

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Pat Apple at 1:30 p.m. on March 17, 2009, in Room 446-N of the Capitol.

All members were present.

Committee staff present:

Mike Corrigan, Office of the Revisor of Statutes
Melissa Doebelin, Office of the Revisor of Statutes
Cindy Lash, Kansas Legislative Research Department
Ann McMorris, Committee Assistant

Conferees appearing before the Committee:

Doug Louis, Director, Conservation Division, KCC
Ed Cross, KIOGA
Denny Stoecklin, General Manager, Kansas State Fair Board
Doug Rolfs, Director, Retail rates for Westar

Others attending:

See attached list.

Chair opened the meeting and the hearing on:

SB 298 - Requiring well identification signs be placed on or near certain oil or gas wells

Proponents

Doug Louis, Director, Conservation Division, Kansas Corporation Commission, provided background and current status of KCC. He noted the Conservation Division is seeking to change KSA 55-165, in order to require operators to post signs at their wells and provide authority for the Commission to adopt regulations regarding well-identification signs. (Attachment 1)

Ed Cross, President, Kansas Independent Oil & Gas Association, spoke in favor of **SB 298**. KIOGA participates in the Oil & Gas Advisory Committee which reports to the KCC. (Attachment 2)

Chair closed the hearing on **SB 298**.

Chair opened for discussion and possible action on **SB 298**.

Moved by Senator Francisco, seconded by Senator Lee, to change the word "any" to "the" on line 15 of SB 298. Motion failed

Moved by Senator Petersen, seconded by Senator Lee, rules and regulations for SB 298 must be in place in 12 months. Motion carried.

Moved by Senator Reitz, seconded by Senator Petersen, SB 298 be moved out favorably as amended. Motion carried.

Chair opened for discussion and possible action on

SB 299 - Regulation for underground hydrocarbon storage wells.

Moved by Senator Taddiken, seconded by Senator Reitz, to move SB 299 out favorably. Motion carried

Informational Hearing on Electric Rates regarding State Fair Facilities

Denny Stoecklin, General Manager, Kansas State Fair Board, provided information on their upcoming budget and particularly on the energy consumption during the duration of the Fair in September. They anticipate this increase will be around \$200,000 and are not in a position to pass this increase on to their customers. (Attachment 3)

Doug Rolfs, director of retail rates for Westar, explained the peak consumption periods and the background of how these rates were determined for the State Fair..

CONTINUATION SHEET

Minutes of the Senate Utilities Committee at 1:30 p.m. on March 17, 2009, in Room 446-N of the Capitol.

Considerable discussion on how to solve this dilemma. Chair asked the Kansas State Fair Board, the KCC and Westar to confer and come up with a solution.

The next meeting will be on call of Chair.

The meeting was adjourned at 2:30 p.m.

Respectfully submitted,

Ann McMorris
Committee Assistant

Attachments - 3