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LB 78

SENATOR BEUTLER: Senator Kristensen, Senator Bruning, I lied. I saw another section of the bill, I wanted to ask you a couple of questions on, if I might.

SENATOR BRUNING: Sure, Senator.

SENATOR BEUTLER: Thank you. And some of this, you'll quickly recognize, relates to some other utilities in this state that don't sell natural gas, necessarily, but I'm just interested in the application of some of these principles. One of the things that on first blush seems to...seems to be a "no-brainer" is this language on page 2, lines 12, 13, and 14. And this particular section simply says, a Metropolitan Utility District shall not discount its water rates or connection fees in order to obtain natural gas service from any customer. So, I assume, that the natural and logical meaning of that is simply that we don't want a corporation or entity that has two, or three, or four different kinds of businesses, especially another one that it monopolizes, from using its monopoly position in one area to undercut prices in another. Is that more or less accurate?

SENATOR BRUNING: Yes.

SENATOR BEUTLER: Okay. If...if UtiliCorp was in the position to do the same thing, now I'm not saying that they are, I have no idea whether they are or not, but I'm interested, generally, in the proposition. Let's say you...let's say it's not UtiliCorp, but we...although we have a third competitor in this area. And this third competitor, whoever they were, had a natural gas operation. And let's say they had something totally unrelated. Let's say that they had gained a monopoly of the real estate industry in Omaha. And that company was discounting its brokers commissions on the real estate, if you agreed to sign up for their utility company at closing. Would you think that's a practice that ought to be prohibited?

SENATOR BRUNING: I understand your hypothetical, Senator, and I think it's a difficult question to answer, because of...it's highly unlikely that that could take place. The only real monopolies we deal with in Nebraska are utility monopolies, and that's because of the vast cost of outlaying the plant necessary to provide a service, to provide a gas service, an electric