

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:00 A.M. on March 19, 2007 in Room 241-N of the Capitol.

All members were present except:

Oletha Faust-Goudeau-excused
Vaughn Flora-excused

Committee staff present:

Mary Galligan, Kansas Legislative Research
Dennis Hodgins, Kansas Legislative Research
Rena Hansen, Committee Assistant

Conferees appearing before the committee:

Senator Chris Steinegar
Tom Thompson, Sierra Club
JR Russell
Shirley Mingin
Dave Littlefield
Julius Novak
Domingo Soto
Don Gray
Mike Taylor
Kimberly Winn
Cindy Cash
Colin Hansen
Senator Mike Peterson

Others attending:

Forty including the attached list.

Hearing on:

SB 2576 **Regulation of Kansas City Board of Public Utilities by state corporation commission.**

Proponents:

Senator Chris Steinegar, (Attachment 1), offered testimony in support of **HB 2576**. Additionally, attached to his testimony were newspaper clippings from the present to 15 years in the past. He noted that there was documentation in the files of the Kansas Museum of History substantiating 50 years of this abuse happening at the Kansas City Board of Public Utility.

Senator David Haley, spoke in favor of **HB 2576**. He noted that the Senate was asking for a consistent oversight of the rate making process.

Tom Thompson, Sierra Club, (Attachment 2), gave testimony in support of **HB 2576**. The Sierra Club supports the Board of Public Utilities being subject to the Kansas Corporation Commission regulations concerning rates, charges and terms and conditions of service.

JR Russell, Wyandotte County attorney, spoke in favor of **HB 2576**. He noted there is no reason why the KCC should not oversee the rates that the Kansas City Board of Public Utilities charges.

Wyandotte resident Shirley Mingin, gave testimony noting that the average fixed income citizen could not afford the continuous increase in prices of public utilities.

Dave Littlefield, (Attachment 3), gave testimony in support of **HB 2576**.

CONTINUATION SHEET

MINUTES OF THE House Energy and Utilities Committee at 9:00 A.M. on March 19, 2007 in Room 241-N of the Capitol.

Domingo Soto, ([Attachment 4](#)), offered testimony in support of **HB 2576**.

Questions were asked and comments made by Representatives: Rob Olson, Vern Swanson, Margaret Long, Tom Sloan, and Don Myers.

Opponents:

Representative Mike Peterson, ([Attachment 5](#)), gave testimony in opposition to **HB 2576**. He noted that Senator Steinegers efforts are well intended, but premature in nature.

Representative Stan Frownfelter offered testimony in opposition to **HB 2576** noting that this issue should be in the hands of the voters and not the Legislature. He believes that the new administration in the BPU should be allowed a chance to make decisions that would change the way things have worked in the past.

Don Gray, General Manager, Kansas City Board of Public Utilities, ([Attachment 6](#)), gave testimony in opposition to **HB 2576**. He gave an explanation of the way that the KC - BPU works as an entity, noting that as a public utility they have mandatory rate hearings open to the public. He noted that in his testimony are other comments by David MacGillivray, Chairman, Springsted Incorporated, and Kathy Peters, Kutak Rock, LLP.

Mike Taylor, United Government Public Relations, ([Attachment 7](#)), offered testimony in opposition of **HB 2576**. Within Mr. Taylor's testimony were a list of several levels of control and oversight that KC-BPU is subject to currently.

Kimberly Winn, League of Kansas Municipalities, ([Attachment 8](#)), offered testimony in opposition to **HB 2576** noting that **HB 2576** opens the door to KCC jurisdiction over municipal utilities, and the League of Kansas Municipalities must therefore be opposed, as it takes away the authority of the local elected officials.

Cindy Cash, President and CEO, KCK Chamber of Commerce, ([Attachment 9](#)), offered testimony noting the Chambers' lack of support to **HB 2576**. She noted that the Kansas City Chamber was not made aware of this bill or the amendment to **HB 2032** before it was brought to the Legislature.

Colin Hansen, Executive Director, Kansas Municipal Utilities, ([Attachment 10](#)), presented testimony strongly in opposition to **HB 2576**. Kansas Municipal Utilities believes that the issues of local utilities are best handled at the local level. He also was opposed to the manner in which this legislation was amended in the Senate, compromising the base bill that was four years in the making.

Representative Tom Burroughs, spoke in opposition to **HB 2576**, and noted BPU's commitment to service to the people of Wyandotte county. He also noted that the cost of using the KCC as an oversight entity would be very expensive, compared to the current mode of oversight.

Questions were asked and comments made by Representatives: Peggy Mast, Vern Swanson, Annie Kuether, Cindy Neighbor, Vaughn Flora, Tom Moxley, Bill Light, Tom Sloan, Judy Morrison, and Carl Holmes.

The hearing on **HB 2576** was closed.

The next meeting is scheduled for March 20, 2007.

Meeting adjourned.