

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Jay Scott Emler at 9:30 A.M. on March 14, 2005 in Room 526-S of the Capitol.

Committee members absent: Senator Roger Reitz- excused

Committee staff present: Athena Andaya, Kansas Legislative Research Department
Raney Gilliland, Kansas Legislative Research Department
Bruce Kinzie, Revisor of Statutes' Office
Diana Lee, Revisor of Statutes' Office
Ann McMorris, Committee Secretary

Conferees appearing before the committee:

Rep. Frank Miller
Ed Jaskinia, Associated Landlords of Kansas
Larry Baer, League of Kansas Municipalities
Carl Huslig, Aquila
Larry Holloway, Kansas Corporation Commission
David Spring, Citizens' Ratepayers Tax Board

Others in attendance: See attached list

Chairman Emler opened the meeting with the announcement that following the testimony presented by the opponents on March 10, 2005 on **SB 120**, he had not closed the hearing and that action would follow.

Chair closed the hearing on **SB 120**.

Chair opened the hearing on

HB 2279 - Municipal utility services; liens for unpaid charges, exceptions

Proponents:

Representative Frank Miller noted **HB 2279** is amended to place trash and refuse removal service under the same conditions as present law on water and sewer services. Present law allows the municipalities to place a lien on the property owner's tax roll for any unpaid bills for water and sewer services. However, the law does not apply if the unpaid water or sewer bill was contracted by the tenant and not the owner. The House Utilities Committee also amended **HB 2279** to prohibit local governments that provide sewage disposal services or sold waste collection and disposal services from refusing to contract with a tenant.

(Attachment 1)

Ed Jaskinia, Associated Landlords of Kansas, was in favor of **HB 2279**. In his remarks he referred to (1) **SB 328** which passed in the 2004 Session; (2) an article from the Kansas Government Journal, May 2004 entitled "Landlord Liability after SB 328" and an Ordinance contract; and (3) A petition form.

(Attachment 2)

Opponents:

Larry Baer, assistant general counsel, League of Kansas Municipalities, noted the lien provided for in statute and also in most city ordinances is the mechanism by which cities and their citizens can be assured that each property pays its fair share for the use of city services. (Attachment 3)

Chair closed the hearing on **HB 2279**.

CONTINUATION SHEET

MINUTES OF THE Senate Utilities Committee at 9:30 A.M. on March 14, 2005 in Room 526-S of the Capitol.

Chair opened the hearing on:

HB 2465 - Time limit for KCC action on electric utilities' recovery of transmission costs.

Proponents:

Carl Huslig, Vice President Transmission, Aquila Networks, explained that **HB 2465** would implement a regulatory clock for response to bifurcation filings. Without a timetable, implementation could be delayed indefinitely thus impeding enhancement of the transmission network. Aquila also supports the modification providing that 90 days after the report to the KCC is submitted, the new rates become effective. (Attachment 4)

Opponents:

Larry Holloway, chief of energy operations, Kansas Corporation Commission, opposes **HB 2465** which amends K.S.A. 66-1237 by limiting the amount of time the Commission has to review and approve an electric utility's application to recover its transmission costs through a separate delivery charge. **HB 2465** as amended, proposes to establish a 120 business-day time limit on the KCC decision regarding the "first phase" filing and a 90 business-day time limit for KC action on "second phase" filings. The Commission believes these time limits are unneeded because the current 240 day statutory provision applies, and would create complications and unintended consequences for utilities, ratepayers and the Commission. (Attachment 5)

David Springe, consumer counsel, Citizens' Utility Ratepayer Board, is opposed to **HB 2465** because it makes two changes to an existing statute that remove valuable consumer protections and place arbitrary restrictions on the Commission's review authority. CURB concurs that the 240 day statutory time frame currently applies. (Attachment 6)

Chair closed the hearing on **HB 2465**.

Approval of minutes

Moved by Senator Apple, seconded by Senator Lee, the minutes of the meetings of the Senate Utilities Committee held on March 7, 2005, March 10, 2005 at 9:30 a.m. and March 10, 2005 at the rail, be approved. Motion carried.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachments - 6