

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:05 a.m. on February 6, 2001 in Room 526-S of the Capitol.

All members were present.

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

Conferees appearing before the committee: Mark S. Beck, Department of Revenue  
Kyle Wetzel, Aerotech Engineering & Research  
Bruce Snead, City of Manhattan  
Jim Ludwig, Western Resources  
Bruce Graham, Kansas Electric Power Cooperatives  
Cynthia Smith, Kansas City Power & Light  
Susan Cunningham, Kansas Corporation Commission

Others attending: See Attached List

Mark Beck, Director of Property Valuation for the Kansas Department of Revenue, addressed the committee on public utility classifications (Attachment 1). Mr. Beck provided background on how utilities came to be assessed at 33%.

**HB 2244 - State energy planning act; establishment of energy office & authority; formulation of state energy plan**

Kyle Wetzel, Executive Vice President and COO of Aerotech Engineering & Research Corporation, addressed the committee in support of **HB 2244** (Attachment 2). Dr. Wetzel stressed the need of an energy coordinating council, which he believes would help the development of wind energy in the state.

Bruce Snead, City Commissioner and Mayor Pro-Tem for the City of Manhattan, appeared in favor of **HB 2244** (Attachment 3). Mr. Snead stated that his city's legislative goals included the support of the development of an energy policy for the state and, in that vein, they supported **HB 2244**. He did address concerns and recommended changes regarding the staffing and sourcing of funds. Mr. Snead also distributed packets that had been compiled by Kansas State University Engineering Extension and provided to those in Riley County and surrounding areas who needed assistance in reducing their heating costs (copy available from Kansas Legislative Research Department).

Jim Ludwig, Senior Director of Regulatory Affairs for Western Resources, appeared in support of **HB 2244** (Attachment 4). Mr. Ludwig shared his concerns and recommended that Sections 2 and 9 be stricken and the levying of costs be changed.

Bruce Graham, Vice President of Member Services & External Affairs for KEPCo, testified in opposition to **HB 2244** (Attachment 5). Mr. Graham explained that, though the creation of an energy resources coordinating council is a policy with good intention, there were several concerns and he suggested amendments.

Cynthia Smith, appearing on behalf of Kansas City Power and Light, spoke as an opponent to **HB 2244**.

Susan Cunningham, Acting General Counsel for the Kansas Corporation Commission, addressed **HB 2244** in a neutral position (Attachment 6). Ms. Cunningham addressed concerns of the Commission, but also expressed support of the effort to coordinate state energy issues.

The conferees responded to questions from the committee.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES, Room 526-S Statehouse, at 9:05 a.m. on February 6, 2001.

Chairman Holmes announced that he anticipated working **HB 2244** on Thursday, along with holding the hearing on **HCR 5012**.

Rep. McClure distributed a memo she received in response to questions raised on **HB 2034** (Attachment 7).

Rep. Long moved to approve the minutes of the January 9, 10, 11, 16, 17, and 18 meetings. Rep. Dillmore seconded the motion. Motion carried.

Meeting adjourned at 10:47 a.m.

Next meeting is Wednesday, February 7, 2001.