MINUTES OF THE SENATE UTILITIES COMMITTEE.

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

All members were present except:

Committee staff present: Bruce Kenzie, Revisor of Statutes

Raney Gilliland, Legislative Research

Ann McMorris, Secretary

Chris Crowder, Intern to Sen. Clark

Conferees appearing before the committee:

Steve Thomas, Hydronics L.L.C., Wichita Steve Sloan, Hydronics L.L.C., Wichita Jerry Fizzell, EPA Consultant

Others attending: See attached sheet

Chair Clark handed out a list of Gas Production Companies and Oil Operators which was provided by Tim Carr in response to a request when Mr. Carr appeared before the committee on January 29. (Attachment 1)

The committee was also provided information entitled "Petroleum and Ethanol Fuels; Tax Incentives and Related GAO Work" prepared by U.S.General Accounting Office. (Attachment 2)

Additional written testimony provided by Clay Loyd of Topeka for public comment on high natural gas prices hearing on January 24. (Attachment 3)

<u>Hydronics Energy Technologies Presentation</u>

Steve Thomas conducted several demonstrations on how hydrogen produced power and utilized scrap metals, waste water and alcohol. This is a clean burning fuel with no smoke or carbon. He holds 7 patents in 81 countries on this technology. Steve Sloan and Jerry Fizzell explained the applications involving environmental cleanup and desalinization of waste water. It was noted that this process is cost effective compared to other methods used for waste disposal and providing power systems for industrial and automotive. It is easily available to remote areas and commercial plants. Venture capital is being sought to launch this program which has been in testing for over a year. (Attachment 4)

Many questions and comments from the committee members on venture capital, availability of magnesium and other metals, size of power plant for industrial companies, safety, what would be required to convert from natural gas to hydrogen and cost factors.

Approval of Committee Minutes

Moved by Senator Lee, seconded by Senator Barone, approval of the minutes for committee meetings held on January 23, 2001 (joint meeting with House Utilities); January 24, 2001; January 24, 2001 (joint meeting with House Committee); January 25, 2001; and January 25, 2001 (at the rail).

Next meeting will be January 31, 2001.

Adjournment.

Respectfully submitted, Ann McMorris, Secretary

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