Approved: March 09, 2015

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairperson Robert Olson at 1:32pm on Tuesday, February 24, 2015, 548-S of the Capitol.

All members were present except:

Senator Ty Masterson – Excused

Committee staff present:

Kyle Hamilton, Office of Revisor of Statutes

Heather O'Hara, Legislative Research Department

Natalie Nelson, Legislative Research Department

Michael Welton, Kansas Legislative Committee Assistant

Matt Sterling, Office of Revisor of Statutes

Conferees appearing before the Committee:

There were no conferees

Others in attendance:

See Attached List

Senator Olson welcomed the attendees and opened the meeting.

Possible action on bills previously heard

Senator Olson opened the discussion on **SB 91 - Abandoned oil and gas well fund.**

<u>Senator Longbine motioned to the pass bill out favorably and Senator Petersen seconded the amendment. The motion passed.</u>

Senator Olson closed the discussion on the bill.

Senator Olson opened the discussion on SB 170 - Reliable, affordable and safe power act.

<u>Senator Smith offered a balloon amendment.</u> Senator Olson called on Matt Sterling to explain the amendment (Attachment #1).

In response to questions and comments by Longbine, Wilborn and Hawk Mr. Sterling provided the following clarifications:

- 1.) The committee approval process of a proposed State Implementation Plan (SIP) would be a review of the plan would not be making law.
- 2.) A prerequisite for the KDHE to submit a SIP would be only upon committee approval of the plan. If the review process does not approve the plan, then KDHE would be required to make plan changes would effect committee approval.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES of the Committee on Utilities at 1:32pm on Tuesday, February 24, 2015, 548-S of the Capitol.

3.) Concern was expressed regarding time frames and deadlines and Mr. Sterling suggested that since the federal rule was not yet finalized an extension of federal deadlines was possible.

<u>Senator Smith repeated his motion and Senator Knox seconded the motion. The motion passed to accept the amendment.</u>

<u>Senator Francisco motioned to pass a conceptual amendment to further define the federal emissions</u> guidelines so that it definitely refers to the docket in the statute. The conceptual motion was seconded by Senator Knox. The motion passed.

Senator Smith motioned that the bill be passed as amended and Senator Powell seconded the motion.

Senator Francisco stated a concern that the Judicial Review provision could set Kansas up for a Federal Implementation Plan (FIP). She commended utility companies for staying in touch with the KCC and also the KCC and KDHE for staying in touch with the legislature. She expressed a concern about timelines that might prevent Kansas agencies from meeting federal deadlines for SIP submission. She expressed a concern that in her opinion the bill could stop the timely submission of the SIP. She requested that the committee further explore similar legislation being adopted in other states and hoped that research could provide a report before working the bill on the senate floor.

In support of the bill Senator Knox stated his opinion of the importance that the legislature have a strong hand in this process and that this bill clearly defines the legislative intent.

Senator Petersen suggested that the committee pursue getting **SB 170** as amended blessed by senate leadership.

The motion to adopt **SB 170** as amended passed.

Senators Francisco requested that her NO vote to this motion be recorded.

Senator Olson closed the discussion on this bill.

Senator Olson opened the discussion on **SB 151 - Electric Utilities and carbon dioxide emissions**.

<u>Senator Knox moved to accept the balloon amendment that he characterized as common ground for KDHE and KCC and Senator Smith seconded the amendment. The motion passed (Attachment #2).</u>

Senator Knox offered another balloon amendment to establish a legislative study committee and Senator Olson called on Matt Sterling to explain the amendment (Attachment #3).

Senator Knox indicated that his amendment was intended to make sure that the legislative committees

CONTINUATION SHEET

MINUTES of the Committee on Utilities at 1:32pm on Tuesday, February 24, 2015, 548-S of the Capitol.

would not have the authority to totally stop the advancement of the SIP, but would have an opportunity to review and make clear its intent as it applies to this process.

Senator Smith pointed out a specific issue in the bill regarding a technical clean-up of a reference of the study committee as the "telecommunications study committee."

Senator Francisco called for an amendment to deal with technical clean-up issues.

<u>Senator Knox repeated the motion to adopt a balloon amendment to establish the Clean Power Plan</u>
<u>Implementation Study committee and include technical clean-ups by the revisor. Senator Petersen</u>
<u>seconded the motion. The motion passed to adopt the amendment.</u>

Senator Francisco requested a conceptual amendment on the make up of the committee. She explained while the total numbers from both houses would remain the same, she proposed that in sections (b)(1) and (b)(2) that one member would appointed by the minority leader of the senate and one member would be appointed by the minority leader in the house.

Senator Knox refuted the proposed amendment by claiming that the math in his amendment was consistent with current proportions of representation in the house and senate.

<u>Senator Francisco repeated the motion and Senator Hawk made the second. Division was recognized</u> by the chairman. The chairman counted 6 nay and 2 yea. He declared that the motion failed.

Senator Francisco adjusted her previous motion to request only one member be appointed by the minority leader in the house. Senator Hawk seconded the motion.

Senator Francisco commented that the legislature will not always have the same partisan make-up. She explained that her request was for more opportunity for diversity and involvement.

Senator Powell pointed out that the proposed measure has a sunset.

Senator Francisco stressed that it was her intention to use this vote for setting a pattern for establishing other study committees.

<u>Senator Olson called for a vote and recognized a division. He counted 5 nay and 4 yea. Senator Olson declared that the motion failed.</u>

Senator Knox questioned if there was a way to take into account Senator Francisco's concerns. It was suggested that the committee be reappointed after June 30, 2017.

Senator Longbine offered a balloon amendment and was called on to explain it (Attachment #4).

CONTINUATION SHEET

MINUTES of the Committee on Utilities at 1:32pm on Tuesday, February 24, 2015, 548-S of the Capitol.

<u>Senator Longbine provided further explanation and repeated his motion. Senator Wilborn seconded the motion. The motion passed.</u>

Seeing no further amendments Senator stated that he would entertain a motion to pass out the bill.

Senator Petersen motioned that the bill be passed out of committee favorably. Senator Smith seconded the motion.

Senator Francisco commented that she still saw problems with the bill that need to be addressed next year when more is known about rules and timelines, however, she would like to see the study committee in place to be able to begin receiving information in the fall.

Senator Francisco requested that her "no" vote be recorded.

Seeing no further questions or comments Senator Olson closed the discussion on the bill. <u>The motion to pass SB 151 as amended passed.</u>

Senator Francisco requested the motion to pass **SB 91** be reconsidered.

Senator Powell motioned to reconsider earlier vote on **SB 91** and the motion was seconded by Senator Hawk. The motion passed.

Senator Olson re-opened the discussion on **SB 91**.

Senator Francisco offered an amendment and proceeded to explain the amendment (Attachment #5).

<u>Senator Francisco motioned to accept amendment and was seconded by Senator Hawk. The motion passed.</u>

<u>Senator Francisco moved to pass the bill as amended and was seconded by Senator Knox. The motion passed.</u>

Senator Olson closed the discussion on **SB 91**.

Seeing no further questions or comments Senator Olson adjourned the meeting at 2:16 pm. The next meeting has not been scheduled.