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FLOOR DEBATE

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and also basically get its money back out of the system. And in order to make sure or to have an impartial regulating body look at that contract and make sure that it's fair, not only to the ratepayers, to the utility, to the taxpayers, the PSC would look over, review and approve that contract.

SENATOR FOLEY: With respect to communities that have existing natural gas service, if...if they're giving some thought to a possible condemnation of that...of that utility's assets, is there a role for the PSC in that whole process per your amendment?

SENATOR QUANDAHL: No. No, I do not believe so. It's only for if a new city is going to be piped, a new franchise is going to be let.

SENATOR FOLEY: Or if they're going to expand the existing level of service...

SENATOR QUANDAHL: Right,...

SENATOR FOLEY: ...in that area.

SENATOR QUANDAHL: ...if they're going to expand the level of service past...20 percent larger than it is currently.

SENATOR FOLEY: Yeah. Currently, if...if a community is receiving natural gas service from a particular utility and, in their view, they're suffering under high rates and inadequate service, they have the...the leverage of threatening condemnation, and I'm wondering to what extent does the bill, as per the amendment, dilute that leverage.

SENATOR QUANDAHL: And that's a good question. I don't believe that it dilutes it because you still have the situation where, for safety, for service, for excessive rates, there can still be a condemnation. That's under the amendment also. All that the review by the PSC would accomplish would be to try to give some assurance to the natural gas utility that they can recoup their costs in piping a new city but, again, it does not impair the leverage of the city to basically pass a resolution condemning a