

MINUTES OF THE SENATE UTILITIES COMMITTEE.

The meeting was called to order by Chairperson Senator Stan Clark at 9:30 a.m. on February 12, 2003 in Room 231-N of the Capitol.

All members were present except:

Committee staff present: Raney Gilliland, Legislative Research
Bruce Kinzie, Revisor of Statutes

Conferees appearing before the committee:

James P. Zakoura, Attorney, Overland Park
Anne Bos, Assistant General Counsel, Kansas Corporation Commission
Tim Rush, Kansas City Power & Light Company
James W. Bartling, ATMOS Energy

Others attending: See attached list

Chair opened the hearing on:

SB 51 - Prohibiting the exclusion of excessive employee compensation (“golden parachutes”) in public utility rates.

Proponents

James P. Zakoura, attorney, Overland Park, Kansas suggested the committee consider amending a couple of changes into **SB 51**. (1) Define what compensation is so we can deal with excess compensation (use the definition included in the SEC Regulations); and (2) rather than only deal with this in a rate case setting, amend the bill to have a disclosure of what the compensation is of the twelve most highly compensated individuals of a utility company. The other issue is to close the loophole for reporting of compensation for only employees employed at the end of the year. He also urged an amendment that would require reporting compensation annually in line with SEC and made public rather than on a rate case basis. (Attachment 1)

Following Mr. Zakoura’s presentation, questions from the committee regarding reporting of compensation by companies.

Neutral

Anne Bos, Staff Attorney, Kansas Corporation Commission. (Attachment 2)

Chair opened the hearing on:

SB 80 - Public Utilities, Commission approval for selling, assigning or leasing certain assets

Proponent –

James P. Zakoura, attorney, Overland Park, KS (Attachment 1)

Opponent -

Jim Rush, Director of Regulatory Affairs, Kansas City Power & Light Company (Attachment 3)
James W. Bartling, Manager, Public Affairs, ATMOS Energy (Attachment 4)

Due to lack of time, further testimony on **SB 51** and **SB 80** will be continued at the next meeting of the Senate Utilities Committee on February 13.

The committee members were provided with handouts: (1) Kansas City Star, Jan. 27, 2003 article (Attachment 5) and (2) Westar Energy Debt Reduction and Restructuring Plan (Attachment 6)
Adjournment.

Respectfully submitted,
Ann McMorris, Secretary

Attachments - 6