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Natural Resources Committee
January 18, 2018

[LB822 CONFIRMATION]

The Committee on Natural Resources met at 1:30 p.m. on Wednesday, January 18, 2018, in Room 1525 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB822 and gubernatorial appointments. Senators present: Dan Hughes, Joni Albrecht; Suzanne Geist; Rick Kolowski; Dan Quick; and Lynne Walz. Senators absent: Bruce Bostelman and John McCollister. [CONFIRMATION]

SENATOR HUGHES: According to my phone, we're at 1:33 so we'll call the hearing to order. Welcome to the Natural Resources Committee. I'm Senator Dan Hughes. I'm from Venango, Nebraska, and I represent the 44th Legislative District. I serve as chairman of the committee. The committee will take up the bills and appointees in the order posted. Our hearing today is the public part of the legislative process. This is your opportunity to express your position on proposed legislation and appointees before us today. The committee members might come and go during the hearing. This is just part of the process as we have bills to introduce in other committees. I ask that you abide by the following procedures to better facilitate today's proceedings. Please silence or turn off your cell phones. Please move to the reserved seats in the front row when you are ready to testify. Introducers will make initial comments followed by proponents, opponents, and neutral testimony. Closing remarks are moved for the introducing senator only. If you're planning to testify, please pick up a green sign-in sheet that is on the table in the back of the room. Please fill out the green sign-in sheet before you testify. Please print and it is important to complete the form in its entirety. When it is your turn to testify, give the sign-in sheet to the committee clerk or to the page. This will help us make a more accurate public record. And if you do not wish to testify today but would like to record your name as being part of the hearing, there's a separate white sheet on the tables that you can sign-in for that purpose. This will become part of the public record of the hearing. Written materials may be distributed to the committee members as exhibits only while testimony is being offered. If you have handouts, please make sure to have 12 copies and give them to the page to distribute to the committee. When you come up to testify, please speak clearly into the microphone. Tell us your name and please spell your name, first and last...spell your first and last name to ensure we get an accurate record. We're not going to be using lights today. There will be no supports of support or opposition to the bill or appointee, vocal or otherwise, is allowed in the public hearing. Committee members with us today will introduce themselves starting on my left. [CONFIRMATION]

SENATOR KOLOWSKI: Rick Kolowski, District 31, southwest Omaha. [CONFIRMATION]

SENATOR GEIST: Suzanne Geist, District 25, the east side of Lincoln. [CONFIRMATION]

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SENATOR QUICK: Dan Quick, District 35, Grand Island. [CONFIRMATION]

SENATOR WALZ: Lynne Walz, District 15, all of Dodge County. [CONFIRMATION]

SENATOR HUGHES: And on my right. [CONFIRMATION]

SENATOR ALBRECHT: Joni Albrecht, District 17, Thurston and Dakota Counties in northeast Nebraska. Welcome. [CONFIRMATION]

SENATOR HUGHES: To my left is committee counsel, legal counsel, Laurie Lage, and to my far right is the committee clerk, Mandy Mizerski. Our page for the committee is Lee-Ann Sims. She is a junior at UNL studying political science and global studies. So, with that, we will open up and this is a reappointment for Dennis Grennan to Nebraska Public Power Review Board. Welcome. [CONFIRMATION]

DENNIS GRENNAN: (Exhibit 1) Thank you, Mr. Chairman. and members of the committee. Again, my name is Dennis Grennan, Dennis spelled D-e-n-n-i-s, Grennan, spelled G-r-e-n-n-a-n. And as Senator Hughes indicated, I'm here seeking confirmation for reappointment to the Power Review Board for another four-year term. Just a quick background. I live in Columbus, Nebraska, of course, and my wife, Connie, and I have three children, two of which live here in Nebraska, one lives in Minneapolis, and eleven grandchildren. So you can probably guess part of my schedule is taken up by that too, so, which is great. Education wise I have a degree in mechanical engineering and over my career have attended several other programs including the executive program at the University of Michigan, executive program at MIT for nuclear operations and several others. But I've worked in the power industry now for over 45 years. I currently work at HDR Consulting which is headquartered in Omaha on a part-time basis. Been doing work for HDR for 15 years. Prior to that I was with Nebraska Public Power District for about 32 years and retired from there 15 years ago. But there at NPPD, I started out in generation and including operation and was station manager at the Gentleman plant out by Sutherland, and so. And then 20 years in generation and then the last 12 years was transmission distribution, the other part of the operations including customer service and so forth. So as I indicated, I've been on the PRB now for four years and really enjoy that role and for the last two years have been the representative from Nebraska to the Southwest Power Pool. And think, you may recall, we made a presentation here about a year ago about the Southwest Power Pool and the footprint in the fourteen states that the Nebraska utilities are now a part of and buy and sell power out of that power pool. So, as coming from Nebraska representing Nebraska at Southwest Power Pool and the regional state committee which is a committee that's set up of all commissioners from the other states across the Southwest Power Pool, which right now there's ten, so I sit on that committee. Last October, I was asked to be the secretary-treasurer, which in and of itself doesn't

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entail much, but usually you progress to president in two years. So I anticipate that being president of the RSC here in a couple of years. And, you know, I think the representation not only on the RSC, but by the only Nebraska utilities there at the Southwest Power Pool and the way things are operated nowadays, some on a local basis, but much more on a regional basis, so having that presence and the leadership there from Nebraska is becoming more important all the time. I also chair now a task force of the Southwest Power Pool that every three years we look back at our cost allocation process which basically was set up to, we all share in the cost of transmission across the Southwest Power Pool, which means the customers here in Nebraska help pay for transmission in Kansas and Oklahoma and vice versa. So over a period of time, we like to look back and make sure the cost benefit is in line and if it's not, then we make adjustments. So I'm chairing that task force right now and we're in the process of doing the third review. So it's kind of an interesting process. It's now becoming a combination of looking back over your operations plus looking forward using modeling techniques to try and project benefits, so anyway it's interesting. I do, you know, want to continue in that role and I think it is becoming more important as I indicated of our presence there at the SPP. I'll just mention kind of one other big issue there in the SPP that we're definitely involved with, the regional state committee is definitely involved with and that's expanding the SPP substantially to the west. And a group of nine utilities have approached the Southwest Power Pool utilities in Colorado, Wyoming, and so forth, to become a part of SPP. And it would expand the footprint substantially but add about another 30 percent to the capacity of SPP, so it's a large addition. And there's some challenges certainly to tie the two systems together when you have the western system and the eastern system and how electricity has to be converted before it can go back and forth, and so those discussions are ongoing. They've been...oh, they started about six months ago anyway and possibly be a SPP Board decision on that here later this year. So as we look at that, and as I look at it from a regional state committee is what's the cost benefit to Nebraska utilities when it's all said and done. I mean, if that's not in line, then why would we want to do so it, so. So, we'll continue working on that and as we go forward, so, I think with that I'll pause and see if there are any questions I could address. [CONFIRMATION]

SENATOR HUGHES: Okay. Thank you, Mr. Grennan. Are there questions from the committee?
Senator Kolowski. [CONFIRMATION]

SENATOR KOLOWSKI: Thank you, Mr. Chairman. Dennis, thank you very much for your candidacy, it's excellent, and for your past work. Would you elaborate on the connection with renewables, solar, wind, as you're putting all this together within the Midwest area, please?
[CONFIRMATION]

DENNIS GRENNAN: Sure. Sure. Well, you know, certainly just kind of very high level in general, a big challenge to utility operation is to have diversity of your generation. In other words, you've got several choices and typically driven by your fuel types. And that's done for

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several reasons because of the volatility with fuel prices so that you don't always...you're not locked in to one, but certainly reliability because different resources operate differently depending on their fuel types. I put renewable resources in that mix and says, yes, it's a very important part of it, but just like any other resource, I don't want too much...too much or too little. And it needs to be in a proper balance depending on, you know, renewables operate differently than other fuel-based resources, and so that needs to be factored in. So do they play a role? Absolutely. Is it all we need? Absolutely not. [CONFIRMATION]

SENATOR KOLOWSKI: Thank you. [CONFIRMATION]

SENATOR HUGHES: Okay. Other questions? Senator Albrecht. [CONFIRMATION]

SENATOR ALBRECHT: Thank you, Senator Hughes, and thanks for being here. You sure have quite a story behind you to put you in that position, so my question...his was on renewables, but what role does the Power Review Board play when people want to come into our communities with wind? Do they have to come before you folks and if so, to what capacity do you screen them, or figure them out? [CONFIRMATION]

DENNIS GRENNAN: We...there was some recent legislation, and I'm not going to remember the bill number, that was passed, but developers currently do not have to come before the Power Review Board for approval of renewables. All other projects that are nonrenewable do have to come before the Power Review Board. [CONFIRMATION]

SENATOR ALBRECHT: So are you saying then wind and solar do not come before the Power Review Board? [CONFIRMATION]

DENNIS GRENNAN: Correct. Not anymore. [CONFIRMATION]

SENATOR ALBRECHT: Why would that be? [CONFIRMATION]

DENNIS GRENNAN: Because that was a change in the legislation. [CONFIRMATION]

SENATOR ALBRECHT: Do you think you should have a say in not taking a look at things? [CONFIRMATION]

DENNIS GRENNAN: I...well, I was totally comfortable with the way it was and that we were reviewing it, but we were reviewing it from a basis of like we would look at any other project in

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terms of need, nonduplication, and so forth. I think it was determined there are other drivers for renewables and that decision was made. [CONFIRMATION]

SENATOR ALBRECHT: Okay. I'm not trying to put you in a box or anything, but knowing what we heard about last year was all on wind and solar, I just can't imagine that we have a Power Review Board that wouldn't actually take a look at those things for us and for the state of the Nebraska. So, thanks for your answer. [CONFIRMATION]

DENNIS GRENNAN: Okay. [CONFIRMATION]

SENATOR HUGHES: Okay. Additional questions? I've got a couple. You know, during your time on the Power Review Board, you know, and just four years, do you see the SPP or Nebraska's involvement with that, how is that the renewable piece of the puzzle, how is that changing? In Nebraska we have substantial and the SPP itself has substantial over-generating capacity now, but yet we continue to build because of the subsidies. How is that all going to fit together? [CONFIRMATION]

DENNIS GRENNAN: Well, there's, as you can imagine, a lot of moving parts there but you are correct in saying, you know, renewables are being built primarily because of the subsidies. And if you look at it from purely an electric system operation, do we need more generation? No, we don't. We have too much. So it's being built not from a system needs standpoint, but for other purposes. That being said, SPP, you know, still looks at transmission needs in order to build renewables and if that need is out there and it's determined, you know, through planning that you need transmission if you're going to continue to build renewables in certain parts of SPP, that gets into the plan and that's being done and has been done here for the last ten years. You know, over \$10 billion worth of transmission has been built across the SPP, much of it to support renewables because of the location of wind. But that's...that's all now part of the generation. So how is it going to change as it goes forward? You know, it continually gets looked at and right now the need to build more renewables, in my opinion, is not needed in SPP. We have about 18,000 megawatts of wind generation across SPP which on given days, that's over 50 percent of the energy being supplied by wind. And we might all think, well, that's a wonderful thing. Well, it might be on that given day except you have other generators out there that have to make room for that wind, and that means either backing them clear down or taking them off line, and then the bad side of it is, the next day--and this happens across SPP--the wind doesn't blow and that 50 percent of the energy needs which is about 10,000 megawatts has to come from somewhere else. So you're operating the system like this. That's like driving your car 70 and then driving it 30, and then 70 and 30. So that will eventually get balanced out, I think, as we go forward and continue our plannings. [CONFIRMATION]

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SENATOR HUGHES: Okay. So your background then, NPPD, is that correct?
[CONFIRMATION]

DENNIS GRENNAN: Yes. [CONFIRMATION]

SENATOR HUGHES: And you currently work at HDR. [CONFIRMATION]

DENNIS GRENNAN: Correct. [CONFIRMATION]

SENATOR HUGHES: So are there any policy issues that you feel need to be addressed at Power Review Board right now or is everything running fairly smoothly? [CONFIRMATION]

DENNIS GRENNAN: None that I know of at the PRB level, no. [CONFIRMATION]

SENATOR HUGHES: Okay. I think that's everything I have unless someone else has something. We appreciate your willingness to serve the state of Nebraska and, you know, on the SPP, the presentation that we got last year was very beneficial to me personally and there's a lot of people working very hard to keep the lights on, so thank you for what you do for us.
[CONFIRMATION]

DENNIS GRENNAN: Well, thank you very much. Appreciate it. [CONFIRMATION]

SENATOR HUGHES: Okay, is there anyone who wishes to speak as a proponent to Mr. Grennan? Welcome, Mr. Texel. [CONFIRMATION]

TIM TEXEL: (Exhibit 2) Thank you, Mr. Chairman, members of the committee. My name is Tim Texel, T-i-m, last name is T-e-x-e-l, and as you know, I'm the executive director and general counsel for the Nebraska Power Review Board. This year, I will have been with the board for 20 years. To my knowledge, this is the first time I've ever appeared before the committee on a either pro or con on any confirmation hearing. I don't believe it's appropriate for me normally to do that. I shouldn't be picking my bosses. That's the Governor's and your job to do that, so I wanted to make that very clear. But I drew distinction in this instance due to Mr. Grennan's role on the Regional State Committee and I wanted to explain that. I...during the process sent a letter to the Governor in support of his appointment and then I thought it only fair for me to come and explain myself also before the committee since I already took a position on that. And I do have a copy of the letter I think explains this, so I can give it to the page and I think that explains my position very well. So I just wanted to give a very brief overview. You already covered some of it with Mr. Grennan about the Southwest Power Pool and the Regional State Committee that he's

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on, so I won't describe it to you. I think the committee members are aware of that relationship. I think with Mr. Grennan's experience, and his expertise, and his institutional knowledge, both at the board and the Southwest Power Pool Regional State Committee, I think it's important and very good for Nebraska to have someone like that with that continuity on the RSC. I think it's good for not only the SPP and the RSC, but I think it's good for the utilities in Nebraska. I think it's good for the state and ultimately who we're here for is the ratepayers, the consumers of electricity in the state of Nebraska, and I think it's good for them because of the importance and the amount we spend on transmission and, of course, the importance of electricity in all of our lives and society in general today. So I think it's very helpful to have someone with that kind of background at the RSC level. Normally, I wouldn't be here on a confirmation hearing, as I said, but I think that's very helpful to Nebraska to have that continuity and I would probably only appear on something like this for someone who is on the RSC that they continue and we not lose somebody with that important aspect for Nebraska. And I think even the Southwest Power Pool, I remember one commissioner telling me, it was a predecessor but an engineer board member of mine, they said, we look to your engineer board member because we're not engineers and we haven't been on as long. And so they looked to leadership. That was one of the predecessors as I said, but I think that's true of Mr. Grennan too and why he's in a leadership position there. So that's why I took the unusual step. As I said, I think the letter explains my position a little bit further. I'd be willing to take any questions on that, and if you like I could help address Senator Albrecht's question to Mr. Grennan. [CONFIRMATION]

SENATOR HUGHES: Thank you, Mr. Texel. Are there questions? Senator Albrecht.
[CONFIRMATION]

SENATOR ALBRECHT: I'd love to hear it. [CONFIRMATION]

TIM TEXEL: Well, the change to law that Mr. Grennan referred to was to the privately developed renewable generation...or electric generation facilities. It's under 70-1014.02 and I believe it was LB824 that made the change to that. So that's a policy decision that the Legislature made for us to implement on how we approve, or not, generation facilities, in this case renewables. [CONFIRMATION]

SENATOR ALBRECHT: And how long ago was that? [CONFIRMATION]

TIM TEXEL: That was 2016. So that's when that bill was enacted and as I said, probably developed renewable generation electric facilities, so that change said that we don't approve as a actual board vote privately developed renewable facilities...generation facilities. So now it's a certification process that I administratively approve. It's not...well, I shouldn't use the term approve, but I certify that they met the requirements. And right now they have to certify four or

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five things that it is renewable, they qualify under the definition, that they're going to work and coordinate with Game and Parks to protect threatened endangered species, several things like that. If they make those certifications and they do it at least 30 days prior to construction or installation of a facility, then I'm required within ten days to send a letter back acknowledging that and that they're exempt from the normal hearing requirements and approval requirements before my board. So it's not a subjective type of review, it's a legal review. And if they meet it, we have had quite a few certifications issued under that request. Certification is made, I guess to me, and I've sent the letter back acknowledging it. So it did change the process from an approval to a certification that basically if they certify it and make those promises, that I send a letter back. And then they get exempt from the hearing. There's other approvals possible. You can go through a federal process. The Public Utility Regulatory Policy Act of 1978, if it's under 80 megawatts and stuff, so there's some other avenues they can use. But if they're going to the board, generally they have to get approval, but that new process now is in place for privately developed renewables. [CONFIRMATION]

SENATOR ALBRECHT: So they...would they come to you after they were approved by their county boards to bring wind to their areas? Would they come to you after? [CONFIRMATION]

TIM TEXEL: The timing is up to them. They just have to come to us at least 30 days prior to construction or installation. There will actually be a bill up on that because of some of the problems that we've...some of the small entities and individuals don't know about the law, so they tend to build things without me knowing and there's no waiver provision in that statute for the 30 days and so I'm kind of in a conundrum of how to treat those without making them shut down and stop until they can certify it. But that's a separate issue but that's the process we have to go through. That's one catch I didn't make when we enacted the statute is, what if somebody doesn't meet the 30 days. [CONFIRMATION]

SENATOR ALBRECHT: No teeth. [CONFIRMATION]

TIM TEXEL: Do they have to go through the hearing process or what...how do we deal with it, so. [CONFIRMATION]

SENATOR ALBRECHT: Well, I appreciate your candor. Thanks. [CONFIRMATION]

SENATOR HUGHES: Okay. Any additional questions? Okay. Thank you, Mr. Texel.
[CONFIRMATION]

TIM TEXEL: Thank you. [CONFIRMATION]

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SENATOR HUGHES: Is there anyone else that wishes to testify in support of Mr. Grennan? Seeing none, anybody wish to testify in opposition to Mr. Grennan? Seeing none, anybody wish to testify in the neutral position? Seeing none, that will close that hearing. Thank you, Mr. Grennan, for coming. The next one up is a reappointment for Scott McPheeters to the Nebraska Ethanol Board. Welcome, Scott. [CONFIRMATION]

SCOTT McPHEETERS: (Exhibit 1) Thank you, Mr. Chairman, and members of the committee. My name is Scott McPheeters, S-c-o-t-t M-c-P-h-e-e-t-e-r-s, and I grew up near Gothenburg. My wife and I farmed there...wife, Patty, and I farmed there with our two sons and two daughters and their husbands and we also grow food grade corn. I actually became involved in the ethanol industry in about the year 2000. I was one of, I guess three or four farmers that would not give up on having a farmer-owned ethanol plant in Nebraska, so now we have a plant near Minden. And so I'm honored to be involved in promoting and I guess educating for the state. It's a huge industry for us. We're second in the nation in ethanol production and it's about a \$5 billion industry for us and I'd be happy to answer questions. [CONFIRMATION]

SENATOR HUGHES: Okay. Thank you, Mr. McPheeters. Are there questions? You're reappointed, so how many years have you served? [CONFIRMATION]

SCOTT McPHEETERS: Just less than a year and... [CONFIRMATION]

SENATOR HUGHES: Okay. You filled a vacancy? [CONFIRMATION]

SCOTT McPHEETERS: Filled a vacancy and then this is my first full-term. [CONFIRMATION]

SENATOR HUGHES: Okay. What position on the board are you filling? [CONFIRMATION]

SCOTT MCPHEETERS: Well, it's actually industry, and it's general industry, not necessarily the ethanol industry, but. [CONFIRMATION]

SENATOR HUGHES: Okay. And you're...you mentioned the plant at Minden, you're part of the KAAPA plant. [CONFIRMATION]

SCOTT McPHEETERS: Right. I have served on the board there since its inception, so. [CONFIRMATION]

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SENATOR HUGHES: That's been a very successful operation from what I'm hearing.
[CONFIRMATION]

SCOTT McPHEETERS: We've had a good run. (Laughter) [CONFIRMATION]

SENATOR HUGHES: Let's keep it up. Any other questions of Mr. McPheeters? Seeing none, thank you for coming. Is there anyone who wishes to testify in favor of the reappointment of Mr. McPheeters? Welcome. [CONFIRMATION]

TERRY JESSEN: Good afternoon. My name is Terry Jessen, T-e-r-r-y J-e-s-s-e-n. I've known Scott McPheeters for about eight years. I have three businesses in Gothenburg and it's related to those businesses that I met him. I've been to his farmyard, I've been to his parents' farmyard. Our business relationship is minor. However, in that context and relationship, I realized that we had something in common and that is that we are both investors in different ethanol plants. Scott is passionate about ethanol production, ethanol consumption, and use and education. Because of that passion, he has been instrumental in converting a fuel retailer at Gothenburg from a conventional retailer to now an ethanol retailer, and they've seen their sales explode to three to four times what they were selling before they put ethanol in. Scott is community-minded and he's the right person for the job. That's really all I have to say. [CONFIRMATION]

SENATOR HUGHES: Okay. Thank you, Mr. Jessen. Are there questions? Seeing none, thanks for coming in today. [CONFIRMATION]

TERRY JESSEN: Thank you. [CONFIRMATION]

SENATOR HUGHES: Is there anyone else who would like to testify in favor of Mr. McPheeters? Anyone wishing to testify in opposition? Anyone in the neutral capacity? Seeing none, that will close the reappointment to Scott McPheeters to the Nebraska Ethanol Board and we will invite Taylor Nelson to come up as a first time appointee. Welcome, Taylor. [CONFIRMATION]

TAYLOR NELSON: (Exhibit 1) Thank you, Chairman, and members of the committee. My name is Taylor Nelson, T-a-y-l-o-r N-e-l-s-o-n. I'm from the Jackson, Nebraska, area up in northeast Nebraska. I'm part of a fifth...I'd be the fifth generation in our family farming operation. I attended the University of Nebraska recently and am an agricultural economics major. During that time, I had a very unique opportunity to kind of introduce myself into the ethanol industry and it's important that I get to share the story because when we talk about the ripple effect of ethanol and some of the outstanding things that have happened from it and opportunities it has provided, I feel that my story is one of them. In my time at UNL, we had an

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opportunity in our town to purchase a convenience store and we did a total raise and rebuild projects and we brought in a whole new facility, all ethanol blender pumps, and had the opportunity to market fuels directly from our ethanol plant and provide those fuels to our consumers at a very competitive price. And it's been a very awesome opportunity to do that. We've seen volumes been very strong. It's been a very profitable enterprise. And it's been an enterprise that wouldn't have provided an opportunity for a young entrepreneur if it wasn't for the ethanol plant and the ethanol industry being there because of the added traffic and the added...just business around the plant. And some of the opportunities that provides for a convenience store, truck stop type of facility, so I was able to capitalize on that. And then retailing the product that was made, you know, the corn that we grow on our farm delivered to our local plant brought back to our retail facility and sold was a very unique opportunity. And there's a ton of value in that and so we've been very proud of that. And so being able to work with Nebraska Ethanol Board and educate on that and some of the benefits, has been a great honor. I just look at some of the success that early...people in the ethanol industry have had. Some of the people that are mentoring me on the Ethanol Board right now have had tremendous success. They built an industry from nothing and here we are today. And I look at it as kind of my responsibility and opportunity to step in and as the younger generation say, where does this market go from here and how can I help do my part to enhance it and move it forward for the farmers, for the ethanol industry, for the retailers, with my unique position and how I'm positioned in all three of those different areas. So that's what's got me interested in the ethanol industry. I also serve as the vice president of our local Nebraska Corn Growers Association. We do some work promoting ethanol and a lot of different education for our youth in our area. So getting involved on that front, I'm just trying to do my part to take, you know, ethanol and agriculture in Nebraska to the next phase for the younger generation, for people my age. So thank you for the opportunity. Any questions? [CONFIRMATION]

SENATOR HUGHES: Okay. Thank you, Taylor. Are there questions? Senator Walz.
[CONFIRMATION]

SENATOR WALZ: I just have a question. Thank you. That's a great story by the way. Tell me about the convenience store. So how did that happen? [CONFIRMATION]

TAYLOR NELSON: Well, it's something that I still can't believe when you look back. We're a farm family. (Laughter) Farm and retail are a long ways apart so the learning curve went about like that. But we learned fast, we persevere. Some of the values that you have on the farm come forward and you just say whatever you got to do to get through it. And so we reached out to every resource we could and we saw a tremendous opportunity on the ethanol front through some of the different programs that were available to get involved there. In selling, you know, ethanol blended fuels, we brought diesel fuel to our community. You know you have all this truck traffic that's coming to a plant. Before there was no place to get diesel fuel in our town and

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now all of a sudden, hey, there's hundreds of trucks a day running by here, whose going to fill that void. And so a little bit of, you know, vision, a little bit of entrepreneurial kind of dreaming it up, I guess, and then making some mistakes along the way, no doubt, and kind of figuring out how you can come out on top in the end, is kind of what we did. And we're just...we're proud of what we've done and we like to tell the story to the people making decisions on this can see that there has been an immense positive impact and it's making its way all the way down through, so. [CONFIRMATION]

SENATOR WALZ: Thank you. [CONFIRMATION]

SENATOR HUGHES: Senator Albrecht. [CONFIRMATION]

SENATOR ALBRECHT: Thank you. Well, welcome. I'm excited to see that your name is on the list and if you're ever off Highway 20, in little town of Jackson, it's probably one of my favorite places in my district and I want you to know I do go out of the way to buy my ethanol gas from you. (Laughter) And, but I will say that the little tiny town of Jackson is just so quaint, it's really nice, but definitely the folks have benefited because at the ethanol plant they pay very well. What do you have, two shifts over there at the ethanol? [CONFIRMATION]

TAYLOR NELSON: Yep. [CONFIRMATION]

SENATOR ALBRECHT: And I mean it's a community effort to bring it there and to do all that you've done, so I think you're doing a great job and I'm so glad to see the youth come back to the farm and business in the community, it's all good stuff. Thanks. [CONFIRMATION]

TAYLOR NELSON: Thank you. I appreciate that. [CONFIRMATION]

SENATOR HUGHES: So which ethanol plant or...? [CONFIRMATION]

TAYLOR NELSON: We're next to Siouxland Ethanol. [CONFIRMATION]

SENATOR HUGHES: Okay. Okay. And what board spot are you filling on the Ethanol Board? [CONFIRMATION]

TAYLOR NELSON: I'm filling the corn position, the corn growers. Yep. [CONFIRMATION]

SENATOR HUGHES: Okay. Okay. Senator Kolowski. [CONFIRMATION]

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SENATOR KOLOWSKI: Thank you, Mr. Chairman. Taylor, I think you're the youngest person we've had in my six years of interviewing and bringing people on board. Nothing wrong with maturity of course, (laughter) but congratulations. It's a great story you've told and you'll have a long, hopefully, and very beneficial impact on our committee and the direction things are going in the future. Good luck with your work. [CONFIRMATION]

TAYLOR NELSON: I appreciate that. Thank you. [CONFIRMATION]

SENATOR HUGHES: Any additional questions? Seeing none, thank you, Taylor. Is there anyone wishing to speak as a proponent of this appointment? Anyone wishing to speak in opposition to the appointment? Anyone wishing to speak neutral? Seeing none, that will close our hearing for the appointment of Taylor Nelson to the Nebraska Ethanol Board. With that, we have a bill, LB822, and committee counsel, Laurie Lage, is going to introduce that for us. Thank you, gentlemen, appreciate it. Welcome, Mrs. Lage, to the Natural Resources Committee. [CONFIRMATION]

LAURIE LAGE: Thank you. I'm Laurie Lage, L-a-u-r-i-e L-a-g-e, committee counsel for Natural Resources, here to introduce LB822. LB822 makes a very simple change to the statutes that give the Department of Natural Resources their duties. It's not a substantive change and, in fact, this bill is intended to be a shell bill for any issues that may come up later in session, especially particularly dealing with the Department of Natural Resources. So it can be used as a vehicle for something we might need later. So there's nothing else really to say about the bill, but I'd be happy to answer any questions. [LB822]

SENATOR HUGHES: Any questions for Ms. Lage? Did the committee have a bill like this last year? [LB822]

LAURIE LAGE: Yes, they did. [LB822]

SENATOR HUGHES: And it's still in place. [LB822]

LAURIE LAGE: It's still in place. [LB822]

SENATOR HUGHES: But we would have two vehicles, or two vehicles should we need them. [LB822]

LAURIE LAGE: Two vehicles. [LB822]

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SENATOR HUGHES: Okay. Any other questions? Seeing none, thank you. Is there anyone wishing to testify as a proponent of LB822? Seeing none, is there anyone who wishes to testify in opposition to LB822? Seeing none, is there anyone wishing to testify as a neutral position to LB822? Seeing none, that's got to about be a record. We will close the hearing on LB822.

[LB822]