

MINUTES OF THE SENATE UTILITIES COMMITTEE.

The meeting was called to order by Chairperson Senator Stan Clark at 9:30 a.m. on January 18, 2001 in Room 231-N of the Capitol.

All members were present except: Senator Janis Lee, excused
 Senator Mark Taddiken, excused
 Senator Robert Tyson, excused
 Senator Susan Wagle, excused

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

Conferees appearing before the committee:
 Larry Holloway, KCC
 Ben Boyd, Greeley Gas Co.
 Jim Flaherty, Attorney, Greeley Gas Co.

Others attending: See attached list

Chairman stated the issues before this committee should be viewed in a long range perspective so that at the end of four years there will be meaningful legislation. He asked the Revisors staff to take note of the general ideas offered in this informal discussion on how to overcome some of the problems in utilities.

Senate Barone noted the current tax laws on utilities need to be reviewed. Merchant plants are being built in surrounding states - why not in Kansas? Is it the tax policy? Power plants may need to be built to take advantage of our own natural resources - coal in the east, corn in the west. Economic development - Kansas is growing at a slower rate than our neighbors - is the reason job availability.

Senator Brownlee added that we need to educate the public on how they are paying the taxes for utilities.

Chair Stan noted there are three power grids - east, west and Texas. Could Kansas build a plant in western Kansas to provide relief to east and west, during time differences? Could transmission lines be run along railroad easements to encourage east/west lines? Natural gas fields are known and reserves exist in Kansas, how do we enhance further recovery? (Attachment 1)

Larry Holloway of Kansas Corporation Commission enumerated the major policy issues before the Utilities Committee over the next four years. (Attachment 2)

Ben Boyd of Greeley Gas Company spoke briefly and then called on Jim Flaherty, attorney for Greeley Gas to give an overview of how KCC has regulated rates on natural gas.

Chair asked the audience for input.

Next meeting will be a joint meeting with House Utilities on Monday, January 22.

Adjournment.

Respectfully submitted
Ann McMorris, Secretary

Attachments - 2

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.