

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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LB 78

Legislature, Senator Bruning, first of all, I thank you for your patience in answering all the questions. And I wanted to return to the last one that I had asked, that I think you did not have an opportunity to respond to, and undoubtedly you've forgotten that one by now, so I'll take a minute to repeat it. But I was focused on Section 2 of the bill. And, as you will recall, Section 2 of the bill requires that if MUD wants to compete for a franchise that's, I guess, up for bidding, in a town where UtiliCorp is located or currently has the franchise, Section 2 would limit the manner in which there could be competition, that is in the sense that MUD could not solicit the franchise or promote discontinuance of the service, unless there was a specific invitation from the city, and that specific invitation would have to be in the form of a resolution passed by the city, sending out the...inviting the bid. And secondly, then MUD would have to consider the bid by the whole board at their next meeting. And, if I'm understanding the factual background correctly, not only does UtiliCorp hold franchises with some of these cities and towns, but MUD could also. Is that accurate?

SENATOR BRUNING: Yes.

SENATOR BEUTLER: Okay. So if we're going to make it harder for MUD to compete, or to file a bid against UtiliCorp, in UtiliCorp towns, why would we not turn around and make it equally difficult for UtiliCorp to bid against an existing...a town that had an existing MUD contract? Why doesn't that go in both directions is what I'm asking.

SENATOR BRUNING: Senator, with regard to the vast majority of MUD's territory, that is exactly the case. The...MUD's statutorily defined service territory, the city of Omaha, most specifically. UtiliCorp cannot, under law, serve or make bids to any of that territory. So it really is that way by and large. Now there may be a small SID somewhere, where a proposal could be made, but again it couldn't be double piped, under this bill. So for 99 percent of the service area we're talking about, that is the case, it is reciprocal.

SENATOR BEUTLER: It is the case that it is reciprocal.

SENATOR BRUNING: That's correct.