Approved: April 12, 2002

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:11 a.m. on March 19, 2002 in Room 526-S of the Capitol.

All members were present except: Representative Annie Kuether

Representative Judy Showalter

Committee staff present: Robert Chapman, Legislative Research

Dennis Hodgins, Legislative Research Mary Torrence, Revisor of Statutes Jo Cook, Administrative Assistant

Conferees appearing before the committee: Doug Lawrence, Westar Energy

Whitney Damron, Kansas Gas Service Cynthia Smith, Kansas City Power & Light Larry Holloway, Kansas Corporation Commission Kim Gulley, League of Kansas Municipalities

Senator Jean Schodorf

Dave Springe, Citizen's Utility Ratepayer Board

Mike Taylor, City of Wichita Joe Pajor, City of Wichita

Gail Murrow Beth King Stephen Lester

Others attending: See Attached List

HCR 5053 - Urging FTC to adopt and implement national "do not call" registry HR 6010 - Urging FTC to adopt and implement national "do not call" registry

Chairman Holmes opened the hearing on <u>HCR 5053</u> and <u>HR 6010</u>. Written testimony in support of the resolutions was submitted by AARP (<u>Attachment 1</u>). Chairman Holmes closed the hearing on the resolutions.

Representative Sloan moved to recommend **HR 6010** favorable for passage. Representative Dahl seconded the motion. The motion carried. Representative Sloan will carry the resolution.

SB 545 - Public utilities, public right-of-way, fees

Chairman Holmes opened the hearing on **SB 545**.

Doug Lawrence, Vice President of Public Affairs for Westar Energy, testified in support of <u>SB 545</u> (<u>Attachment 2</u>). Mr. Lawrence provided a brief history of why this bill was requested and about franchise negotiations with the City of Wichita. Mr. Lawrence included with his testimony copies of 'door hangers' used to tell about tree pruning for overhead line clearance and proposed language for a substitute bill.

Whitney Damron, on behalf of Kansas Gas Service, appeared in support of <u>SB 545</u> (Attachment 3). Mr. Damron stated they believe it is a reasonable approach to resolving the issues raised by the natural gas and electric industry.

Cynthia Smith, Manager of Government Affairs - Kansas for Kansas City Power & Light, submitted testimony supporting <u>SB 545 (Attachment 4)</u>. Ms. Smith shared concerns about legislation that changes right of way negotiations and feels this bill would ease their concerns.

Larry Holloway, Chief of Energy Operations for the Kansas Corporation Commission, testified on <u>SB 545</u> (<u>Attachment 5</u>). Mr. Holloway stated the Commission does not believe the legislation is necessary, but provided modifications that would address their concerns.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES, Room 526-S Statehouse, at 9:11 a.m. on March 19, 2002.

Kim Gulley, Director of Policy Development & Communications for the League of Kansas Municipalities, addressed the committee on <u>SB 545</u> (Attachment 6). Ms. Gulley stated the issues could be divided into two categories: right-of-way management and franchise/business relationships. Ms. Gulley detailed each of these categories. She said the League does not oppose an expedited process so long as the Corporation Commission remains the entity responsible for determining which fees and how much are passed through to consumers.

Senator Jean Schodorf, 25th District Wichita, testified in opposition to <u>SB 545</u> (Attachment 7). Senator Schodorf explained that the tree trimming ordinance in Wichita was passed in response to public outcry and now the utility has pursued legislation to override the ordinance. She stated there should be a process for businesses to protest actions instead of making customers pay higher rates.

Dave Springe, appearing on behalf of the Citizens' Utility Ratepayer Board, spoke in opposition to <u>SB 545</u> <u>Attachment 8</u>). Mr. Springe stated that the legislation is unnecessary and may compromise the Commission's regulatory authority. Under current regulatory procedures, the Commission can approve a tariff for the purpose of assigning unusual costs to a community where unreasonable procedures are instituted.

Mike Taylor, Government Relations Director for the City of Wichita, addressed the committee as an opponent to <u>SB 545</u> (Attachment 9). Mr. Taylor provided a brief history of the bill, stating the current form was much different from the original and references to Wichita's tree trimming ordinance contained inaccurate information. Mr. Taylor stated the negotiating process should be allowed to work without the Legislature intervening on behalf on the utility.

Joseph T. Pajor, Natural Resources Director for the City of Wichita, appeared in opposition to <u>SB 545</u> (<u>Attachment 10</u>). Mr. Pajor stated the City had concerns with the inappropriate policy the bill would set and with difficulties and potential abuses by the utilities should it become law.

Ms. Gail Murrow, Wichita resident, addressed the committee in opposition to <u>SB 545</u> (Attachment 11). Ms. Murrow shared a brief video showing the kind of trimming conducted by the public utility prior to the passage of the city ordinance setting limitations.

Beth King, Wichita resident, spoke to the committee against <u>SB 545</u> (Attachment 12). Ms. King provided copies of pictures of trees that had been cut by the public utility.

Stephen Lester, Wichita resident, testified against <u>SB 545</u> (Attachment 13). Mr. Lester spoke to the committee about his concerns with the tree trimming practices by the public utility in Wichita.

The conferees responded to questions from the committee. Additionally, Larry McCullough, Senior Manager for Vegetation Management for Westar Energy, responded to questions.

Chairman Holmes closed the hearing on **SB 545**.

The meeting adjourned at 10:56 a.m.

The next meeting will be March 20, 2002.