

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:00 A.M. on January 23, 2007 in Room 241-N of the Capitol.

All members were present.

Committee staff present:

Mary Galligan, Kansas Legislative Research
Dennis Hodgins, Kansas Legislative Research
Jason Long, Revisor's Office
Rena Hansen, Committee Assistant

Conferees appearing before the committee:

Jim Ludwig, Westar
Don Low, Director of Utilities, KCC
David Springe, CURB
Phil Wages, KEPCo, Westar, KCP&L
Whitney Damron, Coffee County
Tom Thompson, Sierra Club

Others attending:

See attached list.

Representative Tom Sloan moved to introduce a bill that would provide tax credits for the purchase of hybrid vehicles. Representative Rob Olson seconded the motion. Motion passed.

Representative Rob Olson moved to introduce a bill such that a utility promotion shall not discriminate on individuals with disabilities. Seconded by Representative Tom Sloan. Motion passed.

Hearing on:

HB 2033: Certain public utility construction work in progress required to be included in rate base.

Proponents:

Jim Ludwig, Vice President of regulations and public affairs, Westar, (Attachments 1 and 2) spoke in favor of **HB 2033** with proposed amendments offered, explaining how a bill like this would affect Westar and its' customers.

Paul Snider submitted written testimony, (Attachments 3).

Questions were asked and comments made by Representatives: Tom Moxley, Annie Kuether, Carl Holmes, and Tom Sloan.

Opponents:

Don Low, Director of Utilities, KCC, (Attachments 4), presented testimony opposed to **HB 2033**, as it mandates them to approve consumers paying for the upgrade when the construction process starts, and before the consumers begin getting any benefit from the new construction. He also made some comments on Westar's amendments.

David Springe, Consumer Council, CURB, (Attachment 5), spoke in opposition to **HB 2033**, explaining some of the particulars of CWIP, and the reason for coming into existence. He explained how this change of language from "may" to "shall" would entirely change and confuse the scheme of what the original language of 66-128 is designed to do. It moves the financial risk of construction from the companies to the consumers.

Tom Thompson, Kansas Sierra Club, (Attachment 6), offered testimony in opposition to **HB 2033** as it gives unfair favor to coal fired powered plants.

CONTINUATION SHEET

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Questions were asked by Representatives: Tom Sloan, Tom Moxley, Forrest Knox, Carl Holmes, Cindy Neighbor, and Josh Svaty.

Hearing on **HB 2033** was closed.

Chairman Holmes noted the document presented by the Kansas Petroleum Council, (document can be found with Ken Peterson, KPC).

Representative Tom Hawk moved to introduce a bill concerning KAN-ED. Representative Vern Swanson seconded the motion. Motion passed.

Hearing on:

HB 2038: Nuclear power plants; application of siting act; property tax exemption.

Proponents:

Phil Wages- KEPCo, (Attachment 7), spoke in favor of **HB 2038**, and applauds the Energy and Utilities Committee for creating progressive legislation that would help promote new energy production in Kansas.

Whitney Damron, Coffey County Kansas, (Attachment 8), gave testimony in favor of **HB 2038**.

Opponents:

Tom Thompson, Kansas Sierra Club, (Attachment 9), spoke in opposition to **HB 2038** noting the controversies surrounding the production of nuclear energy and its cost prohibitiveness. He noted other options that are cleaner and cheaper that would help with the demands of energy including energy efficiency and renewable energy production.

Questions were asked and comments were made by Representatives: Peggy Mast, Cindy Neighbor, Tom Hawk, Tom Sloan, Josh Svaty, Don Myers, Judy Morrison, and Vaughn Flora.

Hearing on **HB 2038** was closed.

The next meeting is scheduled for January 24, 2007.

Meeting Adjourned by Vice-Chair Rob Olson.