

Approved: May 1, 2002 Carl Dean Holmes
Date

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 10:59 a.m. on April 5, 2002 in Room 526-S of the Capitol.

All members were present.

Committee staff present: Robert Chapman, Legislative Research
Dennis Hodgins, Legislative Research
Mary Torrence, Revisor of Statutes
Jo Cook, Administrative Assistant

Conferees appearing before the committee:

Others attending: See Attached List

HB 3017 - Organization of cooperative to generate electricity from renewable resources and technologies and to wholesale such electricity

Representative Sloan distributed a proposed substitute for **HB 3017** (Attachment 1). Doug Lawrence, Vice President of Public Affairs for Westar Energy, provided comments to the committee about the proposed substitute. He explained that he had been working with Representative Sloan to arrive at compromise language. Larry Holloway, Chief of Energy Operations for the Utility Division of the Kansas Corporation Commission also addressed the committee on the proposed substitute. He responded to questions from the committee. Walker Hendrix, Consumer Counsel for the Citizens' Utility Ratepayer Board addressed the proposed substitute and responded to questions.

Representative Sloan moved to adopt the proposed substitute. Representative Myers seconded the motion. Motion carried. Representative Sloan moved to amend subsection (B)(2) to add to word "purchase" after 'off-system sales of' and before 'electricity generated from.' Representative Kuether seconded the motion. Motion carried. Representative Sloan moved to recommend **Substitute for HB 3017** favorable for passage. Representative Kuether seconded the motion. Motion carried. Representative Sloan will carry the bill.

Representative Long moved to approve the minutes of the February 22, February 25, February 26, March 6, March 7, and March 8 meetings. Representative Dreher seconded the motion. Motion carried.

Chairman Holmes announced there may be another meeting, but no time or date has been set. He is waiting to see what action the Senate takes on several bills.

The meeting adjourned at 11:35 a.m.

HOUSE UTILITIES COMMITTEE GUEST LIST

DATE: April 5, 2002

NAME	REPRESENTING
Larry Hollaway	KCC
Tim Yonally	Verizon Wireless
TOM DAY	KCC
WALKER HENDRIX	CURB
DOUG LAWRENCE	WOSTAR ENERGY
Steve Johnson	Kansas Gas Service
Don Miles	KCC
Bruce Graham	KEPCO -

PROPOSED Substitute for HOUSE BILL NO. 3017

By Committee on Utilities

AN ACT concerning electric public utilities; relating to revenues from certain sales of electricity generated from renewable resources and technologies.

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

Section 1. (a) As used in this section:

(1) "Electric public utility" has the meaning provided by K.S.A. 66-101a, and amendments thereto.

(2) "Renewable resources or technologies" means wind, solar, thermal, photovoltaic, biomass, hydropower, geothermal, waste incineration and landfill gas resources or technologies located in Kansas.

(b) Upon application of an electric public utility, the state corporation commission may authorize such utility to:

(1) Retain 65% of the utility's net revenues from wholesale off-system sales of electricity generated from renewable resources or technologies if such electricity is purchased by the utility at not less than the average price paid by such utility for electricity purchased pursuant to contracts of five or more years' duration; and

(2) retain 50% of the utility's net revenues from all other wholesale off-system sales of electricity generated from renewable resources or technologies.

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

HOUSE UTILITIES

DATE: 4-5-02

ATTACHMENT 1