

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Jay Emler at 9:30 A.M. on March 25, 2008 in Room 526-S of the Capitol.

Committee members absent:

Committee staff present: Raney Gilliland, Kansas Legislative Research Department  
Cindy Lash, Kansas Legislative Research Department  
Mike Corrigan, Revisor of Statutes  
Ann McMorris, Committee Secretary

Conferees appearing before the committee:

Others in attendance: See enclosed sheet

Approval of Minutes

Moved by Senator Reitz, seconded by Senator Petersen, to approve the minutes of the meetings of the Senate Utilities Committee held on March 18, 2008, March 19, 2008 and March 20, 2008. Motion carried.

Action on bills previously heard

**HB 2681 Review of regulations and laws with the intent of promoting nuclear industrial development**

Moved by Senator Taddiken, seconded by Senator Reitz, to move **HB 2681** out favorably to the consent calendar. Motion carried.

**HB 2632 – Energy efficiency, conservation and demand management programs at the Kansas corporation commission.**

Moved by Senator Lee, seconded by Senator Apple, to amend **HB 2632** as shown in 2632 balloon (Attachment 1) with further additions of language to clarify “nuclear as an exemption” and change of the word “unit” to “facility”. Motion carried. “No” vote recorded for Senator Francisco.

Moved by Senator Lee, seconded by Senator Apple, to amend **HB 2632** to change effective date from in the statute book to publication in the register. Motion carried. “No” vote recorded for Senator Francisco.

Moved by Senator Reitz, seconded by Senator Lee, to move **HB 2632** out favorably as amended. Motion carried. “No” vote recorded for Senator Francisco.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachments - 1



# HOUSE BILL No. 2632

By Committee on Energy and Utilities

1-17

9 AN ACT concerning ~~the Kansas corporation commission, relating to en-~~  
10 ~~ergy efficiency, conservation and demand management programs;~~  
11 ~~amending K.S.A. 2007 Supp. 74-616 and repealing the existing section.~~  
12

utilities; relating to certain permits; concerning certain

65-3008 and K.S.A.2007 Supp. 74-616 and repealing  
the existing sections

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

14 Section 1. K.S.A. 2007 Supp. 74-616 is hereby amended to read as  
15 follows: 74-616. In addition to other powers and duties provided by law,  
16 in administering the provisions of this act the state corporation commis-  
17 sion shall:

insert attached section and renumber sections accordingly

18 (a) Adopt rules and regulations necessary for the administration of  
19 this act;

20 (b) develop a comprehensive state energy conservation plan and the  
21 procedures for implementing the plan according to federal requirements;

22 (c) *allow, at the option of the requesting utility, the capitalization and*  
23 *addition to rate base of investments in and expenditures for commission*  
24 *approved energy efficiency, conservation and demand management*  
25 *programs;*

26 (d) make requests for and accept funds and other assistance from  
27 federal agencies for energy conservation and other energy-related activ-  
28 ities in this state, including, but not limited to, the state energy program;

29 ~~(e)~~ (e) administer federal energy conservation programs in this state;  
30 and

31 ~~(f)~~ (f) prepare an emergency management plan for natural gas and  
32 electric energy to be adopted during activation of emergency support  
33 function 12 of the Kansas response plan established under K.S.A. 48-920  
34 et seq., and amendments thereto, which plan shall include the system of  
35 priorities for natural gas and electric energy allocation and curtailment of  
36 energy resources consumption established under K.S.A. 74-620, and  
37 amendments thereto.

65-3008 and K.S.A. 2007 Supp. 74-616 are

38 Sec. 2. K.S.A. ~~2007 Supp. 74-616 is~~ hereby repealed.

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

Senate Utilities Committee  
March 25, 2008  
Attachment 1-1

**65-3008. Approvals and permits for emission stationary sources.** (a) No person shall construct, own, operate, install, alter or use any air contaminant emission stationary source which, in accordance with rules and regulations, the secretary finds may cause or contribute to air pollution, unless an appropriate approval or permit has been issued for the source by the secretary under this act. Approvals or permits issued by the secretary may be subject to conditions consistent with the purposes of this act and rules and regulations promulgated under this act.

(b) The secretary shall require that applications for approvals and permits, and renewals thereof, under this act shall be accompanied by application fees and such plans, specifications, compliance plans or other information as the secretary deems necessary. Applications shall be submitted on forms provided by the secretary and shall be signed by a responsible official of the source, who shall certify the accuracy of the information submitted.

(c) The issuance or holding of an approval or permit shall not convey any property right or exclusive privilege to the holder thereof.

(d) Without any further action on the part of the secretary, an approval or a permit shall become void and without effect on its expiration date unless a completed application form and any required fee are filed with the secretary on or before the expiration date of the approval or the permit. For purposes of this subsection, the secretary may specify by rule and regulation an amount of time prior to the expiration date of an operating permit by which a complete application form and any required fee must be filed with the secretary in order to be considered timely filed. The secretary may provide for a grace period by rule and regulation.

(e) The secretary may issue by rule and regulation a general approval or permit covering numerous similar sources. Any general approval or permit shall comply with all requirements applicable to approvals or permits under this act. Any source covered by a general approval or permit must apply to the secretary and receive authority to operate under the general approval or permit.

(f) The secretary may fix, charge and collect fees for approvals and permits, and the renewal thereof, to cover all or any part of the cost of administering the provisions of Kansas air quality act, other than K.S.A. 65-3027. The secretary shall adopt rules and regulations fixing such fees. The fees shall be deposited in the state treasury and credited to the state general fund, except that if all or any portion of the regulatory services for which a fee is collected under this section is performed by a county, city-county or multicounty health department, that portion of such fee which pertains to such services, as determined by the secretary, shall be credited to the local air quality control authority regulation services fund, which is hereby created in the state treasury, and shall be paid from such fund to such local air quality control authority. ✓

**History:** L. 1967, ch. 347, § 8; L. 1970, ch. 261, § 8; L.1974, ch. 352, § 140; L. 1981, ch. 250, § 1; L. 1983, ch. 286, § 3;L. 1984, ch. 313, § 126;L. 1993, ch. 13, § 5; March 25.

(g) In considering an application for issuance or renewal of any permit for an electric generating unit, other than a municipally owned or operated unit, the secretary shall consider and apply the same standards and criteria that the secretary considered in acting on the application for a construction permit for a new pulverized coal electricity generating unit to be constructed in Kansas having 1400 megawatts or more nameplate capacity and colocated with an existing coal-fired electric generating unit in western Kansas that has greater than 325 megawatts nameplate capacity.