Approved: <u>March 30, 2000</u> Date

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES.

The meeting was called to order by Chairman Carl D. Holmes at 9:15 a.m. on March 22, 2000 in Room 231-N 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:		Janette Luehring, Kansas Corporation Commission Rep. Carlos Mayans, 100 th District Bob Krehbiel, Kansas Independent Oil & Gas Assn.
Others attending: See A	Attached Guest L	ist

<u>HR 6016 - Requesting the Corporation Commission to study and report on deployment of advanced telecommunications services</u>

Chairman Holmes welcomed Janette Luehring, Chief of Telecommunications for the Kansas Corporation Commission, who presented testimony in support of <u>HR 6016</u> (Attachment 1). Ms. Luehring stated that this task force would provide input on incentives and mechanisms to facilitate the deployment of advanced services to those unserved areas.

Ms. Luehring responded to questions from Rep. Sloan

Chairman Holmes opened the debate. <u>Rep. McClure moved to change line 30 to show that a member of the KCC staff will serve as the chairperson. Rep. Alldritt seconded the motion. Motion carried. Rep. McClure moved to adopt a balloon that would add an additional request for the Commission to identify local exchanges that are nearing capacity and services that could be impaired if not upgraded. Rep. Long seconded the motion. Motion carried. Rep. Alldritt moved to adopt a balloon that would cause the Commission to withhold action on a Southwestern Bell docket until certain investments have been made. Rep. Krehbiel seconded the motion. Motion failed. Rep. McClure moved to recommend **HR 6016**, as amended, favorable for passage. Rep. Dahl seconded the motion, motion carried.</u>

HR 6014 - Requesting study of increasing costs of petroleum products

Rep. Holmes reopened the hearing on <u>HR 6014</u> and welcomed Rep. Carlos Mayans, lead sponsor of the resolution. Rep. Mayans explained his reasoning for the drafting of the Resolution. He outlined the impact on parents and law enforcement.

Rep. Mayans responded to questions from Rep. Vining, Rep. O'Brien, Rep. Loyd and Rep. Krehbiel.

Bob Krehbiel, Kansas Independent Oil & Gas Assn., distributed copies of a press release from the John S. Herold, Inc. (Attachment 2). The press release showed prices of a gallon of gas in relation to prices for a gallon of other consumer products, proclaiming that oil is cheap. He also included the average prices of a barrel of crude oil in Kansas over the past six years. He stated that this firm studies the oil and gas industry and makes recommendations to Wall Street by studying the markets in depth. Mr. Krehbiel also stated that the Senate Energy and Natural Resources Committee has requested a study of energy policy as an interim topic. Mr. Krehbiel suggested that this would be an appropriate topic for the study.

The conferees responded to questions from Rep. Vining, Lynne Holt, Rep. McClure, Rep. Dahl, Rep. Morrison, Rep. Krehbiel, Rep. Sloan, Rep. Loyd, and Rep. O'Brien.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON UTILITIES in Room 23-N on March 22, 2000 at 9:15 a.m.

Rep. McClure suggested to the committee that since there is not an energy policy at either the state or federal level, this resolution could be used as a vehicle to take some of the language from <u>HB 2497</u> as it pertains to membership of task force and possible study topics. The new resolution would include portions of <u>HR 6014</u>. Chairman Holmes asked for volunteers from the committee to work on a substitute resolution.

Rep. Long moved to approved the minutes of the March1, March 2, March 6, March 7, March 8 and March 9 meetings. Rep. Compton seconded the motion. Motion carried.

Chairman Holmes announced this would be the last regular committee meeting.

Meeting adjourned at 10:29 a.m.