

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:08 a.m. on March 9, 2005 in Room 231-N of the Capitol.

All members were present except: Representative Bonnie Huy - Excused

Committee staff present: Mary Galligan, Legislative Research
Dennis Hodgins, Legislative Research
Mary Torrence, Revisor of Statutes
Jo Cook, Administrative Assistant

Conferees appearing before the committee:

Allie Devine, Kansas Livestock Association, Topeka, KS
Terry Holdren, Kansas Farm Bureau, Topeka, KS
Whitney Damron, Empire District Electric, Topeka, KS
John Grimwade, Kansas City Power & Light, Kansas City, MO
Mark Schreiber, Westar Energy, Topeka, KS
Charles Benjamin, Sierra Club, Lawrence, KS

Others attending: See Attached List

Chairman Holmes asked for bill introductions. Representative Sloan moved to introduce a committee bill that would address the consolidation of Kan-Ren and Kan-Win in relationship to Kan-Ed. Representative Krehbiel seconded the motion. The motion carried. Representative Knox moved to introduce a committee bill that addresses the annexation concerns regarding utility issues. Representative Oharah seconded the motion. The motion carried.

Mark Schreiber, Westar Energy, shared information on the upcoming tour of the Wolf Creek Nuclear Power Plant.

SB 93 - Eminent domain for wind energy projects

Chairman Holmes opened the hearing on **SB 93**.

Allie Devine, Vice President and General Counsel for the Kansas Livestock Association, addressed the committee as a proponent of **SB 93 (Attachment 1)**. Ms. Devine stated that the Association had requested the bill after concerns were raised among their members on the advancement of wind energy. The members believe that the power of eminent domain should not be granted to utilities or wind developers for the purpose of taking private property for wind energy development. Ms Devine included a copy of a Certificate issued by the Kansas Corporation Commission regarding the of application of the Elk River Windfarm LLC.

Terry Holdren, Kansas Farm Bureau Governmental Relations Local Affairs Director, appeared in support of **HB SB 93 (Attachment 2)**. Mr. Holdren stated that the bill provides protection for landowners in areas targeted by wind farm developers.

Whitney Damron, on behalf of The Empire District Electric Company, testified in opposition to **SB 93 (Attachment 3)**. The bill, as amended, insures a public utility can continue to have the ability to utilize eminent domain authority for construction of transmission lines. This is acceptable to the company, however, other portions of the bill which create different classes of public utilities may result in unintended consequences..

John Grimwade, Manager Energy Resource management for Kansas City Power and Light, appeared as an opponent to **SB 93 (Attachment 4)**. Mr. Grimwade stated that the bill eliminates a valuable tool in the state's law on eminent domain and restricts the ability to build and transmit electricity generated from wind farms.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES, Room 231-N, Statehouse, at 9:08 a.m. on March 9, 2005

Mark Schreiber, Manager Government Affairs for Westar Energy, addressed the committee in opposition to **SB 93** (Attachment 5). Mr. Schreiber said that eminent domain is used only as a last resort, but it does allow the completion of energy projects that can benefit large regions of the state.

Charles Benjamin, appearing on behalf of the Kansas Chapter of Sierra Club, offered neutral testimony on **SB 93** (Attachment 6). Mr. Benjamin said they are concerned that the legislation singles out the wind energy industry and could be sending a hostile message to developers.

The conferees responded to questions from the committee. Additionally, Tom Day of the Corporation Commission and Steve Johnson of Kansas Gas Service responded to questions.

Chairman Holmes closed the hearing on **SB 93**.

The meeting adjourned at 10:28 a.m.

The next meeting will be Friday, March 11, 2005 at 9:00 a.m.