MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Pat Apple at 1:30 p.m. on March 14, 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 Heather O'Hara, Legislative Research Department Ann McMorris, Committee Assistant

Conferees appearing before the Committee:

Others attending: See attached list.

Approval of Minutes

<u>Moved by Senator Merrick, seconded by Senator Kultala, to approve the minutes of the Senate</u>. <u>Utilities Committee meetings held on March 6, 2012 and March 7, 2012.</u> Motion carried.

Chair opened for discussion and possible action on:

First order of business

HB 2489 – Deregulation of natural gas public utilities cooperatives

Moved by Senator Petersen, seconded by Senator Masterson, **HB 2489** be passed out favorably. Motion carried.

Second order of business

Chair explained the following action could be considered by the committee: Amend the contents of HB 2436 – Concerning public utilities and issuance of certificate of public convenience; HB 2708 – Renewable energy resources; and SB 419—Requiring the KCC to annually determine the cumulative retail rate impact of nonrenewable alternative sources of electricity supply and report to the Legislature; into HB 2526 – Oil & Gas; regulation of hydraulic fracturing and rename the bill Senate Substitute for HB 2526.

Moved by Senator Masterson, seconded by Senator Petersen, to amend the contents of

HB 2436 – Concerning public utilities and issuance of certificate of public convenience; HB 2708 –

Renewable energy resources; and SB 419—Requiring the KCC to annually determine the cumulative

retail rate impact of nonrenewable alternative sources of electricity supply and report to the Legislature;

into HB 2526 – Oil & Gas; regulation of hydraulic fracturing and rename the bill Senate Substitute for

HB 2526. Motion carried.

<u>Moved by Senator Masterson, seconded by Senator Bruce, Senate Substitute for HB 2526 be passed out favorably as amended.</u> Motion carried.

Third order of business:

Moved by Senator Taddiken, seconded by Senator Petersen, to remove the contents of HB 2390 – Kan-ed act; repeal and amend the contents of SB 398 – Amending the Kan-ed Act into a new bill Substitute for HB 2390. Motion carried

Tamera Lawrence, Assistant Revisor of Statutes, provided a comparison of Current Law, **SB 398** and the Substitute Bill. She highlighted the language changes made in the **substitute bill 12rs2398**. (Attachment 1)

CONTINUATION SHEET

Minutes of the Senate Utilities Committee at 1:30 p.m. on March 14, 2012, in Room 548-S of the Capitol.

Moved by Senator Kultala, seconded by Senator Petersen, to insert the language in **Substitute for HB 2390** "and the scope of the needs" in Sec. 6 75-7224, paragraph (2) line 3 between the words

"needs" and "for". Motion carried.

Moved by Senator Kultala, seconded by Senator Petersen, in **Substitute for HB 2390** the date in Sec, 6 75-7224, paragraph (3) be changed to January 15, 2012. Motion carried.

Moved by Senator Taddiken, seconded by Senator Bruce to insert language on page 13 of Substitute for HB 2390 after the word "connection" to provide more flexibility in providing broadband internet. Motion carried.

<u>Moved by Senator Petersen, seconded by Senator Taddiken, to approve the amendments to</u> <u>Substitute for HB 2390.</u> Motion carried. No votes recorded for Senators Francisco and Taddiken.

<u>Moved by Senator Petersen, seconded by Senator Francisco, Sec. 7 75-2226(b), to include Joint Committee on Information & Technology in the list of committees to receive the report.</u> Motion carried.

Moved by Senator Taddiken, seconded by Senator Petersen, **Substitute for HB 2390** be moved out favorably as amended. Motion carried. Francisco recorded as no.

Comments on Kan-ed were provided the Committee from:

Jerry Huff, Director of Kan-Ed (Attachment 2)

John Federico, Kansas Cable Telecommunications Association (Attachment 3)

Adjournment.

Respectfully submitted

Ann McMorris Committee Assistant

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