Approved: March 15, 2006

Date

MINUTES OF THE HOUSE UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:00 A.M. on January 26, 2006 in Room 231-N of the Capitol.

All members were present.

Committee staff present:

Mary Galligan, Kansas Legislative Research Mary Torrence, Revisor's Office Renae Hansen, Committee Secretary Heather Klaasen, Revisor Intern

Conferees appearing before the committee: Representative Tom Sloan

Colin Hansen, Executive Director, Kansas Municipal Utilities Charles Benjamin, Sierra Club Trudy Aron, American Institute of Architects Stewart Lowry, Kansas Electric Cooperatives Phil Wages, Kepco John Olsen, Executive Director, Bulk Power Marketing, Westar Energy

Others attending: See attached list.

Chairman Holmes opened the floor to discuss:

HR 6005Southwest Power Pool urged to recognize reliability component and value of economic
transmission projects.

Representative Annie Kuether moved to pass **HR 6005** to the house floor. Seconded by Representative Lynne Oharah. Motion passed.

Representative Mitch Holmes will carry <u>HR 6005</u> to the floor of the Kansas House of Representatives.

Hearing on:

HB 2636 Educational entity and municipal renewable energy cooperatives.

Representative Tom Sloan, (<u>Attachment 1</u>), presented testimony informing the committee that this bill originated out of the Select Joint Committee on Energy. This bill authorizes municipalities and educational institutions to form renewable energy cooperatives to generate electricity.

Colin Hansen, Executive Director, Kansas Municipal Utilities, (<u>Attachment 2</u>), spoke in favor of <u>**HB**</u> <u>**2636**</u> stating the bill would enhance the ability of cities and schools to invest in such community wind energy projects.

Jennifer States, managing Director, J.W. Prarie Wind Power LLC, (<u>Attachment 3</u>), presented written testimony in favor of <u>HB 2636.</u>

Charles Benjamin, Sierra Club, (<u>Attachment 4</u>), offered testimony that was supportive of <u>HB 2636</u>. This bill would enable the development of "community wind farms" owned and operated by the educational and municipal entities.

Trudy Aron, Executive Director, American Institute of Architects, (<u>Attachment 5</u>), spoke in favor of HB 2636 stating that AIA believes that sustainable strategies, integrated design and long range thinking can lead to a built environment that minimizes environmental impact.

CONTINUATION SHEET

MINUTES OF THE House Utilities Committee at 9:00 A.M. on January 26, 2006 in Room 231-N of the Capitol.

Opponents:

Stewart Lowry, Kansas Electric Cooperatives, (<u>Attachment 6</u>), presented testimony in opposition of HB 2636. They believe that these wind cooperatives could affect up to 80% of the energy needed in Kansas which could have sweeping affects for the electricity industry.

Phil Wages, Kepco, (<u>Attachment 7</u>), reluctantly opposes the bill because of the conflict it would create with its lenders.

John Olsen, Executive Director, Bulk Power Marketing, Westar Energy, (<u>Attachment 8</u>), opposed because of the continued connectivity to the existing power where by Westar Energy would have to maintain enough reserve power capacity to handle the overage needed to supply the entity or if the wind turbines did not produce energy on any given day because of lack of wind.

Questions were asked by Representatives: Josh Svaty, Don Myers, Carl Krehbiel, Jason Watkins, Lynne Oharah, Tom Sloan, Forrest Knox, Melody Miller, Tom Hawk, Vaughn Flora, Annie Kuether, Rob Olson, and Carl Holmes.

The hearing was closed on HB 2636.

The next meeting is scheduled for January 27, 2006.

Meeting Adjourned.