

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:00 A.M. on February 1, 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  
Renaë Hansen, Committee Assistant

Conferees appearing before the committee:

Don Low, KCC  
Jim Ludwig, Westar  
Michael Byington, Kansas Association for the Blind and Visually Impaired  
Mike Murray, Embarq  
Mark Schreiber, Westar  
Dave Holthaus, Kansas Electric Cooperatives  
Richard Cram, Department of Revenue

Others attending:

Twenty-Three including the attached list.

Hearing on:

**HB 2220: Electric utility recovery of transmission-related costs.**

Proponents:

Jim Ludwig, Westar, (Attachment 1), spoke in favor of **HB 2220**, noting the specific clarifications needed for the previous statute that became law in 2003 and was used by Westar for the first time in 2005.

Don Low, KCC, (Attachment 2), offered testimony in support of **HB 2220** noting the specific weaknesses of the statute currently in effect.

Questions were asked and comments made by Representatives: Margaret Long, and Terry McLachlan.

Hearing on **HB 2220** was closed.

Hearing on:

**HB 2221: Promotions by local exchange carriers within an exchange or group of exchanges, conditions.**

Proponents:

Michael Byington, Kansas Association for the Blind and Visually Impaired, (Attachment 3), offered testimony in favor of **HB 2221** giving some history of the path leading to the legislation that is before the committee.

Opponents:

Mike Murray, Embarq, (Attachment 4), spoke in opposition of **HB 2221**, noting some of the manners in which customers could abuse this legislation if it were in enacted.

Questions were asked and comments made by Representatives: Oletha Faust-Goudeau, Terry McLachlan, Rob Olson, and Judy Morrison.

CONTINUATION SHEET

MINUTES OF THE House Energy and Utilities Committee at 9:00 A.M. on February 1, 2007 in Room 241-N of the Capitol.

In addition to Mike Murray and Michael Byington answering questions, Jim Gartner, AT&T responded to committee questions.

Hearing on **HB 2221** was closed.

Hearing on:

**HB 2240**: **Sales taxation; sales tax exemptions; service for rebuilding of public utility facilities.**

Proponents:

Mark Schreiber, Westar, (Attachment 5), offered testimony in support of **HB 2240** because it includes within the list of catastrophes two of the most common types of severe weather in Kansas, windstorm and ice loading, noting a specific part of the bill that might need some changes, with offers to compromise with the department of revenue on those areas. They also agreed to changing the intent to apply only to catastrophic storms and not to new construction.

Dave Holthaus, Kansas Electric Cooperatives, (Attachment 6), spoke in favor of **HB 2240** noting the changes in the current law where the new law would broaden the exemption to include all electric and gas utilities in the exemption, and add ice loading, windstorm, and terrorism to the list of natural disasters.

Steve Johnson, Kansas Gas Service, spoke in support of **HB 2240**.

Opponents:

Richard Cram, Department of Revenue, (Attachment 7), offered testimony in opposition to **HB 2240**.

Questions were asked and comments made by Representatives: Tom Sloan, Annie Kuether, Cindy Neighbor, Josh Svaty, Carl Holmes, Margaret Long, Tom Moxley, and Oletha Faust-Goudeau.

Doug Sheppard, Kansas Electric Cooperatives, also helped answer questions from the committee in addition to the conferrees listed.

Hearing on **HB 2240** was closed.

The next meeting is scheduled for February 2, 2007.

Meeting adjourned.