

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:10 a.m. on March 13, 2003 in Room 526-S of the Capitol.

All members were present except: Representative Jerry Williams

Committee staff present: Mary Galligan, Legislative Research
Dennis Hodgins, Legislative Research
Mary Torrence, Revisor of Statutes
Jo Cook, Administrative Assistant

Conferees appearing before the committee: M. Lee Allison, Kansas Geological Survey

Others attending: See Attached List

Chairman Holmes welcomed Dr. M. Lee Allison, State Geologist and Director for the Kansas Geological Survey and the Chair of the State Energy Resources Coordination Council (SERCC). Dr. Allison spoke to the committee about the 2003 State Energy Plan (Attachment 1) and energy forecasts. He provided details on the state's energy balance with projections to 2007 and the state's consumption of energy, by fuel source. He also addressed concerns on the state's energy production potential and how it declining to the point of Kansas being a net importer of energy. Dr. Allison also explained the SERCC goals and requested legislative actions. Dr. Allison responded to questions from the committee.

Dr. Allison then addressed the committee on the issue of "Coalbed Methane in Kansas" (Attachment 2). Dr. Allison provided a power point presentation that detailed the areas of potential coalbed methane development in the state. He told the committee that the keys to success were: good petroleum transportation infrastructure, sufficient price to spur drilling, thicker coals, high gas content of coals and access to pipelines. Dr. Allison also distributed two documents to the committee: Kansas Geological Survey Public Information Circular 19 "Natural Gas from Coal in Eastern Kansas" (Attachment 3) and an article from the Oil & Gas Journal titled "Coalbed gas play emerges in eastern Kansas basins" (Attachment 4).

Dr. Allison, again, responded to questions from the committee.

The meeting adjourned at 10:47 a.m.

The next meeting will be Friday, March 14, 2003 at 9:00 a.m.