

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:06 a.m. on February 14, 2005 in Room 231-N of the Capitol.

All members were present except: Representative Bonnie Huy - Excused
Representative Judy Morrison - Excused
Representative Judy Showalter - Excused

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: Mary Torrence, Kansas Revisor of Statutes, Topeka, KS
Charles Benjamin, Sierra Club, Lawrence, KS
Steve Miller, Sunflower Electric, Hays, KS
Tom Stuchlik, Westar Energy, Topeka, KS
Michael Osterhaut, Composite technology Corp, Lenexa, KS
David Springe, Citizens' Utility Ratepayer Board, Topeka, KS
Larry Holloway, Kansas Corporation Commission, Topeka, KS
Joe Franz, Garden City, KS
Burton Crawford, Kansas City Power & Light, Kansas City, MO

Others attending: See Attached List

HB 2263 - Kansas electric transmission authority

Chairman Holmes opened the debate on **HB 2363**. Mary Torrence, Assistant Revisor of Statutes, provided an overview of the bill, outlining the details of each section.

Charles Benjamin, appearing on behalf of the Kansas Chapter of the Sierra Club, spoke in support of **HB 2263 (Attachment 1)**. Mr. Benjamin stated that the bill is market driven, if there is no market for the wind generated electricity, then there would be no need of wind generation facilities.

Steve Miller, appearing on behalf of Sunflower Electric, the Kansas Electric Power Cooperative, Kansas Electric Cooperatives, and Midwest Energy, testified in support of **HB 2263 (Attachment 2)**. Mr. Miller told the committee that the legislation was patterned after the Wyoming Transmission Authority and had the input of utilities and regulators during its preparation. He said that the cooperatives believe the bill represents the collective thinking and represents a policy that should be enacted.

Tom Stuchlik, Executive Director for Transmission Services for Westar Energy, addressed the committee in support of **HB 2263 (Attachment 3)**. Mr. Stuchlik stated that the bill does not apply to transmission improvements necessary for reliability and the Southwest Power Pool has the authority to make that determination. They support the bill because it provides a process by which projects can be evaluated and constructed.

Michael Osterhout, North American Sales Manager for the Composite Technology Corporation, testified in support of **HB 2263 (Attachment 4)**. Mr. Osterhout shared information about the company and that they work with a multitude of entities to help expedite information of high performance advanced technology components into the national transmission system and to create a supremely reliable and consumer friendly trans-American transmission grid.

Larry Holloway, Chief of Energy Operations for the Kansas Corporation Commission, testified in a neutral position on **HB 2263 (Attachment 5)**. Mr. Holloway stated that the legislation would create a new government entity that could weigh the trade offs of transmission upgrades and regional economic benefits as well as make the policy decisions.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES, Room 231-N, Statehouse, at 9:06 a.m. on February 14, 2005

Mr. Joe Franz addressed the committee in a neutral capacity on **HB 2263** ([Attachment 6](#)). Mr. Franz shared concerns he had with the current electric grid system and how this bill would help Kansas.

Burton Crawford, Deregulation Issues Manager for Kansas City Power & Light, spoke in a neutral position on **HB 2263** ([Attachment 7](#)). Mr. Crawford told the committee that the bill correctly recognizes that expansion of the nation's transmission system has not kept pace with the development of regional electricity markets. He also outlined four concerns they had with the bill.

David Springe, Consumer Counsel for the Citizens' Utility Ratepayer Board, addressed the committee in opposition to **HB 2263** ([Attachment 8](#)). Mr. Springe stated they were concerned about what the circumstances would be that warranted the need for an independent transmission authority that would building transmission.

The conferees responded to questions from the committee. Chairman Holmes closed the hearing on **HB 2263**.

Mary Galligan, Assistant Director of Legislative Research, distributed a memo ([Attachment 9](#)) detailing information requested on legislation introduced in Tennessee that provides tax incentives for broadband deployment.

The meeting adjourned at 10:53 a.m.

The next meeting is Tuesday, February 15, 2005 at 9:00 a.m.