

Approved: JAN. 20, 2000
Date

MINUTES OF THE SENATE UTILITIES COMMITTEE.

The meeting was called to order by Chairperson Sen. Pat Ranson at 1:30 p.m. on January 13, 2000 in Room 531-N of the Capitol.

All members were present except:
Sen. Hensley was excused

Committee staff present:
Lynne Holt, Legislative Research Department
Mary Torrence, Revisors of Statute Office
Jeanne Eudaley, Committee Secretary

Conferees appearing before the committee:
None

Others attending:
See attached list

Sen. Ranson opened the meeting by welcoming the committee and staff and asked guests of the committee to introduce themselves and tell who they represent. Sen. Ranson announced the agenda for next week, with the new KCC Executive Director appearing Wednesday. He will give a review of their dockets and decisions. A wind generation presentation will be given on Thursday. Sen. Ranson discussed future meetings and the possibility of taking a field trip to view windmills in St. Francis and tour the Jeffrey Energy Center.

Sen. Ranson reviewed the one holdover bill, **SB 217-natural gas service; providing for competition in retail sales.** She also reviewed **HB 2322-relating to billing procedures for visually impaired or blind; railroad crossings; Repealer which requires utilities to apply to the KCC for approval before loaning/pledging its credit to its affiliate.** This bill remains on the House Calendar under "Bills to concur or nonconcur". She then referred to a memo from Lynne Holt, which outlines the status of utility bills (Attachment 1) which were recommended or amended by the Senate Utilities Committee as of April 28, 1999. The committee discussed the bills and the fact that some remain in the House Utilities Committee and that she hopes to meet with the Chair of that Committee, Rep. Carl Holmes, soon to try to facilitate moving the bills along.

Sen. Ranson requested that Ms. Holt prepare a status report for the committee regarding retail wheeling and other states' status. She asked the committee for input regarding subjects to bring before the committee. Sen. Morris told of two issues before FERC dealing with refunds for natural gas delivery, which may be of interest to the committee; and that **HB 2597-natural gas, underground storage; procedures and compensation** has been introduced in the House and referred to the Utilities Committee. Sen. Ranson mentioned subjects of potential interest to the committee; incentives for new construction of generation facilities and siting requirements in Kansas. She also referred to the 1997 gas gathering bill passed by the committee and possible problems which may require attention as well as the Weatherproof program offered by Kansas Gas Service and consumer complaints. Both of these subjects will be discussed when the KCC makes its presentation scheduled for Wednesday. Sen. Steffes stated interest in the failed merger between Western Resources and the Kansas City Power and Light and how important the decision is to the State of Kansas. He also inquired regarding merchant power plants and the reason for its location in Missouri and not Kansas. Sen. Brownlee expressed interest in a review of One Call and the fines associated with it. Additional interest was expressed in reformulated gas and a bill introduced by Sen. Corbin; a hearing is scheduled in the Agriculture Committee next Thursday on the potential of biodiesel and the use of beef tallow. J.C. Long (UtiliCorp) told of his company's program involving burning tires and told of advantages regarding pollution; however, that plant is located in Missouri, rather than Kansas.

Meeting adjourned at 2:10. Next meeting will be January 19, 2000.

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April 29, 1999

To: Senate Utilities Committee

From: Lynne Holt, Principal Analyst

Re: Bills on which the Committee Took Action During the 1999 Session

Upon Senator Jim Barone's request, I am distributing this status report of all bills which were recommended or amended by the Senate Utilities Committee. This report addresses the status of bills as of April 28, 1999, so there may still be a few changes.

As of April 28, 1999 Senate Utilities Committee

The following bills were approved by the Governor and received action from the Senate Utilities Committee.

- **S.B. 123—Amended Procedures—Kansas Corporation Commission.** Procedures were amended for making an order or decision of the Kansas Corporation Commission effective with respect to certain types of Commission proceedings (*e.g.*, complaints, certain general investigations, and electric generation siting).
- **S.B. 186—Purchases—School Districts.** The law is amended to exempt all purchases of natural gas by school districts from the required sealed bid procedures. (The purchase of natural gas in an amount exceeding \$10,000 was previously subject to such procedures.) In addition, advance payment is authorized for the purchase of food or gasoline associated with co-curricular or extracurricular student activity outside school boundaries.
- **H.B. 2053—Repealer.** Four statutes were repealed referring to maximum lighting standards for public buildings. This repeal is intended to conform to other action taken by the Legislature in 1997.

The following bill was amended by the Senate Utilities Committee but was killed by the Senate:

- **S.B. 284—Deliberations of Kansas Corporation Commission.** The Commissioners would be authorized to engage in deliberations in closed meetings with

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their advisory staff on Commission orders and decisions although no binding action could be taken at such meetings.

The following bills were recommended or amended by the Senate Utilities Committee but have not been passed by the House to date:

- **Sub. for S.B. 243—Exemption from Electric Generation Facility Siting Act Requirements.** All electric generation facilities, other than nuclear generation facilities or additions to such facilities, would be exempt from requirements of the Electric Generation Facility Siting Act. Utilities would no longer have to obtain a siting permit from the Kansas Corporation Commission for non-nuclear generating facilities.
- **Sub. for S.B. 257—Electric Transmission Siting Act.** Most of the statutes comprising the Electric Transmission Siting Act would be repealed. An electric utility would no longer be required to obtain a siting permit from the Kansas Corporation Commission prior to site preparation for or construction of electric transmission lines.

The following bills were passed by both the House and Senate (different versions) but have received no further action to date. The bills also reflect action by the Senate Utilities Committee.

- **H.B. 2290—Responsibility of Railroads/Repealer/Exemption from Electric Generation Facility Siting Act Requirements.** Upon a farm owner's request, railroads would have to maintain all railroad crossings that run through the owner's property and not only those crossings constructed after 1911, as currently required. In addition, a statute would be repealed requiring a utility to apply to the Kansas Corporation Commission for approval before the utility may loan money or pledge its credit to its affiliate. Finally, all electric generation facilities, other than nuclear generation facilities or additions to such facilities, would be exempt from requirements of the Electric Generation Facility Siting Act. Utilities would no longer have to obtain a siting permit from the Kansas Corporation Commission for nonnuclear generating facilities.
- **H.B. 2322—Billing Procedures/Responsibility of Railroads/Repealer.** Utilities would be required to change their procedures for billing visually impaired or blind customers to make bill formats more accessible. In addition, upon a farm owner's request, railroads would have to maintain all railroad crossings that run through the owner's property and not only those crossings constructed after 1911, as currently required. Finally, a statute would be repealed requiring a utility to apply to the Kansas Corporation Commission for approval before the utility may loan money or pledge its credit to its affiliate.