



**Revised Testimony On Senate Bill No. 576
Senate Utilities Committee
March 13, 2006**

*Presented by
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Good morning Mr. Chairman and members of the Committee. Thank you for the opportunity to provide testimony before you this morning. My name is Gary Wise, and I am employed by Aquila, Inc. (Aquila) as the Director of Operations for Southwest Kansas, which includes 24 counties in Kansas. Our business address is 2303 West Frontview, Dodge City, Kansas 67801.

Aquila operates natural gas and electric utilities in 7 states, serving nearly 850,000 gas customers and over 400,000 electric customers in Colorado, Iowa, Kansas, Michigan, Minnesota, Missouri, and Nebraska.

Aquila provides natural gas service to over 105,000 customers in Kansas, including the communities of Lawrence, Dodge City, Garden City, Liberal, Goodland and parts of Wichita.

As part of our gas operations in Kansas, Aquila provides natural gas supply to more than 2,800 rural customers through gas pipeline facilities including gas gathering lines and interstate pipelines.

From 1972 through 2000, prior to working for Aquila, I worked in positions of increasing responsibility in the Hugoton Gas Field located in Southwest Kansas. During this time period I held positions as a Natural Gas Liquids Plant Manger, Manager of over 52k horse power / 2300 mile Gas Gathering Compressor System, Senior Drilling Foreman, and Manager of a Construction / Engineering Pipeline Company. I have 34 years of experience in the Oil and Gas Industry in Southwest Kansas and the utilization of Natural Gas for Irrigation Purposes.

In May 2000 I joined Aquila as the Director of Gas Operations and in 2003 was named as the Manager of Operations.

SB 576 does not directly affect Aquila to any significant extent, and Aquila does not take a position for or against passage of the bill. However, Aquila would like to offer some comments and concerns for consideration of the Committee in its deliberations regarding the bill.

Initially, it is to be observed that SB 576 touches upon jurisdictional issues which are now being considered by the Kansas Corporation Commission in its General Investigation to determine a Commission policy regarding customers served by gas gathering systems (KCC Docket No. 06-GIMG-400-GIG), in which Aquila is participating. However, it does not appear that SB 576 preempts or compromises the Commission's investigation.

Aquila has two points of concern with SB 576. First, with respect to the requirement in Section 2(a) that the owners or operators of gas gathering facilities shall file and maintain with the Commission updated maps of the gas gathering facility, showing the locations of wells on the system, as well as the locations of interconnects for receipts and deliveries of gas, Aquila has a concern regarding the dissemination of these maps. While such maps could prove very useful for the Commission and for natural gas public utilities which receive gas from the gas gathering facility, Aquila does not believe that such maps should be made available to the general public, because of security implications. Thus, if SB 576 is to receive favorable consideration by the Committee, we recommend that it be amended to authorize the Commission to adopt rules and regulations governing access to such maps, limiting access to those persons and entities having a clear need to view the maps under appropriate confidentiality requirements.

The other area of concern is prompted by the new language being added to K.S.A. 55-1,107, beginning in line 43 on page 4 and continuing at the top of page 5. Aquila does not dispute the requirement that the Commission must approve a natural gas public utility's abandonment of service from gas gathering facilities under an exclusive certificate of convenience and necessity, but Aquila believes that there are instances where the Commission's approval of an abandonment should not be withheld. For instance, when a gas gathering service provider terminates the supply of natural gas, or when a gas gathering service provider experiences gas quality or low pressure conditions giving rise to safety concerns or unreliable service at the point where the utility receives the gas, the public utility has no choice but to terminate service to its customers. Under these circumstances the Commission should not withhold approval of the abandonment. A proposed amendment to that effect is attached to my testimony.

Thank you for the opportunity to provide testimony before you today. We are happy to stand for questions at the appropriate time.