

MINUTES OF THE SENATE UTILITIES COMMITTEE.

The meeting was called to order by Chairperson Senator Stan Clark at 9:30 a.m. on January 31, 2001 in Room 231-N of the Capitol.

All members were present except: Senator Lee, excused

Committee staff present: Raney Gilliland, Legislative Research
Tom Severn, Legislative Research
Bruce Kinzie, Revisor of Statutes
Lisa Montgomery, Revisor of Statutes
Ann McMorris, Secretary

Conferees appearing before the committee: none

Others attending: See attached sheet

The committee reviewed drafts of conceptual bills as follows:

Lrs 0727 - relating to natural gas public utilities; concerning performance-based ratemaking mechanism.

Jim Clarity, attorney for Greeley Gas from Ottawa, explained the proposed amendments to KSA 2000 Supp. 66-117. This change would allow natural gas public utilities to file a PBRM which encourages the utilities to maximize its gas purchasing activities at minimum costs. It would also establish a predefined benchmark index and allows net incentive savings or costs to be shared by the utility's customers and the utility on an equal basis. Consensus of committee to take action.

Lrs0734 - providing for competitive bidding for certain power contracts. J.C. Long noted Aquilla industry requested this proposed legislation but he felt the language was not quite right and they would continue work and should have it ready within seven days.

Lrs0623 - Senate Concurrent Resolution urging the US government to establish a federal energy policy. Committee added in the "Be it further resolved" paragraph the American Association of Petroleum Geologists to receive an enrolled copy of the resolution. Consensus of committee to send it through.

Lrs0601 - change from Senate Resolution to Current Resolution (requested by Chair of House Utilities Committee Rep. Holmes). This is a resolution requesting all state agencies to lower the temperature setting in all state buildings to 66 degrees. Consensus of committee to send it through.

Lrs0597 - concerning reports of state agencies; amending K.S.A. 75-3048. Language changed so that reports not required by law to be sent all legislators, would be sent to secretary of the senate and chief clerk of the house with notice to each member of the legislature of the availability of such copies. Consensus of committee to send it through.

Lrs0596 - concerning certain electric generation facilities; relating to regulation and taxation thereof. J.C. Long, Utilicorp United, explained this bill changes the definition of public utilities to exclude merchant power plants which changes their tax rate from 33% to 25%.

Lrs0700 - concerning the Kansas air quality act; relating to permits. JC Long encouraged the change in time frame for air quality control permits from 18 months to 184 days after receipt of a completed application. Some language needed in section (i) to coordinate this change. Bill should be ready for introduction in seven days.

Moved by Senator Brownlee, seconded by Senator Tyson, the following conceptual bills be introduced as amended - lrs0727, lrs0623, lrs0601, lrs0597, lrs0596. Motion carried.

Chair Clark provided the committee with a copy of the Energy Efficient Technology Tax Act from which alternate energy people requested a bill be drafted. This bill would provide for a number of tax credits for energy efficiency. (Attachment 1)

Moved by Senator Brownlee, seconded by Senator Tyson, introduction of conceptual bill on tax credits for energy efficiency. Motion carried.

Chair Clark reported on a request for a bill regarding setback on hog facilities to change distances from hog facilities for people to same as birds; also to add a provision for people and municipal drinking water wells with the same setback to apply..

Moved by Senator Tyson, seconded by Senator Wagle, introduction of conceptual bill on setback on hog facilities. Motion carried.

Chair asked if there were any other bills to be considered for introduction. None reported. He noted all bills have been worked except lrs0734 and lrs0700.

Next meeting of the committee will be on February 1, 2001.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachments - 1