

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Pat Apple at 1:30 p.m. on February 24, 2009, in Room 446-N of the Capitol.

All members were present.

Committee staff present:

Mike Corrigan, Office of the Revisor of Statutes
Raney Gilliland, Kansas Legislative Research Department
Cindy Lash, Kansas Legislative Research Department
Ann McMorris, Committee Assistant

Conferees appearing before the committee:

Don Low, Kansas Corporation Commission

Others attending:

See attached list.

Chair opened the meeting.

Presentation on Electric Energy Rates

Don Low, Kansas Corporation Commission, reviewed the basic formula for rate base rate and provided examples. He discussed how rates are set and the pro forma adjustments to the data. He noted there are two basic criteria in allowing capital costs (1) used and required to be used; and (2) costs are reasonable and prudently incurred. He detailed how rate design determines rates to be charged to customers that in aggregate generate revenue requirements. There are rates in addition to base rates which change outside of rate cases. He discussed recent rate issues and rate case procedures. (Attachment 1)

The next meeting is scheduled for February 25, 2009.

The meeting was adjourned at 2:40 p.m

Respectfully submitted,

Ann McMorris
Committee Assistant

Attachments - 1