

MINUTES OF THE SENATE UTILITIES COMMITTEE.

The meeting was called to order by Chairman Senator Stan Clark at 9:30 a.m. on March 20, 2001 in Room 231-N of the Capitol.

All members were present except:

Committee staff present: Raney Gilliland, Legislative Research
 Emalene Correll, Legislative Research
 Tom Severn, Legislative Research
 Bruce Kinzie, Revisor of Statutes
 Lisa Montgomery, Revisor of Statutes
 Ann McMorris, Secretary

Conferees appearing before the committee:

 Jim Ludwig, Western Resources
 Cynthia Smith, Kansas City Power & Light
 Bruce Graham, KEPCO
 Dick Rohlf, Western Resources

Others attending: See attached list.

Chair opened hearing on:

HB 2245 - Electric generation from renewable resources; contracts for parallel generation; income tax credits.

Proponent

Dick Rohlf, Senior Manager of Regulatory Requirements, Western Resources, Inc., stated since their concerns that this proposed legislation could be in conflict with Public Utilities Regulatory Policy Act and some internal conflicts were addressed, Western Resources is no longer opposed to this bill. He provided some background on PURPA and provided a simple example of the tax credit as it would apply to an investor owned utility. (Attachment 1)

Closed hearing on **HB 2245.**

Chair opened hearing on both:

HB 2266 - Independent power producers, coal-fired generation; exemption from regulation; bonds for pollution control devices; property tax.

HB 2268 - Electric public utilities; coal-fired generation; construction work in progress; bonds for pollution control; property tax exemption.

Proponents:

 Jim Ludwig, Western Resources (Attachment 2)
 Cynthia Smith, Kansas City Power & Light (Attachment 3)
 Bruce Graham, KEPCO (Attachment 4)

Closed hearing on **HB 2266.**

Hearing on **HB 2268** will continue on March 21.

CONTINUATION SHEET

MINUTES OF THE SENATE UTILITIES COMMITTEE at 9:30 a.m. on March 20, 2001 in Room 231-N of the Capitol.

Chair opened discussion on a proposed Senate Resolution urging the Governor to appoint nine representatives to work with the University of Kansas energy research center to develop an energy plan for Kansas. (Attachment 5) (Resolution introduced and assigned number **SR 1828** on 3/20/01)

Moved by Senator Wagle, seconded by Senator Lyon, the Senate Utilities Committee approves the introduction of the proposed resolution draft to develop an energy plan for Kansas for introduction in the Senate. Motion carried.

Action taken on bills previously heard:

Moved by Senator Lee, seconded by Senator Brownlee, to amend **SB 112** into **HB 2245** and pass it out of committee. Motion carried. "No" vote recorded for Senator Tyson.

Moved by Senator Barone, seconded by Senator Brownlee, to amend **SB 177** into **HB 2266** and pass it out of committee. Motion carried. "No" vote recorded for Senator Tyson.

Approval of Minutes

Moved by Senator Tyson, seconded by Senator Brownlee, to approve the minutes of the Senate Utilities meetings held on March 19, 2001 at 9:40 a.m. and March 19, 2001 at 3:00 p.m. Motion carried.

"Yes" vote recorded for Senator Tyson.

Next meeting of the committee will be held on March 21, 2001.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachments - 5