

March 27, 1974

SENATOR GOODRICH: Okay, now I'm going to propose, I move to accept my amendment to the Schmit amendment. Now, what my amendment does. It accepts Senator Schmit's amendment in total as far as the meaty part of the amendment is concerned with two exceptions. The Schmit amendment starts out with a paragraph which would scrap or eliminate the Richard Lewis, the Senator Richard Lewis amendment, which calls for rate review on either the disputes for the capacity or the rates charged on wheeling charges. Consequently, I have to say we have to have that. Also what my amendment does is it eliminates the tailend of the Schmit amendment which is in conflict. It would have been all right if we'd adopted the first part, if we had adopted the first part which eliminated the Lewis amendment, then the tailend of it would have been okay. But since it's in conflict, we have to eliminate the front end and the tailend of the Schmit amendment. And, for example, Senator Schmit says that the rate review on wheeling charges would affect the rate charged on bonds issued by power districts. For example, Omaha Public Power District and just to make sure everybody understands it, I'm only talking about two power districts here tonight. Omaha Public Power District and Nebraska Public Power District. The Omaha Public Power District has approximately 1% of their revenue from wheeling charges. Consequently they will not, I repeat, they will not be affected on the rates of bonds...on bonds that they issue by issue or virtue of approximately 1% of their revenue coming from wheeling charges. Now I have no doubt in my mind but what OPPD...Nebraska Public Power District, for example, has a little higher percentage of their revenue coming from wheeling charges. However, that is not going to be the significant percentage and consequently their rates, their bonds they're going to have to issue from time to time, will not be adversely affected as Senator Schmit has indicated. And granted, if we were going with rate review to all their customers, that would be a different story. But we're not. We're only going rate review, that's the Lewis amendment, on the wheeling charge only, which is a small percentage of their business and consequently it will not in my opinion affect the rates of the bonds that they issue. So I move the adoption of my amendment to the Schmit amendment.

PRESIDENT: Now, Senator Richendifer, we're discussing the Goodrich amendment to the Schmit motion.

SENATOR RICHENDIFER: Mr. President, this is not entirely true, I wouldn't call the statement misnomer but NPPD has \$116 million dollars worth of bonds and they've been advised by the New York bonding companies that the rate will be affected by  $\frac{1}{2}$ %. Now, this amounts to \$20 million dollars over the next ten years. And will the wheeling amendment compensate to the people that buy power this amount of money? I don't believe it will and I'm sure that OPPD doesn't really care about the wheeling amendment. This is a move for something. I'm not sure what it is but I do know that \$20 million dollars is at stake. And this is public power and the \$20 million dollars will be absorbed by the person who uses the power.

PRESIDENT: Senator DeCamp.

SENATOR DECAMP: Mr. President and members of the Legislature. I think everybody's had an awful lot of time to study this whole question. Their minds are pretty much made up. I personally urge rejection of the Goodrich amendment