

MINUTES

KANSAS ELECTRIC TRANSMISSION AUTHORITY

October 1, 2009
Room 446-N—Statehouse

Members Present

Representative Carl Holmes, Chairperson (via phone)
Earnie Lehman, Vice-Chairperson (via phone)
Tim McKee, Secretary (via phone)
Senator Pat Apple (via phone)
Les Evans (via phone)
Representative Annie Kuether
Senator Janis Lee

Staff Present

Mary Galligan, Kansas Legislative Research Department
Rebecca Wempe, Stevens & Brand, L.L.P. (via phone)

Chairperson Holmes called the meeting to order at 10:05 a.m. *Mr. Lehman made and Mr. McKee seconded a motion to approve the agenda. The motion passed. Senator Lee made and Mr. Lehman seconded a motion to approve the July minutes as presented. The motion passed.*

Ms. Galligan reviewed the report of KETA expenditures as of August 31 (Attachment 1). She noted that the report shows two FY 2009 encumbrances that will be released during this fiscal year. Once released, that amount, which totals approximately \$2,800, will become available for expenditure during FY 2010.

Ms. Galligan explained the FY 2010 – FY 2011 budget worksheet prepared for the Board (Attachment 2). She pointed out that the “FY 2010 Revised Request” column of the worksheet includes the amount carried forward from FY 2009 and authorized for expenditure during this fiscal year, and the 2 percent reduction imposed on Executive Branch agencies. The “FY 2011 Request” column is composed of placeholder figures derived from 2009 actual expenditures. The percent increase of the placeholder figures over FY 2009 actual expenditures is shown in the final column of the worksheet. The Board discussed the appropriate amount to include in the request for FY 2011.

The Chairperson explained that the Board's request has always been for a loan from the State General Fund. The Governor has, since the creation of KETA, recommended support of the Authority from the Public Service Regulation Fund (PSRF) which is administered by the Kansas

Corporation Commission (KCC). The Legislature has concurred with the Governor's recommendation and authorized KETA's financing from the PSRF.

During discussion of the budget request, members agreed that during the November 4 meeting the Board would conduct a work session to update KETA's goals and plan.

Mr. Lehman made and Senator Lee seconded a motion to request for FY 2010 a \$100,000 loan from the State General Fund and authorization to expend any FY 2009 balance. The motion passed.

The Chairperson directed the Board's attention to a request from the KCC to co-sponsor a seminar conducted by Scott Hempling, Executive Director of the National Regulatory Research Institute. The Chairperson recognized Susan Duffy, KCC Executive Director, to explain the request. Ms. Duffy explained that by being a co-sponsor, all KETA members and staff would be able to attend the seminar without paying registration. She also indicated that the KCC would invite counterpart staff and commissioners from nearby states. Board members asked about the subject matter that would be covered during the seminar. Ms. Duffy said that she would request discussion of transmission law issues. Ms. Duffy indicated that the dates identified for the seminar are either December 10 and 11 or December 17 and 18. Members were asked to let Mary Galligan know which dates would be best.

Senator Apple made, and Mr. McKee seconded, a motion to allocate a maximum of \$2,500 to the KCC to co-sponsor the seminar. The motion passed.

The Chairperson recognized Mr. McKee for an update on the proposed meeting of state transmission/infrastructure authorities. Mr. McKee reported that he had received expressions of interest from two people with the New Mexico authority and one from the Wyoming Infrastructure Authority. He said that funding difficulties will prevent attendance by anyone from Colorado.

The Chairperson asked for suggestions for the location of the November 4 Board meeting. He noted that if the Board meets with members of authorities from other states, it would be most convenient to meet in Lawrence. However, if representatives of other state authorities are unable to attend, a meeting in Topeka may be best. Mr. McKee said he would attempt to get firm information on who will attend from other states. Ms. Galligan was directed to identify possible meeting places in both Topeka and Lawrence.

The Chairperson asked who would represent KETA at the Southwest Power Pool meeting in Tulsa at the end of October. Senator Lee and Representative Kuether indicated that they planned to attend. Representative Holmes said he might attend. Mr. Evans said he would likely be at the meeting in his role with KEPCo. Representative Holmes indicated that a vote on projects is expected at this meeting.

Chairperson Holmes noted that he would make a presentation regarding KETA at the KCC's annual Renewable Energy Conference next week and that he also would make a presentation at a meeting in Washington, D.C. on October 13. Senator Lee noted that she would make a presentation regarding KETA at the League of Municipalities Annual Meeting on October 5.

The Chairperson adjourned the meeting at 11:10 a.m.

Respectfully submitted,
Tim McKee, Secretary

Approved by the Board on:

November 4, 2009