

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:03 a.m. on January 16, 2001 in Room 526-S of the Capitol.

All members were present except: Rep. Richard Alldritt

Committee staff present: Lynne Holt, Legislative Research
Mary Torrence, Revisor of Statutes
Jo Cook, Committee Secretary

Conferees appearing before the committee: Jeff Wagaman, Kansas Corporation Commission
Larry Holloway, Kansas Corporation Commission

Others attending: See Attached List

Rep. Sloan moved to have a committee bill introduced on 'slamming', which is the switching of a long distance carrier without the customer's permission and a committee bill introduced on 'cramming', which is the addition of services not ordered by the telephone customer. Rep. Dreher seconded the motion. Motion carried.

Chairman Holmes announced that on Monday and Tuesday of next week the committee would be meeting jointly with the Senate Utilities Committee in Room 313-S. Monday's meeting will begin at 8:30 a.m. There will also be a public hearing on Wednesday evening at 7:00 in Room 313-S. This also will be a joint meeting with the Senate Utilities Committee. These meetings will take an in depth look at natural gas issues from wellhead to burner tip.

Lynne Holt, Principal Analyst, provided a review of the Kansas statutes that relate to energy conservation and efficiency (Attachment 1). Topics addressed included thermal efficiency standards, higher rate of return in certain rate cases, powers and duties of the Commission relating to energy resources, energy conservation improvements funded by the Kansas Development Finance Authority, facility conservation improvement program, energy conservation standards and weatherization. Ms. Holt responded to questions from the committee.

Chairman Holmes welcomed Jeff Wagaman, Executive Director for the Kansas Corporation Commission. Mr. Wagaman introduced members of the Kansas Corporation Commission staff: Joe White, Utilities Director; John Cita, Chief of Economic Policy; and Larry Holloway, Chief of Energy Operations. Mr. Wagaman presented a report on the Corporation Commission's Natural Gas Task Force (Attachment 2), which convened during the summer of 2000. The Task Force's goals included: 1) encourage the conservation of electricity and natural gas; 2) prepare/inform consumers for high winter gas prices; 3) promote state agencies programs that will benefit consumers; and 4) seek new assistance programs. The Task Force identified several action items and is currently working on the completion of those items. Mr. Wagaman responded to questions from the committee.

Larry Holloway provided, at the request of the committee, graphs showing the capital costs and revenue requirements for gas-fired combined cycle and gas-fired combustion turbines (Attachment 3). Mr. Holloway also documented additions and corrections to the utilities dockets of the Commission (Attachment 4). He then responded to questions from the committee.

Chairman Holmes requested that the Kansas Corporation Commission provide to the committee a map showing the power pools nationwide.

The meeting adjourned at 10:46 a.m.

Next meeting will be Wednesday, January 17, 2001.