

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Vice Chairman Pat Apple at 9:30 A.M. on March 13, 2007 in Room 526-S of the Capitol.

Committee members absent:

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:

Rick Underbakke, President, Cloud County Community College, Concordia
Tom Thompson, Kansas Chapter of Sierra Club
Stuart Lowry, Kansas Electric Cooperatives

Others in attendance: See attached list

Vice Chairman opened for hearing on

HB 2127 - Electic generation facilities, parallel generation contracts

Proponents:

Rick Underbakke, president, Cloud County Community College, Concordia, noted there are two components of the bill that will greatly support the needs of students and the educational programs at Cloud County Community College. These are (1) size limitations for turbines - the larger is more desirable to train students on state-of-the-art turbines like they will experience in the workplace; and (2) funding alternatives. (Attachment 1)

Tom Thompson, Kansas Chapter of the Sierra Club, noted Sierra Club supports efforts that encourage the use of renewable energy generation. **HB 2127** makes it more cost effective for schools and irrigators to use renewable generation methods to meet their energy needs. (Attachment 2)

Written testimony provided by:

Representative Tom Sloan (Attachment 3)

Craig Sloan, First National Bank, Larned (Attachment 4)

Opponents:

Stuart Lowry, Kansas Electric Cooperatives, speaking for the electric cooperatives, objected to the subsidy or incentive being funded solely by ratepayers of the utility to which a renewable generator happens to interconnect. Instead they believe that the subsidy should be funded by the State as a whole, since the installation of the renewable generation is in furtherance of a statewide goal. (Attachment 5)

Written testimony provided by;

Joe Dick, Government Affairs officers, Kansas City Board of Public Utilities. (Attachment 6)

Considerable discussion on rates of various electrical companies, federal law, and how the possible financial hit would be paid.

Closed hearing on **HB 2127**.

Chairman Emler opened for discussion on Proposed **Substitute for SB 325**

After lengthy meetings by representatives of Kansas Corporation Commission, irrigators and gas gatherers, the proposed **Substitute for SB 325 (7rs1314)** with amendments was submitted to the Committee for discussion. (Attachment 7)

Discussion regarding the proposed amendments was not completed due to the lack of time. Chair indicated further discussion would be held as time permits.

Adjournment.

CONTINUATION SHEET

MINUTES OF THE Senate Utilities Committee at 9:30 A.M. on March 13, 2007 in Room 526-S of the Capitol.

Respectfully submitted,

Ann McMorris, Secretary

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