

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:25 A.M. on January 19, 2007 in Room 241-N of the Capitol.

All members were present except:

Rob Olson- excused
Judy Morrison-excused

Committee staff present:

Mary Galligan, Kansas Legislative Research
Dennis Hodgins, Kansas Legislative Research
Jason Long, Revisor's Office
Renaë Hansen, Committee Assistant

Conferees appearing before the committee:

Others attending:

See attached list.

HB 2032: Deregulation of municipal gas and electric utility's rates, charges and terms and conditions of service in area more than three miles outside municipality.

Representative Tom Sloan moved to pass out of committee HB 2032. Seconded by Representative Annie Kuether. Motion passed unanimously.

HB 2034: Removal of sunset provision of public utility recovery of security expenditures.

Tom Sloan moved to pass HB 2034, seconded by Vern Swanson.

Representative Cindy Neighbor moved to amend HB 2034, Representative Annie Kuether second (Attachment 1).

Representative Sloan withdrew his motion.

Discussion was made concerning the amendment before the committee, by Representatives: Tom Sloan, Josh Svaty, Bill Light, Carl Holmes, Peggy Mast, Forrest Knox, Tom Hawk, Terry McLachlan, Margaret Long, Tom Moxley, Annie Kuether.

Representative Cindy Neighbor closed on the motion.

Motion failed 9-10.

Representative Tom Sloan moved to pass HB 2034 favorably for passage to the house. Seconded by Representative Peggy Mast. Motion carried unanimously.

HB 2036: Thermal efficiency standard for new buildings.

Representative Cindy Neighbor moved to amend HB 2036, (Attachment 2) Seconded by Representative Josh Svaty.

Discussion ensued by Representatives: Cindy Neighbor, Carl Holmes, Richard Proehl, Tom Hawk, Tom Sloan, Vaughn Flora, Don Myers, Josh Svaty.

Representative Cindy Neighbor closed on the motion.

CONTINUATION SHEET

MINUTES OF THE House Energy and Utilities Committee at 9:00 A.M. on January 19, 2007 in Room 241-N of the Capitol.

Motion to amend carried.

Further discussion on the **HB 2036** ensued by Representatives: Tom Sloan, Carl Holmes, Josh Svaty, Rocky Fund, Terry McLachlan.

Representative Cindy Neighbor moved to pass **HB 2036** as amended. Seconded by Representative Josh Svaty. Motion carried unanimously.

Bill carriers: **HB 2032**, Bill Light; **HB 2034**, Tom Moxley; **HB 2036**, Cindy Neighbor.

Chairman Holmes appointed himself, Rob Olson, and Annie Kuether to the sub-committee for **HB 2035**.

Representative Annie Kuether moved that a bill be introduced for foreign entities that come in and build and own wind farms to not allow them to go to KCC for eminent domain, 2. Require we place siting guidelines for wind , and 3. Would allow un-zoned counties in the state of Kansas the right of a protest petition when any kind of energy is proposed in such counties. Seconded by Representative Cindy Neighbor. Motion Carried.

The chairman reviewed next weeks agenda with the committee, noting that we would have a discussion on wind.

Next meeting scheduled for January 22, 2007.

Meeting Adjourned.

HOUSE BILL No. 2034

By Committee on Energy and Utilities

1-9

9 AN ACT concerning public utility recovery of security expenditures;
10 amending K.S.A. 2006 Supp. 66-1233 and repealing the existing
11 section.

12
13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S.A. 2006 Supp. 66-1233 is hereby amended to read as
15 follows: 66-1233. (a) As used in this section:

16 (1) "Electric public utility" means any electric public utility, as de-
17 fined in K.S.A. 66-101a, and amendments thereto.

18 (2) "Natural gas public utility" means any natural gas public utility,
19 as defined in K.S.A. 66-1,200, and amendments thereto.

20 (b) On and after July 1, 2002, the state corporation commission, upon
21 application and request, shall authorize electric public utilities and natural
22 gas public utilities to recover the utility's prudent expenditures for se-
23 curity measures reasonably required to protect the utility's electric gen-
24 eration and transmission assets or natural gas production and transpor-
25 tation assets by an adjustment to the utility's customers' bills. The
26 application and request shall be subject to such procedures and condi-
27 tions, including review, in an expedited manner, of the prudence of the
28 expenditures and the reasonableness of the measures, as the commission
29 deems appropriate. Such application and request shall be confidential and
30 subject to protective order of the commission.

31 ~~(c) The provisions of this section shall expire on July 1, 2007.~~

32 Sec. 2. K.S.A. 2006 Supp. 66-1233 is hereby repealed.

33 Sec. 3. This act shall take effect and be in force from and after its
34 publication in the statute book.

(c) The provisions of this section shall expire on July 1, 2009.

ENERGY AND HOUSE UTILITIES

DATE: 1/19/2007

ATTACHMENT 1

HOUSE BILL No. 2036

By Committee on Energy and Utilities

1-9

9 AN ACT concerning thermal efficiency of buildings; relating to the ap-
10 plicable standards; amending K.S.A. 66-1227 and 66-1228 and repeal-
11 ing the existing sections. ; relating to certain required disclosures

12
13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S.A. 66-1227 is hereby amended to read as follows: 66-
15 1227. (a) The International Energy Conservation Code ~~2003~~ 2006 (IECC
16 ~~2003~~ 2006) is hereby adopted as the applicable thermal efficiency stan-
17 dard for new commercial and industrial structures in this state.

18 (b) The state corporation commission has no authority to adopt or
19 enforce energy efficiency standards for residential, commercial or indus-
20 trial structures.

21 (c) Nothing in this section shall be construed to preclude a city or
22 county from adopting or enforcing thermal efficiency standards for struc-
23 tures within the jurisdiction of such city or county.

24 Sec. 2. K.S.A. 66-1228 is hereby amended to read as follows: 66-
25 1228. (a) Except as provided by subsection (b), the person building or
26 selling a previously unoccupied new residential structure shall disclose to
27 the buyer or a prospective buyer, ~~upon request or~~ prior to closing, infor-
28 mation regarding the thermal efficiency of the structure on a form pre-
29 pared and disseminated by the state corporation commission, which form
30 shall be substantially as follows:

which is a single family unit or a multifamily unit of three floors or less

at the time of showing the property and

*Prior to the closing at the time
of signing of the contract
to purchase*

~~31 "ENERGY EFFICIENCY DISCLOSURE"~~

~~32 This residence (mark one of the following):~~

~~33 1. Has been built to meet the energy efficiency standards of the International
34 Energy Conservation Code ~~2003~~ 2006.~~

~~35 2. Has received a Home Energy Rating score of 80 or greater when performed
36 in accordance with the Mortgage Industry National Home Energy Rating System Accred-
37 itation Standard (June 15, 2002) by a rater certified and listed by the Residential Energy
38 Services Network (RESNET).~~

~~39 3. Has been built to include the following energy efficiency elements:~~

~~40 (1) Insulation values (R-value of insulation installed) for each of the following:~~

~~41 Ceiling with attic above R-value _____~~

~~42 Cathedral ceiling R-value _____~~

~~43 Opaque walls R-value _____~~

ENERGY AND HOUSE UTILITIES

DATE: 1/19/2007

ATTACHMENT 2-1

- 1 ~~Floors over unheated spaces R-value _____~~
- 2 ~~Floors over outside air R-value _____~~
- 3 ~~Foundation type:~~
- 4 ~~Slab-on-grade _____~~
- 5 ~~Crawlspace _____~~
- 6 ~~Basement and percent of basement walls underground _____~~
- 7 (2) ~~Thermal properties of windows and doors for each of the following:~~
- 8 ~~Entry door(s) R-value _____~~
- 9 ~~Sliding door(s) R-value _____~~
- 10 ~~Other exterior doors R-value _____~~
- 11 ~~Garage to house door R-value _____~~
- 12 ~~Window U-value (determined from NFRC rating label or default table) _____~~
- 13 (3) ~~HVAC equipment efficiency levels:~~
- 14 ~~Heating systems:~~
- 15 ~~Gas fired forced air furnace AFUE rating _____~~
- 16 ~~Electric heat pump HSPF rating _____~~
- 17 ~~Air conditioning systems:~~
- 18 ~~Electric unit SEER rating _____~~
- 19 ~~Electric heat pump EER rating _____~~
- 20 ~~Ground source heat pump EER rating _____~~
- 21 ~~Duct insulation levels: Insulation R-value of ducts outside envelope _____~~
- 22 ~~Thermostat:~~
- 23 ~~Manual control type _____~~
- 24 ~~Automatic set-back type _____~~
- 25 (4) ~~Water heating efficiency levels:~~
- 26 ~~Water heater fuel type _____~~
- 27 ~~Water heater capacity _____~~
- 28 ~~NAECA energy factor _____~~

Insert attached form

29 (b) If a structure is subject to both the national manufactured housing
 30 construction and safety standards act (42 U.S.C. 5403) and the federal
 31 trade commission regulation on labeling and advertising of home insula-
 32 tion, 16 CFR section 460.16, both as in effect on the effective date of this
 33 act, the builder or seller may disclose, instead of the information required
 34 by subsection (a), the information regarding such structure that is re-
 35 quired to be disclosed pursuant to such federal act and regulation.
 36 Sec. 3. K.S.A. 66-1227 and 66-1228 are hereby repealed.
 37 Sec. 4. This act shall take effect and be in force from and after its
 38 publication in the statute book.

KANSAS ENERGY EFFICIENCY DISCLOSURE

As required by K.S.A. 66-1228

Kansas law requires the person building or selling a previously unoccupied new residential structure to disclose to the buyer or prospective buyer prior to the signing of the contract to purchase and prior to closing, information regarding the thermal efficiency of the structure (single or multifamily units, three floors or less).

Common Address or Legal Description of Residence:

Part 1: Builder *must* describe the following energy efficiency elements of this house:

	<u>Actual Value</u>	<u>Energy Star*</u>
Wall Insulation R-Value	_____	18
Attic Insulation R-Value	_____	42
Foundation Insulation R-Value		
Basement Walls	_____	10
Crawlspace Walls	_____	15
Slab-on-Grade	_____	8
Floors over Unheated Spaces R-Value	_____	30
Window U-Value	_____	.34
Water Heater		
Gas or Propane (Energy Factor)	_____	.60
Electric (Energy Factor)	_____	.92
Heating and Cooling Equipment		
Warm-Air Furnace (AFUE)	_____	.93
Air Conditioner or Heat Pump - Cooling (SEER)	_____	14
Air-Source Heat Pump (HSPF)	_____	8.5
Ground-Loop Heat Pump – Heating (COP)	_____	3.9
Ground-Water Heat Pump – Cooling (EER)	_____	22
Ground-Water Heat Pump – Heating (COP)	_____	4.4

Part 2: Builder *may* provide the following additional information about this house:

_____ This residence has been/will be built to meet the energy-efficiency standards of the International Energy Conservation Code of 2006 (IECC 2006).

_____ This residence has received a Home Energy Rating (HERS) index score of 100 or less based on an energy audit performed in accordance with the Mortgage Industry National Home Energy Rating Systems Standards (July 1, 2006) by a rater certified by Residential Energy Services Network (RESNET).

Seller signature: _____ Date: _____

Seller name/address: _____

Buyer signature: _____ Date: _____

Buyer signature: _____ Date: _____

*See reverse for more information on existing standards and explanation of abbreviations.

R-value = Thermal Resistance Rating of insulation materials. The higher the R-value, the better the material resists heat flow (i.e., the better it insulates).

U-value = Heat Loss Rating of windows. The lower the U-value, the less the window loses heat (i.e., the better it prevents heat loss).

Equipment Performance Ratings (the higher the number, the more efficient the equipment)

AFUE = Annual Fuel Utilization Efficiency: used to rate gas or propane warm-air furnaces and small boilers.

SEER = Seasonal Energy Efficiency Ratio: performance indicator for residential air conditioners and air source heat pumps.

HSPF = Heating Seasonal Performance Factor: measures heating performance of air-source heat pumps.

EER = Energy Efficiency Ratio: used to rate window air conditioners and ground-loop or ground-water heat pumps in the cooling mode.

COP = Coefficient of Performance: used to rate ground-loop or ground-water heat pumps in the heating mode.

Energy Star qualified homes are at least 15% more energy efficient than homes built to the 2006 International Energy Conservation Code (IECC). Energy Star is a joint program of the U.S. Environmental Protection Agency and Department of Energy.

The International Energy Conservation Code (IECC), developed by the International Code Council, sets standards for energy efficiency in homes and commercial and industrial buildings. It is revised on a three-year cycle, with a supplement issue midway through each cycle.

The HERS Index is a scoring system established by the Residential Energy Services Network (RESNET) in which a home built to the specifications of the HERS Reference Home (based on the 2006 International Energy Conservation Code) scores a HERS Index of 100, while a net zero energy home scores a HERS Index of 0. The lower the score, the more energy efficient a home is in comparison to the HERS Reference Home. Each 1-point decrease in the HERS Index corresponds to a 1% reduction in energy consumption compared to the HERS Reference Home. Thus a home with a HERS Index of 85 is 15% more energy efficient than the HERS Reference Home and a home with a HERS Index of 80 is 20% more energy efficient.

RESNET Standards ensure that accurate and consistent home energy ratings are performed by accredited home energy rating systems nationwide; increase the credibility of the rating systems with the mortgage finance industry; and promote voluntary participation in an objective, cost-effective, sustainable home energy rating process. This accreditation process will be used by the mortgage industry to accept home energy ratings and by the states to assure accurate, independent information upon which a state may recognize the home energy ratings as a compliance method for state building energy codes; as qualification for energy programs designed to reach specific energy saving goals; and as a way to provide its housing market the ability to differentiate residences based on their energy efficiency. The Mortgage Industry National Home Energy Rating Systems Standards (July 1, 2006) can be found at http://www.natresnet.org/standards/mortgage/RESNET_Standards-2006.pdf.