

AMENDMENTS TO LB 78

(Amendments to Standing Committee amendments, AM0614)

1 1. Strike the original amendments and insert the
2 following new amendment:

3 "1. Strike the original sections and all amendments
4 thereto and insert the following new sections:

5 'Section 1. Section 14-2115, Reissue Revised Statutes of
6 Nebraska, is amended to read:

7 14-2115. (1) A metropolitan utilities district shall
8 operate and account for each of its several utilities separately
9 and, as to each separate utility, shall possess all powers granted
10 on behalf of that utility or on behalf of any other utility being
11 operated by such district, or granted generally to such district,
12 and all such powers are hereby declared to be cumulative, though
13 separate, as to each utility, except that limitations or
14 restrictions which by their nature or intent are applicable only to
15 a utility of one type shall not apply to other different utilities.
16 The financial obligations of each utility shall be separate and
17 independent from the financial obligations of any other utility.

18 (2) A metropolitan utilities district shall keep all
19 funds, accounts, and obligations relating to any one utility under
20 its management separate and independent from the funds and accounts
21 of each other utility under its management. The cost of any
22 consolidated operation shall be allocated to the various utilities
23 upon some reasonable basis which is open to investigation, comment,

1 or protest by members of the public. Such allocation methodologies
2 shall be determined by ~~its~~ the board of directors and shall provide
3 for the allocation of costs and expenses in a manner that
4 accurately reflects the actual cost of service for each utility
5 under the management of the board, except that for purposes of this
6 section, the collection of sewer use fees for cities of the
7 metropolitan class shall not be considered as a utility. The
8 district shall have separate power to provide for the cost of
9 operation, maintenance, depreciation, extension, construction, and
10 improvement of any utility under its management, applying thereto
11 standard accounting principles.

12 (3) A metropolitan utilities district shall not discount
13 its water rates or connection fees in order to obtain natural gas
14 service from any customer.

15 (4) A metropolitan utilities district shall not delay or
16 condition in any manner the installation of water service or other
17 agreements related to water service to the purchase of natural gas
18 service from the district.

19 (5) The Auditor of Public Accounts shall have the
20 authority to initiate an audit or to take any action necessary to
21 ensure compliance with this section.

22 Sec. 2. Whenever any city of the primary, first, or
23 second class or village is furnished natural gas pursuant to a
24 franchise agreement with an investor-owned natural gas utility, a
25 metropolitan utilities district shall not solicit such franchise or
26 promote discontinuance of service with the utility, unless a
27 specific invitation to bid on the franchise has been formally

1 presented to the board of directors of the metropolitan utilities
2 district. For purposes of this section, a specific invitation to
3 bid shall mean a resolution adopted by a city council of a city of
4 the primary, first, or second class or the board of trustees of a
5 village.

6 Whenever any invitation to bid is received by the board
7 of directors of a metropolitan utilities district, the invitation
8 to bid will be considered by the board at its next regularly
9 scheduled monthly meeting.

10 Sec. 3. Sections 4 to 8 of this act shall be applicable
11 to an investor-owned natural gas utility only when it is operating
12 in a county in which there is located the natural gas service area,
13 or portion of the service area, of a metropolitan utilities
14 district.

15 Sec. 4. No investor-owned natural gas utility or
16 metropolitan utilities district may extend or enlarge its natural
17 gas service area or extend or enlarge its natural gas mains or
18 natural gas services unless it is in the public interest to do so.
19 In determining whether or not an extension or enlargement is in the
20 public interest, the district or the utility shall consider the
21 following:

22 (1) The economic feasibility of the extension or
23 enlargement;

24 (2) The impact the enlargement will have on the existing
25 and future natural gas ratepayers of the metropolitan utilities
26 district or the investor-owned natural gas utility;

27 (3) Whether the extension or enlargement contributes to

1 the orderly development of utility infrastructure;

2 (4) Whether the extension or enlargement will result in
3 duplicative or redundant utility infrastructure; and

4 (5) Whether the extension or enlargement is applied in a
5 nondiscriminatory manner.

6 Sec. 5. In determining whether an enlargement or
7 extension of a natural gas service area, natural gas mains, or
8 natural gas services is in the public interest pursuant to section
9 4 of this act, the following shall constitute rebuttable
10 presumptions:

11 (1) Any enlargement or extension by a metropolitan
12 utilities district within a city of the metropolitan class or its
13 extraterritorial zoning jurisdiction is in the public interest;

14 (2) Any enlargement or extension by an investor-owned
15 natural gas utility within a city of the primary, first, or second
16 class or village in which it serves natural gas on a franchise
17 basis on the effective date of this act or its extraterritorial
18 zoning jurisdiction is in the public interest; and

19 (3) Any enlargement or extension by a metropolitan
20 utilities district within its statutory boundary or within a city
21 of the first or second class or village in which it serves natural
22 gas on a franchise basis on the effective date of this act or its
23 extraterritorial zoning jurisdiction is in the public interest.

24 Sec. 6. A metropolitan utilities district or
25 investor-owned natural gas utility shall not extend duplicative or
26 redundant interior natural gas mains or natural gas services into a
27 subdivision, whether residential, commercial, or industrial, which

1 has existing natural gas utility infrastructure or which has
2 contracted for natural gas utility infrastructure with another
3 utility.

4 Sec. 7. If any aggrieved ratepayer of the investor-owned
5 natural gas utility or of the metropolitan utilities district or
6 the investor-owned natural gas utility or the metropolitan
7 utilities district disagrees with a determination by an
8 investor-owned natural gas utility or a metropolitan utilities
9 district that a proposed extension or enlargement is in the public
10 interest, the matter may be submitted to the Public Service
11 Commission for hearing and determination in the county where the
12 extension or enlargement is proposed and shall be subject to the
13 applicable procedures provided in sections 75-112, 75-129, and
14 75-134 to 75-136. In making a determination whether a proposed
15 extension or enlargement is in the public interest, the Public
16 Service Commission shall consider the factors set forth in sections
17 4 and 5 of this act. The Public Service Commission shall have no
18 jurisdiction over a metropolitan utilities district or natural gas
19 utility beyond the determination of disputes brought before it
20 under section 14-2115 and sections 2 to 8 of this act.

21 Sec. 8. All books, records, vouchers, papers, contracts,
22 engineering designs, and any other data of the metropolitan
23 utilities district relating to the public interest of an extension
24 or enlargement of natural gas mains or natural gas services or
25 relating to natural gas service areas, whether in written or
26 electronic form, shall be open and made available for public
27 inspection, investigation, comment, or protest upon reasonable

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1 request during business hours, except that such books, records,
2 vouchers, papers, contracts, designs, and other data shall be
3 subject to section 84-712.05. Any such books, records, vouchers,
4 papers, contracts, designs, or other data not made available to the
5 metropolitan utilities district or an investor-owned natural gas
6 utility pursuant to this section shall not be considered by the
7 Public Service Commission in determining whether an enlargement or
8 extension is in the public interest.

9 Sec. 9. Original section 14-2115, Reissue Revised
10 Statutes of Nebraska, is repealed.'."