

Approved: March 8, 2005

Date

MINUTES OF THE JOINT MEETING OF THE HOUSE AND SENATE COMMITTEES ON UTILITIES.

The joint meeting was called to order by Chairman Carl D. Holmes at 9:20 a.m. on January 18, 2005 in Room 526-S of the Capitol.

All members were present except: Representative Eric Carter - Excused
Representative Bonnie Huy - Excused
Representative Melody Miller - Excused

Committee staff present: Mary Galligan, Legislative Research
Jo Cook, Administrative Assistant

Conferees appearing before the committee:

Leo Haynos, Kansas Corporation Commission, Topeka, KS
Ed Cross, Kansas Independent Oil and Gas Association, Topeka, KS

Others attending: See Attached List

Chairman Holmes asked for bill introductions. Representative Sloan moved to introduce four committee bills. Representative Kuether seconded the motion. The motion carried. The four bills introduced are: 1) KCC authorized to participate in RTO decision making; 2) amend bifurcation statute to include 90 day regulatory schedule; 3) allow electric and gas utilities to earn on the investments in customer energy efficiency items (2004 HB 2518); and 4) a resolution urging the KCC to open a docket to require all electric utilities serving Kansas to belong to the same RTO.

Chairman Holmes welcomed Leo Haynos, supervisor of Natural Gas Pipeline Safety for the Kansas Corporation Commission, to the joint meeting. Mr. Haynos provided a power point presentation on the Kansas Underground Utility Damage Prevention Act (KUUDPA) (Attachment 1). He outlined the jurisdiction and requirements of the operators. Included in the testimony were photographs showing the results of accidents from improper excavating. Mr. Haynos told the committee that the real key to preventing accidents was communication between excavators and operators.

Edward Cross, Executive Vice President for the Kansas Independent Oil Gas Association (KIOGA), shared a power point presentation on The Kansas Energy Outlook - A Brave New World (Attachment 2). Mr. Cross shared the key energy issues for the state. He also explained the crude oil market structure and how the changing world economy and energy usage reflects on Kansans. Mr. Cross shared information on the industry's taxation structure in Kansas. Mr. Cross provided a copy of the Kansas Oil & Gas Industry strategic Analysis to the joint committee (Attachment 2). Mr. Cross responded to questions from the joint committee.

The meeting adjourned at 10:50 a.m.

The next meeting will be Wednesday, January 19, 2005 at 9:00 a.m.