

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Jay Scott Emler at 9:30 A.M. on March 15, 2005 in Room 526-S of the Capitol.

Committee members absent:

Committee staff present: Athena Andaya, Kansas Legislative Research Department
Raney Gilliland, Kansas Legislative Research Department
Bruce Kinzie, Revisor of Statutes' Office
Diana Lee, Revisor of Statutes' Office
Ann McMorris, Committee Secretary

Conferees appearing before the committee:

Steve Miller, Sunflower, Co-Ops & Midwest
Tom Stuchlik, Westar Energy
Charles Benjamin, Sierra Club Kansas Chapter
David Springe, CURB
Larry Holloway, KCC

Others in attendance: See attached list

Chair opened the hearing on

HB 2263 - Kansas Electric Transmission Authority**Proponents**

Steve Miller, Sunflower Electric Power Corporation, Hays, KS, presented testimony on behalf of Kansas Electric Power Cooperative, Inc., Midwest Energy Inc. and Sunflower Electric. He noted **HB 2263** has a goal of not only ensuring continued reliability, but also diversifying and expanding the Kansas economy through the facilitation of improvements to the state's electric transmission infrastructure. It was suggested that the word "retail" be removed from page 6, lines 26 and 29. (Attachment 1)

Tom Stuchlik, executive director, Transmission Services, Westar Energy, noted **HB 2263** provides a backstop mechanism for projects that don't meet SPP criteria and which are speculative in nature. (Attachment 2)

Charles Benjamin, Sierra Club Kansas Chapter, suggested amending **HB 2263** in regard to the Kansas Open Meetings Act and the timetable to repay be longer than the current schedule set forth in the bill. (Attachment 3)

Opponents:

David Springe, Citizens' Utility Ratepayer Board, explained CURB's concerns with the following passages in **HB 2263**: (1) The Authority that will build transmission when no "private entity" will; (2) the Authority "shall not be subject to supervision or regulation by the state corporation commission", except for wire stringing and transmission line siting; (3) the Authority is authorized to issue K DFA bonds to build the transmission, and to pay its administration and operating costs; and (4) The authority may exercise the power of eminent domain. (Attachment 4)

Neutral:

Larry Holloway, Chief of Energy Operations of the Kansas Corporation Commission, voiced the concerns of KCC with **HB 2263** and called attention of the committee to the different types of upgrades to transmission systems that are being considered. (Attachment 5)

CONTINUATION SHEET

MINUTES OF THE Senate Utilities Committee at 9:30 A.M. on March 15, 2005 in Room 526-S of the Capitol.

Written testimony on **HB 2263** was submitted by Kansas City Power & Light Company. (Attachment 6)

Chair closed the hearing on **HB 2263**.

Chair opened the hearing on
HB 2407 - Kansas representatives to regional transmission organization authorized to participate fully

Proponents:

Larry Holloway, Chief of Energy Operations of the Kansas Corporation Commission, spoke in favor of **HB 2407**. (Attachment 7)

Lois Liechti, Kansas City Power and Light Company, presented written testimony only. (Attachment 8)
Chair closed hearing on **HB 2407**.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachments - 8