

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Jay Emler at 9:30 A.M. on March 5, 2008 in Room 526-S of the Capitol.

Committee members absent: Senator Roger Pine- excused

Committee staff present: Raney Gilliland, Kansas Legislative Research Department  
Cindy Lash, Kansas Legislative Research Department  
Mike Corrigan, Revisor of Statutes  
Ann McMorris, Committee Secretary

Conferees appearing before the committee:

Mark Conklin, General Counsel, Kansas City Board of Public Utilities  
Mike Deggendorf, VP of Public Affairs, Kansas City Power & Light  
Paul Snider, Kansas City Power & Light  
David Springe, Citizens' Utility Ratepayer Board

Others in attendance: See attached list

Presentation of the Kansas City Board of Public Utilities

Mark Conklin, General Counsel & Manager of Human Resources, Kansas City, reviewed the contents of the packet of materials provided to the members of the Senate Utilities Committee. The contents were:

(1) KC BPU Legislative Report, Jan. 30, 2008; (2) BPU Comprehensive Strategic Plan Update 2007-2010; (3) KCBPU Inter-Departmental Practice; (4) BPU Rate Comparisons, Jan. 22, 2008. (Attachment 1)

KC Board of Public Utilities has several issues to discuss: (1) we are here to address concerns that were raised during the 2007 Legislative session; (2) we are here to talk about BPU - our budget, strategic plans, how to communicate with our public, how we are trying to do better in communicating with the policymakers of the state; with our own board and with the Wyandotte County delegation; (3) our mission, our customers who are very challenged economically; (4) our responses to concerns raised which are covered by several graphs on how our rate is composed ; (5) we will stress our continued efforts to improve - better communication, better responsiveness with our home delegation and citizens.

Senator Steineger provided statistics on Average Retail Price of Electricity by Utility, 2005 - comparison of Eastern and Western Kansas. He called attention to the residential average price especially in the Kansas City area. (Attachment 2)

Chair opened the hearing on

**HB 2632 - Energy efficiency, conservation and demand management programs at the Kansas corporation commission.**

Proponents

Mike Deggendorf, Vice President of Public Affairs, Kansas City Power & Light (KCPL), noted KCPL's goal is to meet a substantial portion of its new load growth through aggressive deployment of energy efficiency and renewable energy. **HB 2632** seeks to update regulatory policy. The concept is simple: A dollar invested in energy efficiency should be treated like a dollar invested in a traditional generation plant. Energy efficiency is able to benefit customers, communities, environment and energy independence. (Attachment 3)

Paul Snider, Kansas City Power and Light, indicated in the interest of time, written testimony in support of **HB 2632** had been submitted from the following:

Tom Thompson, Kansas Chapter of the Sierra Club (Attachment 4)  
Kansas City Chamber of Commerce (Attachment 5)  
Jody Ladd Craig, Mid-America Regional Council (Attachment 6)  
Bob Courtney, Olathe School District (Attachment 7)  
Nancy Jackson, Climate & Energy Project of The Land Institute (Attachment 8)  
James Ludwig, Westar Energy (Attachment 9)  
Dave Holtwick, Home Builders Assn. Of Greater KC (Attachment 10)

CONTINUATION SHEET

MINUTES OF THE Senate Utilities Committee at 9:30 A.M. on March 5, 2008 in Room 526-S of the Capitol.

Opponents

David Springe, CURB, noted **HB 2632** is an accounting bill and referred to the outcome of similar legislation in effect in other states. CURB urged the committee to not pass this bill as **HB 2632** serves only to increase the cost to consumers of providing energy conservation and energy efficiency. (Attachment 11)

Written testimony was submitted by Ernest Kutley, AARP. (Attachment 12)

Chair continued hearing of **HB 2632** to the next meeting of the Senate Utilities Committee at 9:30 a.m. on March 6.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachments - 12