

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:14 a.m. on March 16, 2005 in Room 231-N of the Capitol.

All members were present.

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

Conferees appearing before the committee:

Edward Cross, Kansas Independent Oil & Gas Association, Topeka, KS
Bruce Graham, Kansas Electric Power Cooperatives, Topeka, KS
Barb Hinton, Legislative Division of Post Audit, Topeka, KS

Others attending: See Attached List

SB 70 - Creating the Kansas petroleum education and marketing act

Chairman Holmes opened the hearing on **SB 70**.

Edward Cross, Executive Vice President of the Kansas Independent Oil & Gas Association, addressed the committee in support of **SB 70**. (Attachment 1). Mr. Cross stated that the need for the legislation is to provide an energy education program that focuses on optimizing the state's energy strengths and promotes economic growth. He outlined the proposed funding mechanism and how other states handle similar programs. Additionally, he provided the committee copies of a proposed amendment that would fine tune the program further. Mr. Cross responded to questions from the committee.

Written testimony in support of **SB 70** was provided by Mike Terry, Oklahoma Energy Resources Board (Attachment 2).

Written testimony in opposition to **SB 70** was submitted by Rick Stinson, Lario Oil & Gas Company (Attachment 3).

Chairman Holmes closed the hearing on **SB 70**.

HB 2519 - Legislative post audit act, exempting persons regulated by the state corporation commission under chapter 66 of the Kansas Statutes Annotated

Chairman Holmes opened the hearing on **HB 2519**.

Bruce Graham, Kansas Electric Power Cooperatives, testified in support of **HB 2519** (Attachment 4). Mr. Graham told the committee that the bill was a corrective measure from the 2004 session and would return Corporation Commission review of the utilities to the previous level.

Written testimony in support of **HB 2519** was submitted by Steve Johnson, Kansas Gas Service (Attachment 5).

Barb Hinton, Legislative Post Auditor, provided neutral comments on **HB 2519** (Attachment 6). Ms. Hinton explained that exempting all public utilities listed under Chapter 66 would limit the Legislature's ability to obtain answers regarding issues with entities addressed through the audit function.

Mr. Graham and Ms. Hinton responded to questions from the committee.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES, Room 231-N, Statehouse, at 9:14 a.m. on March 16, 2005

Chairman Holmes closed the hearing on **HB 2519** and opened the debate.

Representative Myers moved to recommend **HB 2519** favorable for passage. Representative Carter seconded the motion. Motion carried. Representative Oharah will carry the bill.

The meeting adjourned at 10:29 a.m.

The next meeting will be Thursday, March 17, 2005 at 9:00 a.m. in Room 526-S for a joint meeting with the Senate Committee on Utilities.