

MINUTES OF THE HOUSE UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:00 A.M. on March 14, 2006 in Room 231-N of the Capitol.

All members were present except:

Jim Ward- excused

Committee staff present:

Mary Galligan, Kansas Legislative Research
Dennis Hodgins, Kansas Legislative Research
Heather Klaasen, Research Intern
Rena Hansen, Committee Secretary

Conferees appearing before the committee:

Steve Johnson, Kansas Gas Service
Kimberly Gencur, Aquila
Steve Jurek, Vice President, Regulatory Services, Aquila
Ron Gauches, Atmos Energy
Larry Berg, Midwest Energy
Dave Springe, CURB
Don Low, KCC

Others attending:

See attached list.

Hearing on:

SB 414 **Enacting the gas safety and reliability policy act.**

Proponents:

Steve Johnson, Kansas Gas Service, (Attachment 1), presented testimony in favor of **SB 414** because it furthers the ability of Kansas Gas Service and other natural gas utilities operating in the state to achieve the named purpose of the bill: that is to provide safe and reliable gas service.

Kimberly Gencur, Aquila, introduced Steve Jurek, Vice President, Regulatory Services, (Attachment 2), who offered comments in favor of **SB 414**.

Ron Gauches, Atmos Energy, (Attachment 3), presented testimony before the committee that outlined **SB 414** with simple language of the benefits that this bill would provide to consumers and producers.

Larry Berg, Midwest Energy, (Attachment 4), echoed the comments made by previous proponents adding that the benefits for Western Kansas from **SB 414** would be helpful as their load growth is much smaller than the companies that have customers on the Eastern part of the state and **SB 414** would help them with manage their financial health in a more timely manner.

Opponents:

Dave Springe, Citizens' Utility Ratepayer Board, CURB, (Attachment 5), offered testimony in opposition to **SB 414**, stating how the citizens would not benefit from the passage of this bill as it creates an annual surcharge on consumer bills to pay for normal utility expenditures.

Don Low, Kansas Corporation Commission, KCC, (Attachment 6), spoke in opposition to **SB 414** as it allows gas companies to increase rates by up to 40 cents a month each year to recover the costs of eligible projects, without a rate case.

Questions were asked and comments were made by Representatives: Rob Olson, Tom Sloan, Lynne Oharah, Oletha Faust-Goudeau, Carl Krehbiel, and Carl Holmes.

CONTINUATION SHEET

MINUTES OF THE House Utilities Committee at 9:00 A.M. on March 14, 2006 in Room 231-N of the Capitol.

The hearing on **SB 414** was closed.

The next meeting is scheduled for March 15, 2006.

Meeting Adjourned.