

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Vice Chair Forrest Knox at 9:00 A.M. on March 3, 2011, in Room 785 of the Docking State Office Building.

All members were present except:

Representative Carl Holmes-excused  
Representative Nile Dillmore-excused  
Representative Reynaldo Mesa-excused  
Representative Greg Smith-excused

Committee staff present:

Matt Sterling, Office of the Revisor of Statutes  
Cindy Lash, Kansas Legislative Research Department  
Corey Carnahan, Kansas Legislative Research Department  
Renaë Hansen, Committee Assistant

Conferees appearing before the Committee:

Heather Starnes, SPP  
Tom Sloan, 45<sup>th</sup> District  
Phil Wages, KEPCo

Others attending:

Twenty one including the attached list.

Informational Hearing:

Heather Starnes, Southwest Power Pool (SPP), (Attachment 1), presented a power point to the committee about the SPP. Ms. Starnes noted that the major services of SPP are: facilitation of transmission, reliability coordination, tariff administration, market operation, standards settings, compliance enforcement, and transmission planning. She commented that SPP is working on implementing a system whereby they would be the single balancing mechanism for the load and supply for the entire regional footprint. She talked about the transmission aspect of their planning prices. She spent time focusing on their integrated transmission planning process. The goal of that mission is to design a transmission backbone to connect load to the most reasonable generation alternatives which includes 4, 10, and 20 year plans with a 40 year financial/economic analysis attached to it. She unveiled the SPP footprint 20 year cost effective plan (slide 54). She noted the balanced portfolio plan was developed so that the benefit to cost ratio was greater than one, primarily because the members are very conservative and want to always keep the cost of energy as low as possible for the consumers they serve. She talked about who pays for the transmission and how that allocation is determined. She completed her presentation by noting their three SPP strategies: build a robust transmission system, develop efficient market processes, and create member value.

Questions were asked and comments made by Representatives: Vern Swanson, Tom Sloan, Stan Frownfelter, and Annie Kuether.

The informational hearing was closed.

Hearing on:

**HCR 5012- Establishing policy goals for energy development, consumption and costs**

Proponents:

Representative Tom Sloan, (Attachment 2), spoke to the committee in favor of **HCR 5012**. He noted the ways in which this resolution would help Kansas move forward progressively to develop energy, reduce consumption, and contain costs.

Opponent:

Phil Wages, KEPCO, Westar, KEP&L, Sunflower Electric Power, Kansas Municipal Utilities, Empire

## CONTINUATION SHEET

The minutes of the House Energy and Utilities Committee at 9:00 A.M. on March 3, 2011, in Room 785 of the Docking State Office Building.

District Electric, Kansas Electric Cooperatives and Midwest Energy, (Attachment 3) offered testimony in opposition to **HCR 5012**. He also presented a power-point presentation that was given to the Senate Utilities committee on January 13, 2011, (Attachment 4). Additionally he offered the committee a chart (Attachment 5) on the Environmental Regulatory Time Line for Units that moves forward to 2017.

Written Opposition:

Dave Springe, CURB, (Attachment 6), offered written testimony in opposition to **HCR 5012**.

Questions were asked and comments made by Representative Forrest Knox.

The hearing on **HCR 5012** was closed.

The next meeting is scheduled for March 4, 2011.

The meeting was adjourned at 10:31 A.M.