

AMENDMENTS TO LB 78

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,
24 or protest by members of the public. Such allocation methodologies

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

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

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

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

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

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

6 Whenever a specific invitation to submit a proposal is
7 received by the board of directors of a metropolitan utilities
8 district, the invitation will be considered by the board at its
9 next regularly 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 natural gas service area, of a metropolitan
14 utilities district and only with regard to matters arising within
15 any such county.

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

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

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

1 (3) Whether the extension or enlargement contributes to
2 the orderly development of natural gas utility infrastructure;

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

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

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

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

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

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

25 Sec. 6. A metropolitan utilities district or
26 investor-owned natural gas utility shall not extend duplicative or
27 redundant interior natural gas mains or natural gas services into a

1 subdivision, whether residential, commercial, or industrial, which
2 has existing natural gas utility infrastructure or which has
3 contracted for natural gas utility infrastructure with another
4 utility.

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

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

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

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