

ONE HUNDRED THIRD LEGISLATURE - FIRST SESSION - 2013
COMMITTEE STATEMENT
LB388

Hearing Date: Friday February 01, 2013
Committee On: Natural Resources
Introducer: Natural Resources
One Liner: Change provisions relating to public power and provide for construction of certain transmission lines

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Brasch, Carlson, Dubas, Haar, Johnson, Kolowski, Schilz, Smith
Nay:
Absent:
Present Not Voting:

Proponents:

Laurie Lage
Paul Malone

Shelley Sahling-Zart
Michael Siedschlag
John Hansen
Ken Winston

Representing:

Introducer
Nebraska Power Association; Nebraska Public Power District
Lincoln Electric System
Nebraska Power Review Board
Nebraska Farmers Union
Nebraska Sierra Club

Opponents:

Neutral:

Andy Pollock

Representing:

Representing:

Nebraska Energy Export Association

Summary of purpose and/or changes:

LB 388 would preserve state authority over transmission lines in light of Federal Energy Regulatory Commission (FERC) Order 1000, which would change the way Regional Transmission Organizations (RTOs) select electric transmission project builders. Under the order, RTOs are required to open access to building transmission to any qualifying entity, rather than simply deferring to incumbent utilities. FERC has, however, recognized that if a state law provides for a right of first refusal for incumbent utilities, the RTO must adhere to the state law. All transmission in the state is publicly-owned and operated. The public power industry believes that the first right to expand RTO-ordered transmission in Nebraska should be held by known entities with a track record in Nebraska and which are subject to known regulatory processes.

The original bill would have also standardized a definition in several statutes of "electric suppliers." These sections were deleted in the committee amendment.

Explanation of amendments:

The Committee amendment, AM 454, contains only the right of first refusal portion of the original bill and would become

the bill. The amendment contains new language stating that the incumbent owner of electric transmission facilities already existing in Nebraska has 90 days to decide whether it intends to construct, own or maintain the approved transmission line if the line will connect with the existing one. Notice has to be provided to the Power Review Board of the incumbent owner's decision within 90 days of the new transmission line's approval by a regional transmission organization. If no notice is provided, the "first right" is surrendered, and any other incumbent transmission owner can file for the right within 24 months after the first right notice is provided.

Tom Carlson, Chairperson