

## MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:12 a.m. on January 25, 2000 in Room 522-S of the Capitol.

All members were present.

Committee staff present: Lynne Holt, Legislative Research Department  
Mary Torrence, Revisor of Statutes  
Jo Cook, Committee Secretary

Conferees appearing before the committee: Richard Veach, Pioneer Communication  
Walker Hendrix, Citizens' Utility Ratepayer Board

Others attending: See Attached Guest List

Chairman Holmes called the committee's attention to the minutes to be approved. Rep. Alldritt moved and Rep. Long seconded that the minutes be approved. Motion carried.

Chairman Holmes acknowledged Rep. McClure who requested a committee bill be introduced that deals with gas and oil that changes the percentage for unitization. Rep. McClure moved that the committee introduce this bill. Rep. Kuether seconded the motion. Motion carried.

Chairman Holmes announced that there would be a hearing on **HB 2635**. A Utilities sub-committee will be meeting with the Education sub-committee. Sub-committee members from the Utilities Committee are Rep. Holmes, Rep. Sloan, Rep. McClure, Rep. Krehbiel and Rep. Toelkes.

Chairman Holmes announced there would be a conference committee meeting tomorrow at 1:00 p.m. in the East Lounge to discuss **HB 2322**.

**SB 86**      **Telecommunications; enhanced universal service definition.**

Lynne Holt, Legislative Research, presented an overview on **SB 86** using the Bill Supplement.

Mike Reecht, on behalf of A. T. & T, provided written testimony as a proponent of **SB 86** (Attachment 1). Mr. Reecht's testimony stated that they support this bill in its current form as it incorporates recommendations that were proposed by the 1998 telecommunications summer working committee.

Richard Veach, General Manager of Pioneer Communications, testified in opposition to **SB 86** (Attachment 2). Mr. Veach expressed, among others, concerns about the changes in the definition of enhanced universal service.

Walker Hendrix, Consumer Counsel for the Citizens' Utility Ratepayer Board, provided neutral testimony on **SB 86** (Attachment 3). He outlined several recommendations that included leaving in the policy statement and the requirement that long distance carriers provide schedules that are geographically averaged; and removing sections that restrict the KCC's ability to respond to changes and do not allow the KCC to determine if revenue neutrality is necessary.

Conferees responded to questions from Rep. Myers, Rep. Long, Rep. McClure, Rep. Vining, Rep. O'Brien, Rep. Toelkes, Rep. Alldritt, Rep. Holmes, Rep. Sloan and Rep. Krehbiel.

Meeting was adjourned at 10:33 a.m.

Next meeting will be Wednesday, January 26, 2000, at 9:00 a.m.