Approved: March 24, 2009

## Date

## MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:00 a.m. on March 19, 2009, in Room 783 of the Docking State Office Building.

All members were present except:

Representative Annie Kuether Representative Tom Moxley Representative Richard Proehl Representative Joe Seiwert Representative Tom Sloan Representative Josh Svaty

Committee staff present:

Melissa Doeblin, Office of the Revisor of Statutes Sean Ostrow, Office of the Revisor of Statutes Mary Torrence, Office of the Revisor of Statutes Cindy Lash, Kansas Legislative Research Department Renae Hansen, Committee Assistant

Conferees appearing before the Committee: Don Low, Kansas Corporation Commission

Others attending: Fourteen including the attached list.

The Chairman made an announcement about the conference committee meeting for **SSub for HB 2014.** 

Presentation on:

## **Regulation/Rate Making 101**

Don Low, KCC, (<u>Attachment 1</u>) gave a presentation on the basics of how rates are determined for utility charges to customers. He shared about: rate base rate of return regulations, typical kinds of "pro forma" adjustments to the yearly data, capital costs, rate design, rates in addition to base rates, recent rate issues, and rate case procedures. He also included some cost of capital and cost allocation examples.

Questions were asked and comments made by Representatives: Cindy Neighbor, Vern Swanson, Don Myers, Milack Talia, Mike Burgess, Forrest Knox, Rocky Fund, and Carl Holmes.

The last meeting will take place some time between March 23 and April 3.

The meeting was adjourned at 10:31 a.m.