

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Pat Apple at 1:30 p.m. on January 25, 2012 in Room 548-S of the Capitol.

All members were present except:
Senator Jay Emler, excused

Committee staff present:
Matt Sterling, Office of the Revisor of Statutes
Tamera Lawrence, Office of the Revisor of Statutes
Cindy Lash, Kansas Legislative Research Department
Ann McMorris, Committee Assistant

Conferees appearing before the Committee:
Curt Stamp, Director of Regulatory Affairs, Cox Communications
Brian Boisvert, CEO/General Manager, Wilson Communications
Dina Fisk, Verizon
Ken Schifman, Director of Regulatory Affairs, Sprint
Kurt David, Chief Operating Officer, Eagle Communications

Others attending: See attached list.

Introduction of Bills

Tom Day, KCC, requested introduction of two bills: (1) Pipe line safety measure; and (2) net metering. He described the intent of the two bills.

Moved by Senator Kultala, seconded by Senator Francisco, to proceed with introduction of these two conceptual bills proposed by KCC. Motion carried.

Presentation on new FCC Order: USF Reform and Intercarrier Compensation Reform

Brian Boisvert, CEO/General Manager, Wilson Communications, shared the views of the Kansas Rural Independent Telephone Companies relative to the FCC's recent order on the Universal Service Fund and Inter-Carrier Compensation Reform. He concluded by noting the FCC order results in reduced support for many rural Kansas companies and creates regulatory uncertainty. (Attachment 1)

Curt Stamp, Director of Regulatory Affairs, Cox Communications, focused on a couple of areas that are of concern to Cox and offered some suggestions of issues the Kansas Legislature should keep in mind as they evaluate the impact of the FCC Order on Kansas. He discussed the distribution of CAF funds, and stated reform at the state level must not be contrary to efforts at the federal level to modernize our communications system. (Attachment 2)

Dina Fisk appeared on behalf of Verizon and provided a statement regarding the FCC Order as viewed by Verizon. She stressed the need for reform of KUSF. (Attachment 3)

Questions regarding the statistics provided on household with wireless and broadband.

Ken Schifman, Director of Regulatory Affairs, Sprint, reviewed intercarrier compensation and Sprint's policy position. (Attachment 4)

Kurt David, Chief Operating Officer, Eagle Communications, noted if the Kansas Universal Service Fund goes unchanged, private capital investment is at risk at the expense of unserved areas of the state. He discussed Eagle Communications' investments in broadband and communications services. (Attachment 5)

Adjournment.

Respectfully submitted,
Ann McMorris, Committee Secretary
Attachments - 5