

MINUTES

SPECIAL COMMITTEE ON UTILITIES

December 15, 2006
Room 519-S—Statehouse

Members Present

Senator Jay Emler, Chairperson
Representative Carl Holmes, Vice-Chairperson
Senator Janis Lee, Ranking Minority Leader
Senator Pat Apple
Representative Annie Kuether
Representative Robert Olson
Representative Richard Proehl

Members Absent

Representative Lynne Oharah
Representative Mark Treaster

Staff

Mary Galligan, Kansas Legislative Research Department
Dennis Hodgins, Kansas Legislative Research Department
Bruce Kinzie, Revisor of Statutes Office
Ann McMorris, Committee Secretary

Conferees

Jere White, Kansas Corn Growers Association
Dick Brewster, Director, Government Relations, BP

The Special Committee on Utilities was called to order by Senator Jay Emler, Chairperson, on Friday, December 15, 2006 at 9:30 a.m. in Room 519-S of the Statehouse.

Approval of Minutes

Representative Olson made, and Senator Lee seconded, a motion to approve as distributed the minutes of the November 27, 2006 meeting of the Joint Committee on Utilities. Motion carried.

Draft Committee Report

The Chairperson recognized Dennis Hodgins, Principal Analyst, Kansas Legislative Research Department, to review the draft Committee report entitled "Call Before You Dig" Program and Regulation of Gas Gathering Facilities (Attachment 1).

Mr. Hodgins explained that the draft report included a summary of the testimony presented to the Committee regarding a requirement that water and sewer facilities be added to coverage under the Kansas Underground Utility Damage Protection Act (KUUDPA). The report included the Committee's conclusion reached at the previous meeting that water and sewer facilities warrant some level of protection under the KUDDPA. The report also included in the recommendation, a description of legislation requested at the previous meeting.

There were no questions from the Committee.

Mr. Hodgins continued with the portion of the draft report that covered gas gathering. The draft report included a summary of the testimony presented by proponents of and opponents to a change in the status of gas gathering facilities in regard to regulation by the Kansas Corporation Commission (KCC). The report also summarized a recent KCC order on the issue. The report's conclusion described action at the last meeting when the Committee encouraged the parties to attempt to find a solution and report to the Committee at today's meeting.

There were no questions from the Committee.

Report on Gas Gathering Meeting

The Chairperson recognized Jere White, Kansas Cornrowers Association, to report on the meeting with the gas gatherers. Mr. White reported that the principals interested in the gas gathering issue met on December 14, 2006 in the KCC offices. He said the users feel that legislation will be needed to address the problem of the irrigators and other end users, but felt that a new bill should be prepared.

The Chairperson recognized Dick Brewster of BP, who was a co-coordinator of the December 14 meeting. He said the gas gatherers were please with the progress made at the meeting and hope to resolve the issues without new legislation. However, he noted that operational and jurisdictional issues need to be studied in greater detail before the issues can be resolved.

Chairperson Emler noted that legislation proposed jointly by the interests would be more appropriate than having the Utilities Committee initiate the bill. The KCC decision on requests to reconsider its November order will be issued around January 11, 2006.

The Committee reached a consensus that its report will recommend that the parties continue to meet and work toward a solution and that the parties' report back to the Senate Utilities Committee during the third week of the Session. The Committee also recommends that a progress report be made to the Chairs of the Senate and House Utilities Committees during the second week of the Session.

Water Issue

The Chairperson recognized Bruce Kinzie, Revisor of Statutes Office, to review a bill draft, requested at the last meeting, that would amend KUUDPA to cover water and sewer utilities. After considerable discussion, the Committee gave the Revisor instructions for preparation of a new bill draft and revision of the recommendations section of the draft Committee report (Attachment 2).

Senator Apple made, and Representative Kuether seconded, a motion that the Committee introduce legislation that would bring water and sewer facilities into the Kansas One Call system, authorize the KCC to adopt rules, regulations to establish the tolerance zone for those facilities, and establish a protocol for areas where lines are not easily located and require that water and sewer facilities installed after January 1, 2008 be locatable. Motion carried.

The Committee will suggest to the LCC, that the bill be introduced in the Senate.

The Committee report incorporating final recommendations made at this meeting will be distributed by the Kansas Legislative Research Department by December 22, 2006 with comments and corrections due back to Research staff by December 29, 2006, after which the report will be considered accepted.

Representative Olson made, and Representative Proehl seconded, a motion to adjourn the meeting. Motion carried.

Prepared by Ann McMorris
Edited by Mary Galligan

Approved by Committee on:

December 29, 2006

(date)