVG		354,455	24.30	\$54,626,551	45.608	6.661	15.67%
5,000-9,999							
MISSION	9,145	352,057	38.50	\$79,551,647	5.136	4.426	86.17%
HAYSVILLE	8,561	140,284	16.39	\$22,339,965	38.051	6.280	16.50%
LANSING	7,967	84,024	10.55	\$22,370,779	23.352	3.756	16.08%
BONNER SPRINGS	7,118	107,612	15.12	\$29,705,963	43.566	3.623	8.32%
ABILENE	6,727	124,286	18.48				
CONCORDIA	5,897	163,678	27.76	\$16,093,360	51.230	10.171	19.85%
PAOLA	5,527	131,095	23.72	\$20,267,407	42.420	6.468	15.25%
PARK CITY	5,375	85,494	15.91	\$13,924,773	21.293	6.140	28.83%
AVG		148,566	20.80	\$29,179,128	32.150	5.837	27.29%
3,000-4,999							
ANDOVER	4,991	70,966	14.22	\$23,813,227	36.104	2.980	3.25%
BAXTER SPRINGS	4,365	85,354	19.55	\$14,295,215	21.899	5.971	27.27%
FAIRWAY	4,124	115,451	27.99	\$37,016,359	10.294	3.119	30.30%
MISSION HILLS	3,633	130,457	35.91	\$68,048,321	21.600	1.917	8.88%
EDWARDSVILLE	3,554	69,583	19.58	\$17,191,998	38.605	4.047	10.48%
LYONS	3,494	51,490	14.74	\$8,443,670	40.421	6.098	15.09%
MARYSVILLE	3,275	61,287	18.71	\$11,590,567	58.053	5.288	9.11%
TONGANOXIE	3,100	34,115	11.00	\$8,524,202	27.702	4.002	14.45%
HESSTON	3,078	79,271	25.75	\$16,182,386	30.799	4.899	15.91%
AVG		77,553	20.83	\$22,789,549	31.720	4.258	15.52%
2,000-2,999							
ELLSWORTH	2,827	75,775	26.80	\$7,078,032	49.355	10.706	21.69%
PHILLIPSBURG	2,711	59,378	21.90	\$7,884,228	48.569	7.531	15.51%
LOUISBURG	2,499	19,132	7.66	\$8,291,574	16.325	2.307	14.13%
CHERRYVALE	2,471	42,836	17.34	\$4,631,643	50.081	9.249	18.47%
MEDICINE LODGE	2,305	47,806	20.74	\$5,922,077	52.760	8.073	15.30%
COUNCIL GROVE	2,278	38,609	16.95	\$7,567,543	38.853	5.102	13.13%

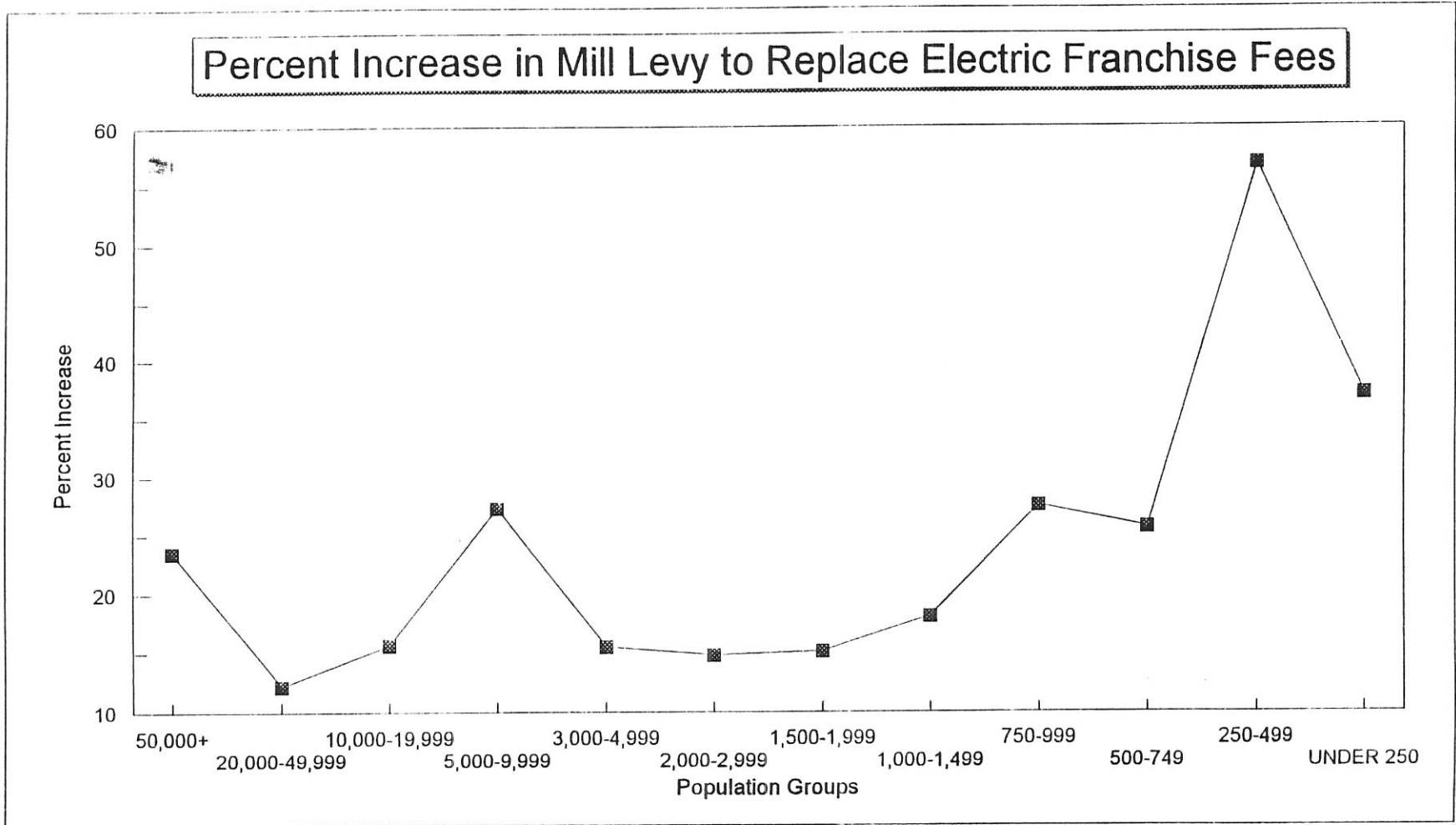
HUMBOLDT	2,211	36,689	16.59	\$3,631,243	54,704	10.104	18.47%
CLEAR WATER	2,165	20,754	9.59	\$6,665,629	34,299	3.114	9.08%
HALSTEAD	2,159	40,782	18.89	\$7,894,160	52,006	5.166	8.33%
CHENEY	2,033	32,655	16.06	\$4,898,229	46,618	6.667	14.30%
AVG		41,442	17.25	\$6,446,436	45,357	6.802	14.84%
1,500-1,999							
SMITH CENTER	1,956	43,831	22.41	\$5,271,407	62,844	8.315	13.23%
OSWEGO	1,927	34,616	17.96	\$4,226,211	56,552	8.191	14.48%
ELLIS	1,828	24,123	13.20	\$4,700,934	53,889	5.132	9.52%
HOLCOMB	1,823	1,493	0.82	\$3,654,707	61,930	0.409	0.66%
CARBONDALE	1,667	23,343	14.00	\$3,287,007	17,844	7.102	39.80%
NESS CITY	1,638	32,227	19.67	\$4,652,327	51,458	6.927	13.46%
HARPER	1,627	44,322	27.24	\$4,232,386	70,321	10.472	14.89%
AVG		29,136	16.47	\$4,289,283	53,548	6.649	15.15%
1,000-1,499							
SILVER LAKE	1,456	16,258	11.17	\$4,686,752	13,812	3.469	25.12%
CONWAY SPRINGS	1,408	5,652	4.01	\$2,169,491	60,430	2.605	4.31%
EDGERTON	1,383	7,001	5.06	\$3,121,618	42,397	2,243	5.29%
BUHLER	1,381	23,583	17.08	\$3,911,806	42,913	6,029	14.05%
CALDWELL	1,350	35,340	26.18	\$3,939,984	64,444	8,970	13.92%
ATWOOD	1,342	29,154	21.72	\$3,888,424	26,760	7,498	28.02%
OGDEN	1,299	16,185	12.46	\$2,639,596	33,786	6,132	18.15%
NORTH NEWTON	1,284	29,741	23.16	\$4,189,844	34,310	7,098	20.69%
HOXIE	1,279	22,369	17.49	\$3,859,498	63,925	5,796	9.07%
VICTORIA	1,211	14,520	11.99	\$3,682,628	53,077	3,943	7.43%
LYNDON	1,065	24,864	23.35	\$2,931,059	40,083	8,483	21.16%
WAKEFIELD	1,040	6,848	6.58	\$2,099,923	15,991	3,261	20.39%
ROSSVILLE	1,032	19,147	18.55	\$3,171,980	12,696	6,036	47.54%
AVG		19,282	15.29	\$3,407,123	38,817	5,505	18.09%
750-999							
HIGHLAND	951	24,064	25.30	\$1,904,120	32,527	12,638	38.85%
OVERBROOK	948	14,270	15.05	\$3,051,565	28,220	4,676	16.57%
QUINTER	935	6,265	6.70	\$3,364,905	51,177	1,862	3.64%
TRIBUNE	917	13,130	14.32	\$2,849,033	65,970	4,609	5.99%
FRANKFORT	916	18,324	20.00	\$1,931,537	73,801	9,487	12.85%
GARDEN PLAIN	916	10,047	10.97	\$2,638,865	42,363	3,807	3.99%
LEBO	908	12,298	13.54	\$257,036	22,984	47,847	208.17%
COLDWATER	852	23,338	27.39	\$2,132,980	72,650	10,942	15.06%
KECHI	827	8,438	10.20	\$3,628,428	22,244	2,325	10.45%
WILSON	816	2,283	2.80	\$1,859,098	59,317	1,228	2.07%
MOUND CITY	806	5,342	6.63	\$2,038,960	27,308	2,620	9.42%
COTTONWOOD FALLS	798	12,323	15.44	\$1,841,225	64,367	6,693	10.40%
SPEARVILLE	754	7,769	10.30	\$2,497,542	21,623	3,111	14.39%
MINNEOLA	750	10,373	13.83	\$1,625,135	23,112	6,383	27.62%
AVG		12,019	13.75	\$2,258,602	43,440	8,445	27.53%
500-749							
DEERFIELD	710	8,026	11.30	\$1,376,010	58,044	5,833	10.05%
CEDAR VALE	704	8,867	12.60	\$1,282,319	30,008	6,915	23.04%
WHITWATER	701	8,395	11.98	\$1,854,135	48,644	4,528	9.31%
PRETTY PRAIRIE	685	7,070	10.32	\$1,277,927	29,735	5,532	18.61%
STRONG CITY	633	7,330	11.58	\$929,549	44,548	7,886	17.70%
FLORENCE	626	8,914	14.24	\$1,228,265	86,897	7,257	3.16%
HAVILAND	625	3,084	4.94	\$1,591,300	49,945	1,938	3.88%
KANOPLIS	614	15,416	25.11	\$822,951	61,830	18,733	30.30%
BENNINGTON	590	8,535	14.47	\$1,402,946	30,933	6,084	19.67%
PROTECTION	579	13,007	22.46	\$1,290,786	68,190	10,076	14.78%

TABLE 1: REVENUE NEEDED TO REPLACE ELECTRIC FRANCHISE FEES

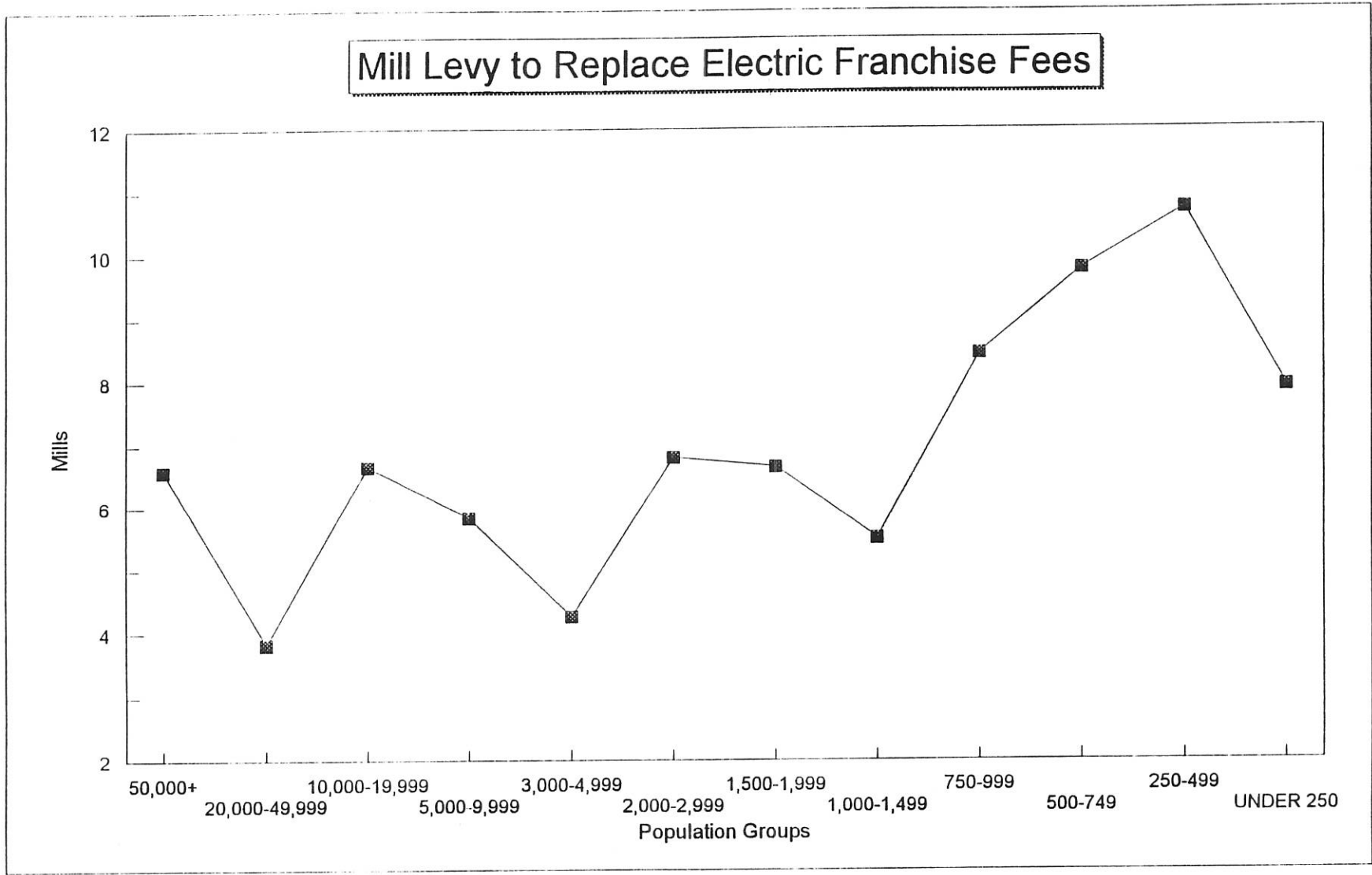
BY POPULATION

FOWLER	548	9,566	17.46	\$1,196,989	42.451	7.992	18.83%
LE ROY	545	7,797	14.31	\$165,387	35.747	47.146	131.89%
CUNNINGHAM	534	6,658	12.47	\$1,210,015	35.257	5.503	15.61%
BIRD CITY	529	11,376	21.50	\$1,907,428	17.880	5.964	33.36%
WHITE CITY	529	6,261	11.84	\$1,179,637	17.542	5.308	30.26%
AVG		8,687	14.44	\$1,247,710	43.977	9.780	25.70%
250-499							
OLPE	482	8,955	18.58	\$1,214,701	24.926	7.372	29.58%
MILTONVALE	470	11,535	24.54	\$1,044,163	58.353	11.048	18.93%
ST. GEORGE	465	3,419	7.35	\$613,213	30.484	5.576	18.29%
ALTA VISTA	464	5,630	12.13	\$1,040,019	39.449	5.414	13.72%
WESTWOOD	424	7,676	18.10	\$20,904,886	9.041	0.367	4.06%
BENTLEY	411	3,588	8.73	\$719,864	41.184	4.984	12.10%
KISMET	410	8,774	21.40	\$759,394	21.152	11.554	54.63%
COLONY	387	4,140	10.70	\$690,142	40.778	5.998	14.71%
GRINNELL	343	7,767	22.64	\$1,268,592	26.680	6.123	22.95%
GRIDLEY	337	8,315	24.67	\$97,531	33.068	85.255	257.82%
GRAINFIELD	334	2,031	6.08	\$1,000,274	26.293	2.031	7.72%
JAMESTOWN	328	6,347	19.35	\$477,943	45.018	13.280	29.50%
COURTLAND	327	6,146	18.79	\$892,221	52.211	6.888	13.19%
BUFFALO	319	420	1.32	\$344,824	75.581	1.218	1.61%
SYLVIA	317	3,305	10.43	\$509,853	20.544	6.482	31.55%
UNIONTOWN	301	4,493	14.93	\$741,905	17.808	6.056	34.01%
WALTON	284	4,329	15.24	\$867,666	22.766	4.990	21.92%
FAIRVIEW	269	6,651	24.72	\$649,399	2.469	10.241	414.80%
EVEREST	268	8,410	31.38	\$944,880	11.372	8.901	78.27%
AVG		5,891	16.37	\$1,830,604	31.536	10.725	56.81%
UNDER 250							
GRENOLA	244	2,493	10.22	\$333,959	70.312	7.465	10.62%
ALLEN	225	2,550	11.33	\$458,140	24.574	5.566	22.65%
LATHAM	203	2,388	11.76	\$226,155	89.280	10.557	11.82%
WESTPHALIA	149	2,250	15.10	\$304,129	13.355	7.398	55.39%
RANDOLPH	146	4,227	28.95	\$347,074	11.562	12.178	105.33%
MUNDEN	137	518	3.78	\$290,606	46.552	1.783	3.83%
CHAUTAUQUA	129	1,524	11.81	\$162,025	12.524	9.404	75.09%
WINDOM	115	2,145	18.65	\$327,482	14.421	6.550	45.42%
NARKA	107	1,732	16.19	\$143,175	94.737	12.098	12.77%
ELGIN	102	1,595	15.64	\$199,093	0.000	8.011	
VIRGIL	86	1,329	15.45	\$144,887	94.350	9.169	9.72%
HARRIS	38	500	15.79	\$127,358	8.409	4.711	56.02%
AVG		1,946	14.56	\$255,340	40.006	7.908	37.15%

6-34



...VILLE ...



**BEFORE THE HOUSE UTILITIES COMMISSION
PRESENTATION OF THE
KANSAS CORPORATION COMMISSION STAFF ON
SENATE BILL NO. 436**

Thank you Chairman, I'm Larry Holloway, Chief of Electric Operations for the Kansas Corporation Commission and I'm appearing today on behalf of the Staff of the KCC. My comments will be extremely brief.

The Staff of the KCC is in favor of this legislation, requiring further study of the effect generation deregulation has on state utility taxation. Electric restructuring will have profound implications for state and local taxing jurisdictions. We believe these implications should be known by all entities prior to implementing competition, recognizing that major changes in the way utilities are taxed may be necessary.

The KCC is the first to admit that it has no direct role in the development of state and local tax policies and has no unique expertise in this arena. However, we believe the KCC has a role in the development of a competitive market for generation in Kansas. Clearly a tax policy which is not imposed equitably between incumbent utility service providers and potential competitors could have a chilling effect on the development of competition. Therefore, we recommend the insertion of language in SB 436 that the proposed tax policies developed by joint committee shall be competitively neutral to all current and future Kansas electric industry participants.

House Utilities
03-04-98
Attachment 7