

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Jay Emler at 9:30 A.M. on March 7, 2007 in Room 526-S of the Capitol.

Committee members absent: Senator Roger Reitz- excused

Committee staff present: Raney Gilliland, Kansas Legislative Research Department
Mike Corrigan, Revisor of Statutes
Tatiana Lin, Legislative Fellow
Ann McMorris, Committee Secretary

Conferees appearing before the committee:
Larry Berg, Midwest Energy
Steve Rarrick, Citizens' Utility Ratepayer Board

Others in attendance: See attached list

Chair opened the hearing on
Substitute for HB 2278 - Limitations on public utility liability relating to financing of energy conservation equipment.

Proponent

Larry Berg, Vice President of Corporate Relations for Midwest Energy, explained Midwest Energy's proposed Pay-As-You-Save type pilot program named How\$mart which would provide money for energy efficiency improvements to customers who would repay the funds through energy savings on their monthly bill. (Attachment 1)

Opponent

Steve Rarrick, staff attorney, Citizens' Utility Ratepayer Board, noted that Midwest Energy has already filed two tariffs to implement its proposed energy conservation program. **HB 2278** would provide complete immunity to the utility and eliminate longstanding existing remedies available in the event that a utility violates the rights of Kansas consumers. He offered amendments to **HB 2278** which would retain KCC oversight of the tariff/energy audit and preserve consumer rights against other parties to the transaction. (Attachment 2)

Discussion was held on the notification process, the rights of contractors installing equipment, financing charges and the billing of renter for the equipment.

Chair closed the hearing on **HB 2278**.

Moved by Senator Taddiken, seconded by Senator Francisco, adopt the amendments to **HB 2278** as proposed by Citizens' Utility Ratepayer Board in (Attachment 2). Motion carried.

Moved by Senator Francisco, seconded by Senator Pine, move **HB 2278** out favorably as amended. Motion carried.

Revisor Report on **HB 2033**

Mike Corrigan, staff from Revisor of Statutes Office, at the direction of the committee at their hearing on **HB 2033** on March 6, 2007, reported on his research regarding the language in **HB 2033**, p 2, lines 1-5. A memo on **HB 2268** was distributed which covered the intent. Mike called attention to the following language in that memo "To qualify for CWIP, electric generation facilities may be newly constructed or additions to existing facilities. However, they may not be used to generate electricity using nuclear resources or renewable energy resources." (Attachment 3)

Moved by Senator Lee, seconded by Senator Taddiken, to amend **HB 2033** on p. 2 lines 3-5 by inserting a period after the word "resources" and deleting, "or technologies or by using renewable energy resources or technologies, as defined in K.S.A.79-201 and amendments thereto." Motion carried.

CONTINUATION SHEET

MINUTES OF THE Senate Utilities Committee at 9:30 A.M. on March 7, 2007 in Room 526-S of the Capitol.

Moved by Senator Taddiken, seconded by Senator Lee, to amend **HB 2033** on page 1, line 35 by striking the language “has a capacity of 100 megawatts or less and”. Motion carried.

Moved by Senator Francisco, seconded by Senator Lee, to amend **HB 2033** by striking the remaining language in Section 1 (2) (B). Motion failed.

Due to the lack of time, no further action was taken on **HB 2033**. Further action will be taken at a future meeting.

Chair called attention to the communication received from the League of Kansas Municipalities regarding **HB 2485** LED lighting. (Attachment 4)

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachments - 4