Approved: March 7, 2000

Date

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:07 a.m. on February 8, 2000 in Room 522-S of the Capitol.

All members were present.

Committee staff present: Lynne Holt, Legislative Research Department

Mary Torrence, Revisor of Statutes Jo Cook, Committee Secretary

Conferees appearing before the committee: Rep. Jim Morrison

Bruce Frahm Ron Tremblay

Mike Akulow, National Weather Service

Kerry Steffens

Kim Gulley, League of Kansas Municipalities Stephen Hill, Bowersock Mills & Power Company

Bill Griffith Lori Forster Charles Benjamin

Jim Ludwig, Western Resources

Bruce Graham, Kansas Electric Power Cooperatives

Jon Miles, Kansas Electric Cooperatives Kim Gulley, League of Kansas Municipalities Steve Rarrick, Assistant Attorney General

Others attending: See Attached Guest List

Chairman Holmes announced that the were two changes to the agenda that did not get printed in the calendar. **HB 2826** has been added to the agenda for Friday and **HB 2849** has been added for Thursday.

<u>HB 2644 - Cities must conform to FCC rules regarding amateur radio operation and antennae placement.</u>

Chairman Holmes opened the hearing on <u>HB 2644</u> by welcoming the bill sponsor, Rep. Jim Morrison. Rep. Morrison introduced the bill and stated that the bill should have a change on line 38 between the words "any" and "purpose" to include the word "like". Rep. Morrison noted the letter from James D. Douglass, Mayor of Garden City, (<u>Attachment 1</u>) in support of the bill. Mayor Douglass included with his testimony a copy of the Garden City local ordinance Article 37 on towers and antennas.

Bruce Frahm, Vice Director of Midwest Division of American Radio Relay League, provided testimony in support of HB 2644 (Attachment 2). Mr. Frahm explained that amateur radio operators are licensed by the Federal Communications Commission. They are examined on radio theory and communications techniques and are not allowed to further their own business through use of amateur radio. He explained that amateur radio operators are involved in disaster relief assistance. Mr. Frahm stated that this bill would, among other items, reinforce reasonable accommodations and codify minimum tower height limitations and ensure continued efficient provisions of public service to Kansas.

Ron Tremblay, Salina, testified in support of <u>HB 2644</u> (Attachment 3). He stated that some of the problems in Salina centered around a cellular phone ordinance that included amateur radio operators and that the change caused them to have problems erecting towers. He indicated that passage of this bill would help address the

CONTINUATION SHEET

antenna height problem.

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES in Room 522-S on February 8, 2000 at 9:07 a.m.

Mr. Mike Akulow, Warning Coordination Meteorologist with the Topeka office of the National Weather Service, provided testimony in favor of **HB 2644** (Attachment 4). Mr. Akulow stated that the National Weather Service relies on the amateur radio operators for emergency weather assistance in that the radio operators have immediate contact with the Weather Service and the operators have had emergency weather training.

Mr. Kerry Steffens, Wichita, testified in support of <u>HB 2644</u> (<u>Attachment 5</u>). Mr. Steffens explained about problems he had in moving after a flood. He had problems securing a location that would allow his radio antenna. Mr. Steffens stated that this bill would help alleviate this type of problem.

Rep. Jim Morrison returned to state that the bill was intentionally written so that it tracks, with federal requirements, and will not put any requirements on cities, more strict than federal law. Rep. Morrison distributed copies of 'The Amateur Radio Service In Summary' (Attachment 6) and 'Memorandum Opinion and Order in PRB-1' (Attachment 7).

Chairman Holmes welcomed Kim Gulley, Director of Policy Development for the League of Kansas Municipalities, who testified in opposition to <u>HB 2644</u> (Attachment 8). Ms. Gulley stated that this bill would preempt local authority with regard to restrictions on towers and antennas used for amateur radio communications and, since such requirements vary from city to city, a statewide standard would not be favored.

Conferees responded to questions from Rep. McClure, Rep. Sloan, Rep. Dahl, Rep. Alldritt, Rep. Myers, Rep. Klein and Rep. Loyd.

<u>HB 2634 - Authorizing consumer to choose provider of electricity if generated from renewable resources</u>

Chairman Holmes welcomed Stephen Hill, President of The Bowersock Mills & Power Co., who testified in favor of <u>HB 2634</u> (Attachment 9). Mr. Hill stated that the passage of this bill would encourage the preservation and development of renewable energy sources in Kansas. It would, specifically for his company, permit the direct sale of their premium green power to local commercial and residential customers, which in turn could bring about an increase in revenues and generating capacity.

Mr. Bill Griffith presented testimony as a proponent of <u>HB 2634</u> (Attachment 10). Mr. Griffith is the Co-Chair on Conservation on the Executive Committee of the Kansas Sierra Club and takes part in the Western Resources Windstar Program. Mr. Griffith stated that in addition to the economic benefits renewable energy provided, there were important environmental benefits also.

Next to appear to testify in support of <u>HB 2634</u> was Lori Forster of Topeka (<u>Attachment 11</u>). Ms. Forster stated that Kansas ranks third in the nation for potential wind energy production, yet lags behind other states with less production due, in part, to the way the state regulates power production.

Mr. Charles Benjamin, representing the Kansas Natural Resource Council, testified in support of <u>HB 2634.</u> He stated that it is time for Kansas to move away from the current ways of electric generation. Mr. Benjamin stated he thought the potential for this bill is almost unlimited as far as what could occur in renewable energy.

Mr. Chuck Magerl, owner of the Free State Brewing Company in Lawrence, KS, provided written testimony in support of <u>HB 2634</u> (Attachment 12).

CONTINUATION SHEET

Bill Roush, President of Heartland Solar Energy Industries Association, provided written testimony in favor of **HB 2634** (Attachment 13).

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES in Room 522-S on February 8, 2000 at 9:07 a.m.

Senior Director of Regulatory Affairs for Western Resources, Jim Ludwig, presented testimony in opposition to <u>HB 2634</u> (Attachment 14). Mr. Ludwig stated there were many questions and issues that needed to be addressed. They included stranded costs, transition costs, tax repercussions and competitive balance.

Bruce Graham, Vice President of Member Services and External Affairs for the Kansas Electric Power Cooperatives, testified against **HB 2634** (Attachment 15). Mr. Graham indicated that although Kansas Electric Power Cooperatives had hydro-power resources they could utilize, the way the bill was written they could not participate in the program.

Mr. Jon Miles, Vice President of Governmental & Technical Services for Kansas Electric Cooperatives, provided testimony in opposition to **HB 2634** (Attachment 16). Mr. Miles explained that they believed the concept of this bill was that retail providers could sell outside their service territories to any consumer, so long as they are selling renewable energy.

Burton Crawford, Manager of Deregulation Issues for Kansas City Power & Light Company, testified in opposition to **HB 2634** (Attachment 17). He stated that KCPL's overriding concern with the bill is that it allows retail electric competition without first settling the major policy decisions that must be made prior to allowing competition.

Kim Gulley, Director of Policy Development for the League of Kansas Municipalities, testified in a neutral position on <u>HB 2634</u> (Attachment 18). She shared the League's concerns about the bill. These concerns include Home Rule, KCC jurisdiction and the impact on small cities.

Deputy Attorney General Steve Rarrick appeared in a neutral position on **HB 2634** (Attachment 19). He expressed the concern about penalties for unauthorized switching or the ability to recover damages for consumers, similar to the types of problems with telecommunications' "slamming".

Conferrees responded to questions from Rep. Sloan, Rep. Alldritt, Rep. McClure, and Rep. Dahl.

Chairman Holmes distributed testimony provided by Craig Grant of the Kansas National Education Association in support of <u>HB 2635.</u>

Meeting was adjourned at 11:00 a.m.

Next meeting will be Thursday, February 10, 2000 at 9:00 a.m.