

Transcript Prepared by Clerk of the Legislature Transcribers Office
Natural Resources Committee February 13, 2020

HUGHES: Good afternoon, everyone. Welcome to the Natural Resources Committee. I'm Senator Dan Hughes, I am from Venango, Nebraska, and I represent the 44th Legislative District. I serve as chair of the committee. The committee will take up the bills in the order posted. Our hearing today is your public part of the legislative process. This is your opportunity to express your position on the proposed legislation before us today. The committee members may come and go during the hearing, this is just part of the process as we have bills to introduce in other committees. I will ask you to abide by the following procedures to better facilitate today's proceedings. Please turn off or silence your cell phones. Introducers will make initial statements, followed by proponents, opponents, and then neutral testimony. Closing remarks are reserved for the introducer-- introducing senator only. If you are planning to testify, please pick up a green sign-in sheet, that is on the table at 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 our page or to the committee clerk. This will help us make a more accurate public record. If you do not wish to testify today, but would like to record your name as being present at the hearing, there is a separate white sheet on the tables that you can sign in for that purpose. This will be part of the official record of the hearing. If you have handouts, please make sure you have 12 copies and give them to the page when you come up to testify, and they will be distributed to the committee. When you come up to testify, please speak clearly into the microphone. Tell us your name and please spell your first and last name so we can get an accurate record. If you do not do this, I will stop you and have you do that. We will be using the light system for all testifiers today. How many people are here who wish to testify today? Can I see us show of hands? OK. We, we-- you will have three minutes to make your initial remarks to the committee. When you see the yellow light come on, that means you have one minute remaining. And the red light indicates your time has ended. Questions from the committee may follow. No displays of support or opposition to a bill, vocal or otherwise, is allowed at a public hearing. The committee members with us today will introduce those selves-- themselves, starting on my left with Senator Moser.

MOSER: Sorry about that. Mike Moser, District 22: Platte County, Stanton County, and a little bit of Colfax County.

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HALLORAN: Good afternoon. Steve Halloran, representing District 33: Adams County, western and southern Hall County.

QUICK: Dan Quick, District 35: Grand Island.

GEIST: Suzanne Geist, the east side of Lincoln and Lancaster County.

HUGHES: And on my right.

GRAGERT: Good afternoon. Tim Gragert, District 40: northeast Nebraska.

ALBRECHT: Hi, Joni Albrecht, northeast Nebraska, District 17: Wayne, Thurston, and Dakota Counties.

HUGHES: Senator Bostelman, who is the vice chair of the committee, is introducing a bill in a different committee today. To my left is committee legal counsel Andrew Vinton, and to my far right is the committee clerk Mandy Mizerski. Our pages for the committee today are Veronica, and that's about as good as I can do. I apologize. We appreciate you coming and helping. So with that, our first item on the agenda is the appointment of Karl Barfuss to the Environmental Quality Council. So, Mr. Barfuss, if you'd come up to the chair and give us just a brief background on yourself and why you would like to serve on the Environmental Quality Council. Thank you for coming today.

KARL BARFUSS: Certainly. Thank you, Chairman Hughes, members of the Natural Resources Committee. I appreciate the opportunity that, that is in front of me and the opportunity to testify in front of you today for my appointment to the Environmental Quality Council, representing heavy, heavy industry.

HUGHES: Mr. Barfuss, please spell your name.

KARL BARFUSS: I'm sorry, Karl, Karl Barfuss, K-a-r-l, B-a-r-f-u-s-s. A little background on myself. I currently live in Norfolk, Nebraska. I work for Nucor Steel. I grew up actually in Fargo, North Dakota, lived on a, in a small farming community. We had a family farm. Moved to South Dakota when I was 9 years old, graduated high school there, went on to the South Dakota School of Mines and Technology where I earned an industrial engineering degree with a minor in occupational safety and health. Upon graduation, I moved straight to Norfolk, Nebraska, to work for Nucor Steel straight out of college. And I've been with Nucor for over 13 years now, primarily functioning in areas of environmental safety and health, my entire career. In 2016, I had the opportunity to relocate to Blytheville, Arkansas, and in 2018 I actually had the

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opportunity to come back to Nebraska, back home. Nebraska is the home for my wife and I. My wife grew up in Crofton and we both consider Norfolk to be our hometown now. I've had countless opportunities throughout my career to work hand-in-hand with the Nebraska Department, Nebraska Department of Environment and Energy and EPA through permitting actions related to air and water, as well as a just day-to-day compliance with overall regulations for environmental safety and health. My entire 13-year career has been spent in environmental health and safety, and I intend to bring that, that experience with me to the Environmental Quality Council. As an environmental professional, I believe my first job is to, first and foremost, to protect the environment. Then, then on to ensure compliance with local, state, and federal regulations. As a member of the EQC, I'm not just representing my employer, but I'm also representing all heavy industry in the state of Nebraska. And I take that responsibility seriously. I look forward to working with my fellow EQC members, Director Macy, and the Nebraska Department of Environment and Energy to ensure that Nebraska's environmental regulations protect the environment while also allowing for business to grow and prosper in the state of Nebraska. So with that brief overview, please, if there's any questions for me.

HUGHES: Thank you, Mr. Barfuss. Are there any questions? Senator Albrecht.

ALBRECHT: Thank you, Chairman Hughes. And thank you for being here today and for your service. So you work a full-time job. Usually those that we're appointing seem to all be retired. How do you work around that? How often do they meet?

KARL BARFUSS: The EQC meetings are at least twice a year. For me, there's no issue. My, I have the support of my employer to make whatever time available for the committee and make it a priority to be there for those meetings and the preparation.

ALBRECHT: Perfect. Thank you for your service.

HUGHES: Are there any-- Senator Geist.

GEIST: Yes. Thank you for your service, or your potential service. And thank you for stepping forward. And I'm just going to go out on a limb and think I might be the only one on the committee who knows exactly where Blytheville, Arkansas is, because I happen to be--

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KARL BARFUSS: Yes.

GEIST: --from Arkansas. So I bet that was an interesting experience for you.

KARL BARFUSS: It was definitely an interesting experience. Without getting into too much detail, I will say my appreciation for integrity and honesty in local, county, state government and officials, I definitely learned an appreciation for that after living down there.

GEIST: I won't comment on that. But I appreciate you stepping forward and being willing to serve in this way. So thank you.

KARL BARFUSS: Certainly.

HUGHES: Are there any additional questions from the committee? You indicated that you have attended one meeting of the Environmental Quality Council so far. What type-- what would be a goal? I mean, if you had enough time to be involved, you know, what kind of a goal would you have while you're serving on the committee?

KARL BARFUSS: Certainly. My goal is to bring the perspective of heavy industry, to make sure that we're balancing, you know, protection of the environment with being still economically viable as an industry in the state of Nebraska and just bringing a voice to the concerns from the regulated community with the understanding that, you know, we live here in this state and we want to protect our precious resources that we have, which includes everything that we do to protect the environment on a day-to-day basis.

HUGHES: OK, very good. Any additional questions? Seeing none, thank you for coming to testify today. Is there anyone wishing to testify as a proponent to the appointment of Karl Barfuss to the Environmental Quality Council? Anyone wishing to testify in opposition to Mr. Barfuss's appointment? Anyone wishing to testify in the neutral capacity? Seeing none, that will close our hearing on the appointment of Karl Barfuss to the Environmental Quality Council. Next on the agenda is LB933. Senator Crawford, welcome to the Natural Resources Committee.

CRAWFORD: Good afternoon, Chairman Hughes and members of the Natural Resources Committee. I think this is my first time here so. My name is Senator Sue Crawford, S-u-e C-r-a-w-f-o-r-d, and I represent the 45th Legislative District of Bellevue, Offutt, and eastern Sarpy County.

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And I'm here today to introduce LB933 for your consideration. LB933 deals with utility shutoffs. We first got interested in this topic after reading about a bill that passed in New Jersey to reduce shutoffs for people who are in, who have life-saving medical equipment. And that got me interested in what our shutoff policies were for people with life-saving equipment. And also from that then I had-- we, I had conversations with people who deal with customers who face shutoffs and con-- and conversations about what we learned from LR394 in 2018. Senator Quick's LR on utility shutoffs, was an important part of conversations, as well as we've had conversations with utility companies as well. And so all of those together have really come together in LB933. LB933 includes a number of updates to current statute aimed at helping medical customers facing a shutoff. Currently, when customers present a doctor's note describing a customer's illness or handicap which would cause the customer a serious and immediate health hazard if disconnected from a utility, statute reads that a utility company may postpone or cancel that customer's disconnection. This existing provision can be confusing and unhelpful to the customer if they are informed that their disconnection may be postponed or prevented. LB933 changes that "may" language to a "shall", clearly requiring utility companies to grant the postponement or prevention of disconnection upon the receipt of a doctor's note. The green copy of LB33 changes the current 30-day grace period and statute to at least 60 days. As a result of recent discussions with utility companies and the nonprofit community assistance agencies, I've just distributed an amendment that changes that language to just back to-- to at least 30 days. This is a compromise amendment that removes opposition from the utilities. I felt comfortable bringing forth this amendment, knowing that the other components of the bill offer substantial benefit to customers in need. And I'm grateful to, to many of the major utility companies in the state for collaborating with me on this effort to help prevent utility shutoffs and clarify the utility shutoff procedures for our most vulnerable customers. LB933 also prohibits utility companies from charging excessive fees for disconnections or reconnections. We have heard of some instances in which customers were charged disconnect or reconnect fees that exceeded the original amount of debt incurred by the customer. For those who are already struggling to pay a bill, unfair high disconnect or reconnect fees could dig them further into debt. LB933 further removes the current statutory provision that only one postponement shall be allowed for each incident of nonpayment. With that language currently in place, we are barring utility companies from making their own decisions about whether to grant an

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additional postponement if a customer's medical situation is dire. Utility companies should have the ability to make their own determination in this situation and to grant an additional extension if they so choose. And that's why the language in LB933 is changed to say that only one postponement shall be required. So the one postponement is required and then we just make the law silent on whether or not there can be more than one. LB933 broadens language about the required doctor's note for ex-- for extension to allow this documentation to be provided by an APRN or PA, in addition to a physician. As provider shortages increase and more patients are getting care from PAs and APRNs, limiting the authority to provide the documentation to physicians only could make it more difficult for patients to acquire the necessary certificate within the five-day business window. Finally, LB3-- LB933 requires utility companies to publish certain information about utility shutoffs on their website and to make it available by mail upon request. I would note that municipal utilities owned and operated by a village are exempted from the medical shut off and these notice requirements, and LB33 [SIC] does not change that. The information required to be available on the website and by mail is-- are pieces of information that are already statutorily required to be on the shutoff notice. So, so it's information that the utilities already have and are required to put on shutoff notices, versus asking that they can be available before a shutoff notice. So someone can know that information before they're in a situation of a shutoff. If a customer is in a medically fragile condition, funds may be hard to come by, and the last thing they need to worry about is keeping their power on. An extension that gives the customer a little extra time to work out a payment plan with the utility company or to get help from community resources. Every utility company we consulted with in this process, including NREA, NPPD, OPPD, LES, MUD, and Black Hills indicated that they generally already provide at least a 30-day grace period for medical customers and that their companies are more than willing to work with customers to help prevent them from being shut off. And I commend them for their efforts in this important area. As a result of discussions with utility and nonprofit partners on the bill, I've agreed to faci-- also facilitate a working group discussion among these various entities to help increase communication among utilities and groups that provide assistance to customers to proactively identify the solutions and brainstorm ways to help the public understand where to go for help when they need it. Colleagues, LB933 contains a number of small but important shifts to allow those facing serious medical challenges a bit more time and flexibility to prevent tragedies from occurring as a

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result of utility disconnections. No one should have to die because they were late on their electric bill. With that, I turn it over to our testifiers, and I'm happy to take questions now or at closing or both.

HUGHES: Thanks, Senator Crawford. Are there any questions? Senator Geist.

GEIST: Yes. Thank you--

CRAWFORD: Thanks.

GEIST: --Senator Crawford, for bringing this bill. I do have a question. And I'm wondering if, like, what is the reason you brought the bill? Is this a problem that, that you're seeing that, or nonprofits are seeing, that some of the people they serve have or is this something you heard from the community or a constituent?

CRAWFORD: Sure, sure. And as I indicated, so my first interest and utility shutoffs came from reading a story about a bill that passed in New Jersey. So that was the first interest in this as a topic. And then after that, then I had conversations with nonprofits who work with people who, who are facing shutoffs and also looked at some of the results from an LR that was done on utility shutoffs in 2018 and had those conversations. But what originally got me to think about the topic in the first place--

GEIST: OK.

CRAWFORD: --really was a story about the bill that passed in New Jersey to deal with the-- it passed after a tragic situation where someone had died because they had medical equipment and they had their utilities shut off.

GEIST: Thank you.

CRAWFORD: You're welcome.

HUGHES: Additional questions? I just have one. So in, in your discussions with the electricity providers or energy providers, did they have pretty much a standard procedure for when there is a disconnect or did you find everybody had a, a very different procedure? Is there a one-size-fits-all or everybody's doing their own thing? Did you, did you get into those conversations?

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CRAWFORD: Well, the, the statute requires part of the procedure, which is the shutoff notice. And I don't recall any con-- any conversations much about the process itself. Other than that most of, you know, that they were sending the shutoff notices and that often, and they were trying to work with the customers in that 30, 30-day window.

HUGHES: And as I recall, there has to be an individual go to the address? It cannot just be by letter? Is that--

CRAWFORD: I don't, I'm not familiar with that component.

HUGHES: I'll ask, I'll ask--

CRAWFORD: Yeah. You ask the utility.

HUGHES: --somebody from the utility.

CRAWFORD: That's good questions to ask the utility companies.

HUGHES: OK, very good. Anything else? Thank you, Senator Crawford.

CRAWFORD: Thank you.

HUGHES: We will begin with proponents. I would ask if you are wanting to testify as a proponent, please move to the front of the room because we have a lot of people who want to talk today. So any proponents? Welcome.

TRISHA THOMPSON: Thank you, Senator Hughes, Chairperson Hughes, and members of the committee. My name is Trisha Thompson, T-r-i-s-h-a T-h-o-m-p-s-o-n, and I am the senior intake coordinator for Nebraska Appleseed. We're a nonprofit organization that fights for justice and opportunity for all Nebraskans, and we support LB933 and believe it's an important step forward in addressing the needs of folks faced with shutoffs here in Nebraska. As a little bit of background, we have been examining issues of energy affordability and utility shutoffs for several years now, and we've held community conversations in multiple locations across the state. And I myself have personally spoken with hundreds of Nebraskans who have experienced a shutoff. And so, you know, I'm here today where so many of them are unable to be hoping to do justice to, you know, the insights and experiences that they have shared as, you know, through their, their hardship, they have become the unenviable experts on, on this issue. And it's really informed our understanding and position on this matter more than probably any academic pursuit and analysis of the data could. But we do still have

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plenty of data, and you'll find some of that summarized in the fact sheet that is included with our written testimony. We had analyzed the shutoff policy rates and fees at 73 of the public power providers here in Nebraska. In that survey, more than 10 percent of them had no formal written policy related to service disconnection, which underscores the need to require the development and publication proactively of that information so it's available to customers. Very few of them actually track the numbers of shutoffs that they perform. But of the ones that do, we would estimate that 1 in 20 households a month are shutoff for inability to pay. And we believe that this undoubtedly includes folks with serious health issues for whom the [INAUDIBLE] 30-day postponement was insufficient. So we do, would prefer the original language that extended that to 60 days. It just can be challenging for people to avail themselves of the extension. Some companies don't honor it, which is why it's important to acquire that of them. And people rely on non-physicians for their health care needs, so it's important to broaden the scope to include physician assistants and nurse practitioners as the bill does. As far as fees go, I just want to give one example of someone being shut off by NPPD. If that person's service is disconnected, they have a late fee of \$15 or 15 percent of their balance, whichever is more. If they're not able to get to the office to pay, then they also have a \$60 collection fee. If they're able to pay during business hours, \$75. Outside of business hours, \$165. Wrapping up, they're also required to pay a deposit of \$225 and a return check fee of \$30 if maybe they tried to pay with insufficient funds.

HUGHES: OK. Thank you.

TRISHA THOMPSON: All of this is on top of the existing balance that they have. So ultimately we appreciate the bill and we support LB933 and hope that you will advance it from committee. Thank you.

HUGHES: OK, thank you, Ms. Thompson. Are there any questions? Seeing none, thank you for testifying today. Next proponent. Welcome.

KATHY KAY: Good afternoon. Chairman Hughes and members of the Natural Resources Committee, my name is Kathy Kay, K-a-t-h-y, last name is K-a-y. I am here representing the League of Human Dignity. The League of Human Dignity is a private nonprofit organization which for 48 years has assisted people with disabilities to live independently in their homes and communities. Services provided include independent living skills training, information and referral, individual and systems advocacy, peer mentoring, financial benefits counseling,

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services coordination, recruitment and supervision of in-home providers, transition and diversion from institutions, youth transition, disability awareness, and grants to make accessibility modifications in consumers' homes. The league is very supportive of LB933 and urges you to vote for this important piece of legislation. This legislation was introduced to help protect Nebraskans with disabilities and other serious health issues from the dire and possibly dangerous consequences of utility disconnection. This would include those who rely on powered mobility equipment and those who use oxygen, dialysis, heart/breathing monitors, or other powered medical equipment in their home. The League of Human Dignity realizes that a person who experiences a disability and depends upon electricity for their nobility-- excuse me, mobility or life-saving durable medical equipment needs to be assured of the continuity of that utility resource. A bill that would provide a reasonable modification-- notification time frame and then remedies for paying off unpaid balances is not only humane, but potentially life-saving. It's good that companies, utility companies, are concerned about the financial well-being of their customers, but Nebraskans with disabilities deserve the opportunity to make their own decisions. Paternalistic attempts by outside interests to restrict the autonomy of people with disabilities have been historically and remain insidious within federal, state, and local policymaking. Instead of speculating about what is best for customers with serious health issues, we should rely on the experience, wisdom, knowledge, and ability to self-direct of Nebraskans with disabilities who know what is truly best for their health and financial situations. Many individuals with disabilities survive on very low fixed incomes and do not have the same financial flexibility that many of us in this room enjoy. For them, 60 days could be critical to modify their budget, cut costs where possible, generate a bit of additional income or secure assistance in paying their bill. Please support LB933, as it's the right thing to do for individuals with disabilities in Nebraska. Thank you.

HUGHES: Thank you, Ms. Kay. Are there any questions from the committee? Senator Albrecht?

ALBRECHT: Thank you, Chairman Hughes, and thank you for being her today, Ms. Kay. When people call in to, to ask for advice from you, do you keep track as well as to what, what their outcome is or--

KATHY KAY: Yes, we do. We, what we do at the Center for Independent Living, we do what's called an IL, independent living plan, an ILP.

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And they come to us with something like this saying, they're going to shut off our utilities, and then we would work with them on either securing funding, grants, budgeting, whatever.

ALBRECHT: Do you ever call the utility company yourself on their behalf?

KATHY KAY: We believe that-- we work with people that self-direct. And so we help them to be their own advocate. So if they asked us to help them with that, we would. But we usually would not call on their behalf. We would assist them, because we believe that people self-direct. And so we want to support them so they can learn those important independent living skills.

ALBRECHT: Great. But one other question. If they, if they have that issue one time, do you see that happens often? I mean, is it just a situational type thing that they had problems with? I know a lot of people are on limited incomes. But, but I mean, I think I've sat through some of this before where you get assistance once or twice, maybe three times, but then, then where do you send them when they're having struggles?

KATHY KAY: Just as people without disabilities, not everybody is really good at budgeting and handling money.

ALBRECHT: So you sit down and help them.

KATHY KAY: And people with disabilities are just like all the rest of us. Some people are great with money, some people are not. So across the board, I can't say this happens all the time. But there are some people that don't have good budgeting skills. It has happened.

ALBRECHT: OK.

KATHY KAY: But this is not asking for over and over and over again, it does limit how many times they would be able to receive that. But sometimes we do see people that aren't the best in budgeting. We work very hard. But just like my 25-year-old daughter is not good at budgeting, she doesn't have a disability.

ALBRECHT: Well, I thank you for your testimony.

KATHY KAY: Thank you. And I'm from Wayne so.

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HUGHES: Are there any additional questions from the committee? Seeing none, thank you, Ms. Kay.

KATHY KAY: Thank you very much.

HUGHES: Next, proponent. Welcome.

MARY SPURGEON: Thank you. Good afternoon. Mary, M-a-r-y, Spurgeon, S-p-u-r-g-e-o-n. Senator Hughes and members of the Natural Resources Committee, I speak as a citizen, citizen of Nebraska in support of LB933. Others have or will testify as to the negative effects and costs to individuals and families when electricity and other forms of domestic energy is terminated in the living spaces of vulnerable individuals without warning or recourse. My theme is about the unintended consequences and resulting costs of failing to address the need which has driven the drafting and introduction of LB933. This bill has no fiscal note. If passed, it will cost the governing boards and employees of energy entities time and thought to craft and carry out a policy that complies with the terms of the new law. Private companies may make a little less profit and public power entities may pay out a little less of in lieu of taxes moneys. If not passed, there will continue to be a fiscal note for the state, county, or city governments. We live in a time when homes are heated or cooled by gas or electricity. Electrical food coolers and electric lighting are the norm. This is so much the norm that when the power is shut off, if there are children in the home, they may be removed and put into the care of social services because it's assumed that a dark, unheated, or uncooled home with no refrigeration is unsafe. Who pays when that happens? What if a vulnerable adult in that situation then requires more medical care or hospitalization? Who pays for that? What if their ongoing treatment then requires a nursing home setting? Who pays for that? What if the person dies? Who pays those expenses? What if a vul-- vulnerable adult is a parent or grandparent raising grandchildren? Having lost their habitable living space, if they're lucky, they can go to a homeless shelter. Who pays for that? My point? By the time these scenarios have played out and the expenses are tallied up, proactively addressing the problem of eminent discontinuance of utility services on vulnerable individuals and families by, one, allowing them extra time to pay; two, clearly stating in policy the disconnection and reconnection procedures; and three, limiting excessive fees for those services, winds up looking like a very fiscally responsible decision in comparison. I understand the very human impulse to use these unhappy situations as teachable

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moments. To emphasize to the people in the middle of these circumstances they are, they are not behaving responsibly, that they ought to know better, that maybe having this happen will teach them a lesson. But I must say that I am finding the cost of these lessons, such as the cost of the Medicaid expansion waiver proposal, which was not legislated by you nor by the people, to be prohibitively expensive. Please, let's help people first and then introduce and enact lesson legislation. Thank you for your attention and for your service.

HUGHES: Thank you, Ms. Spurgeon. Are there any questions? Seeing none, thank you for your testimony. Welcome.

KAREN VELL-DANCY: Thank you. Good afternoon, Chairman and members of the Natural Resources Committee. My name is Karen Vell-Dancy, K-a-r-e-n V-e-l-l-D-a-n-c-y, and I am the executive director of the YWCA of Lincoln. The mission of the YWCA is dedicated to the elimination of race-- racism and the empowerment of women and promoting peace, justice, freedom, and dignity for all. I'm here to testify in support of LB933 to help keep the women and families we work with, as well as many others in Lincoln, safe, healthy, and stable. I would like to first thank Senator Crawford for introducing this legislation to limit excessive fees related to shutting off and returning service by requiring utility companies to charge only reasonable amounts for such procedures. We took part in a survey last year and it was delivered to nearly 60 of our participants in our various programs. The YWCA Lincoln programs concentrate on the need for participants to increase to a socioeconomic level, employment status, mental and physical health, educational attainment, and just overall well-being for their families. The survey took an inventory of the basic needs as well as barriers that would prevent success for families. The results were hard to digest. While we realize the severity of this problem, we were surprised to hear the resulting devastation that came from utility shutoffs. Our clients share that a utility shutdown was often the start of a series of resulting events, including being evicted, losing housing assistance through Section 8, becoming homeless, having a report made to child protection services, and resulting in the removal of children. And of course, many shared their results detrimental on the impact of their mental health. We are concerned about the frequency of this happening and the lack of process in place to protect Nebraskans who are facing difficult times. By limiting excessive fees, protecting those with health issues from utility shutoffs and improving transparency around the disconnection

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process, LB933 will take important steps in supporting individuals and families who are at risk for the unfortunate outcome in the situation of the utility show leading to much more detrimental outcomes. We thank Senator Crawford again for addressing this legislation, and we ask the committee to advance this on to General File. Thank you.

HUGHES: Thank you, Ms. Vell-Dancy. Are there any questions? Senator Geist.

GEIST: Yes. Thank you.

KAREN VELL-DANCY: Yes.

GEIST: Thank you for being here. And thank you for serving the community as you do.

KAREN VELL-DANCY: Thank you.

GEIST: I do have a question about-- you had a survey and you learned some of this information in your survey. Can you tell us about how many people in that survey, and I think there were about 60 participants.

KAREN VELL-DANCY: Yes.

GEIST: How many of those individuals were affected in this way? Did it take a look at that number?

KAREN VELL-DANCY: I don't have the exact number because we did it in a confidential survey, and we didn't ask if they actually had a shutoff, but if they were facing that situation. And it was approximately two-thirds that said they had faced that situation.

GEIST: OK.

KAREN VELL-DANCY: But I don't know if they actually had the disconnection.

GEIST: OK. OK, thank you. It just helps us to hear--

KAREN VELL-DANCY: Yes.

GEIST: --the magnitude of the problem, is--

KAREN VELL-DANCY: Sure.

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GEIST: --I ask.

HUGHES: Very good. Thank you, Senator Geist. Any other questions? Seeing none, thank you, Ms. Vell-Dancy.

KAREN VELL-DANCY: You're welcome. Thank you.

HUGHES: Next proponent. Welcome.

JEFF EASTMAN: Thank you. Good afternoon. My name is Jeff Eastman. I'm from North Platte, Nebraska. I have some prepared remarks. My name is Jeff Eastman, J-e-f-f E-a-s-t-m-a-n, and I'm the managing attorney for the Legal Aid of Nebraska's North Platte office. And we thank Senator Crawford on behalf of Legal Aid for introducing this bill and for inviting Legal Aid of Nebraska to testify. I was born and raised in North Platte. For the past 29 years, I've practiced as an attorney in, in Nebraska. My career started in Ogallala as a prosecutor, county prosecutor. And I've been with Legal Aid for 12 years in the North Platte office, and I feel that I have a good understanding of the issues facing low-income rural Nebraskans. Legal Aid of Nebraska is the only statewide nonprofit law firm providing the free legal services to low-income Nebraskans. For thousands of Nebraskans Legal Aid is the only place to turn to for legal assistance. In 2019, Legal Aid closed over 12,000 cases. Now, many of you may be aware of what Legal Aid does, and I certainly hope you are. But as far, for the substance of this bill, the majority of legal aid clients are cost-burdened renters who reside in non-energy efficient, efficient homes. And that's kind of the key. They're not efficient, they're older, non-efficient. North Platte has an overwhelming stock of old houses. They're just not building. And it's, it's a cost factor to build new and to remodel. So North Platte has overwhelming problem with old stock of housing, which is poorly insulated. Because these homes are not energy efficient, utility bills are a major monthly expense, often second only to the rent. During months of extreme heat or cold, my clients' utility bills can spike beyond what they can afford. My clients often cannot, though-- they get behind on their bills. I'm looking at my repair-- prepared remarks, but they just can't keep up with their bills. And often what happens is the agreement is signed to lease the property, and then winter comes and their utility bills get sky high and they're not planning on that. And my clients are quite often not very good at planning. And so that's part of the reason that these problems happen to them. But I see my time is short, but I, again, Legal Aid is in support of this bill. Although, as you probably often hear, it doesn't go as far as we would

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certainly want it to. But it's something that would be helpful to us. The part of the bill and I do want to point out that is ripe for abuse, that a bill-- that this bill does address is the limit on what a reasonable disconnect and reconnect charge can be. Now, I'm not going to get into the details of that, but I think it's easy to understand that there is no regulation of that the way it is. So thank you for your time.

HUGHES: Thank you, Mr. Eastman. Are there questions? Senator Albrecht.

ALBRECHT: Thank you, Chairman Hughes. And I know you were cut short and it's, it's just three minutes. But where in the bill-- so you're most concerned about the charges and that's what kind of escalates these folks into having trouble keeping their place or going on. So when they call you, what is it that you do? Do you also just coach them on what they need to do or do you step in and try to help them?

JEFF EASTMAN: By the time they call me, and my clients are very savvy as far as seeking help. So they've already been to the church, they've already been at the Salvation Army. And so by the time it gets to me, and the church is maybe a once, one-time deal. They're like, OK, we've served you this one month. But I will contact the utility companies on their behalf. There's not a lot that, that we can do. I will say that the utility companies, they're not willing to write off that bill, but I think they've been pretty understanding. They're not in the business of just putting people out on the street. But at some point, you know, they, they have to watch that debt and not let it spiral out of control. I mean, they're a business too, for what they do. So they have to watch that.

ALBRECHT: So, I mean, what I'm hearing is, even from the first gal that testified from Apple-- or Appleseed, yeah, I mean, those numbers of different types of reentry to get your electricity put back on and all the different checks that you have to write or, or deposits that you have to make, that seems to be even a larger issue that this bill could actually maybe help. So is that what you're saying in the bill--

JEFF EASTMAN: Yes, that's the part--

ALBRECHT: --it's missing is--

JEFF EASTMAN: That's the part of the bill, of the bill I thought that could be most helpful from what the, what the changes suggested, suggested in that bill. And I know one of the previous testifiers

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mentioned about, and I don't recall who it was, but it was the NPPD bill, I think. And I'm not here to name names or call anybody out, but I think the-- and I've seen this happen where the utility company says, OK, you're disconnected. You give us two months upfront, and there maybe even be a deposit on top of that. So you're talking, I think, I think, one of the cases I had was \$800 was being requested from the people that no longer had heat. And that was a recent case like that. So thank you.

ALBRECHT: Thank you.

HUGHES: Any additional questions? Senator Moser.

MOSER: Most of those utilities have a level utility kind of average where you can pay the average of your bill every month so you don't get those real high bills in the winter, real high bills in the summer. So that would probably be something to encourage your clients to apply for and so they don't get \$500 heat bills in December and \$50 bills in October or September when it's, you know, temperature is perfect.

JEFF EASTMAN: Right, there's no question that that's something that, that they should be doing. But I think the problem comes in where they're not anticipating. And as I say, these are poor, poorly kept homes. They got, you know, rain comes through the ceiling and windows are broke. So they're very hard to heat. My clients think, well, I'm going to get a heating bill this month for \$200. Well, they get the bill and it's like \$400 or \$500. That's where the problem comes in. But you're right, there's, there's certain things that my clients could do.

MOSER: I'm just thinking you could encourage them to.

JEFF EASTMAN: Sure.

MOSER: They may not think of that on their own, you know?

HUGHES: Any additional questions? Seeing none. Thank you, Mr. Eastman, for your testimony. Welcome.

KEN WINSTON: Good afternoon, Chairman Hughes and members of the Natural Resources Committee. My name is Ken Winston, K-e-n W-i-n-s-t-o-n, and today I am appearing on behalf of Legal Aid of Nebraska in support of LB933. The purpose of my testimony, there was a manual that was passed out to you by Mr. Eastman, and that was put

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together as a result of surveys that were done by students who were participants in the environmental 319 class at UNL in 2018. And then I was the person who compiled the information and put it together in terms of, of a report that is available through Legal Aid. And so the, just to cut to the chase, there's a lot of information in that, in that report that isn't necessarily relevant to this hearing because it's intended to provide a manual for attorneys and for low-income people about various resources that are available for them regarding utility service, particularly if they're facing shutoffs or need help on their bills. But probably the main things that I wanted to focus on were just to support some of the things that have already been said today, which is that those surveys uncovered the fact that there's, there's very little uniformity. Their utility policies are all over the place with regard to, to well, to all sorts of things. And the other aspect of it is, the second aspect that I wanted to emphasize, which has also been mentioned this afternoon, which is-- and that LB933 would address, is the fact that, that oftentimes it's hard to find the information. Some, some utilities have excellent websites, excellent materials that you can access very easily. Some of them we couldn't find any information. We couldn't find any, find out what, what they were-- what was available at all. So the, the thing that LB933 would do is it would establish a standard. It was said that the amount of the disconnect and reconnection fee could not be more than the actual cost of disconnecting, disconnection or reconnection. And it would also require that information to be, to be made readily available. So, so both of those things are, are, are things that we uncovered as being issues in our research and we would encourage the committee to advance LB933. Thank you.

HUGHES: Thank you, Mr. Winston. Are there any questions? Seeing none, thank you for your testimony.

KEN WINSTON: Thank you.

HUGHES: Welcome.

ASHLEY FREVERT: Good afternoon. Chairperson Hughes and members of the Natural Resources Committee, my name is Ashley Frevert, that's A-s-h-l-e-y F-r-e-v-e-r-t, and I am the executive director of Community Action of Nebraska. We are the statewide association for Nebraska's nine community action agencies. I am testifying in support of LB933, and I'd like to take-- to thank Senator Crawford for introducing legislation that aims to positively impact vulnerable Nebraskans, as well as preserve and uphold partnerships that

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organizations like Community Action has with utility companies. Community Action is creating opportunities for success, encouraging and empowering participants toward accessing knowledge and resources they need to reach economic stability and providing supportive guidance from experts who believe in the powerful role hope plays in long-lasting change. It is through our relationships with businesses, industries, service organizations, government and community members that we are able to improve the conditions of people living in our state. Working together with our communities is a hallmark of Community Action, and through the power of our partnerships, we will eliminate poverty in Nebraska. Just as we empower participants of our services. We also empower businesses to find innovative ways to become more involved in their communities. A unique opportunity not always the case in nonprofits is our tripartite makeup of our board of directors. One-third are representative of low-income population, one-third are elected public officials currently holding office or appointed by officials holding office, and one-third are private sector, which includes representatives from business, industry, labor, and other major groups and interests in our communities. Partnerships that are not only found within our referral system, but are also at the forefront of our leadership. The essence of LB933 is to address the fundamental ways consumers and utility companies interact. It beckons decency, ownership of responsibility, and transparency that all Nebraskans deserve. We support further conversations, particularly the workgroup Senator Crawford described in the introduction, to address the intricacies of the provisions in this bill. And we will continue to work with utility companies alongside those Nebraskans who are in need of utility assistance. Without a working relationship, there is no partnership. And without a solid and collaborative partnership, we cannot end the cycle of poverty. Again, to Senator Crawford and with your staff, thank you for introducing this bill. This is an important step that will bring a necessary conversation to the table that has been waiting to be set. Thank you to the committee for your time, and I ask that you please support LB933 and its amendments proposed. I'm happy to answer any questions you have.

HUGHES: Thank you, Ms. Frevert. Are there any questions? Seeing none, thank you for your testimony.

ASHLEY FREVERT: Thanks so much.

HUGHES: Welcome.

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PENNY GREER: Thank you for welcoming me and allowing me to testify. My name is Reverend Penny Greer, P-e-n-n-y G-r-e-e-r. My legal name is actually Helen L., but Penny is how I go by, so I'm starting there. First of all, I wanted to answer an earlier question. I spent about a half an hour today Googling around to see what kind of fees do exist in some of our utility companies. First of all, it's hard to find this information, and that's not good. So I think this bill would help address that situation. LES required a security deposit once a person is disconnected. And I don't know exactly what that meant. McCook Public Power required \$150 before reconnecting. NPPD requires \$75. OPPD had very interesting language, which is not clear to me at all. They may require a deposit to double the maximum bill, and I quote. So apparently if there's a large arrearage, they would ask for double the arrearage. I-- that's not at all clear to me, as to what this means. So as you can see, these policies are all over the map, just with this small demonstration. I represent Nebraska Interfaith Power and Light. I'm the board chairperson. I'm a retired pastor from the United Church of Christ. We're a statewide interfaith nonpartisan, nondenominational organization providing moral messages on issues related to climate change and care of creation. Climate change is the most important issue of the 21st century. Its impacts are already being felt in the form of heat waves, droughts, floods, and fires. These extreme events also are an important issue because they are felt most severely by the Earth's poorest citizens, the least of these among us. Our faith traditions command us to care for creation and to stand up for our most vulnerable brothers and sisters. They experience the worst hardships, and anything that we can do to help their plight is something we would support. As a pastor, I will say that one of the hardest things was when people came to me after having been shut off from their power because there always was a large reconnection fee in addition to their arrearage. And for those fees that I quoted you, the arrearage, of course, was also required, as they reconnect-- were reconnected. And it was simply impossible for me to use sufficient church funds. We just didn't have them to deal with all the needs in this area. When I worked for Arlington Community United Church of Christ, Fremont got a major grant. I'm sorry, the United Way of Fremont got a major grant to help low-income families budget and try to handle all their resources. And they had a policy that they would pay everything in arrears at the first when they began to meet with a family. But once again, not every family can be helped because the, the amounts that people get behind can be very, very large. So we

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strongly support your passing this bill and sending it on to the Legislature for debate and passing. And thank you for listening.

HUGHES: Thank you, Reverend Greer. Are there any questions? Seeing none, thank you for testifying today. Welcome.

ISABEL SALAS: Thank you. Good afternoon. My name is Isabel Salas, I-s-a-b-e-l S-a-l-a-s, I'm representing the South of Downtown Community Development Organization here in Lincoln, Nebraska. Thank you to Senator. Senator Crawford for introducing this bill. And also thank you for-- members of the committee for taking your time to listen to us all today. So South of Downtown Community Development Organization, or I'll just call it the CDO, is a place-based community development organization which focuses on two census tracts here in Lincoln. And it's actually, we're actually sitting in it right now. It's from K to A Streets and 9th to 17th Streets. And we hold about 5,000 people who call this neighborhood their home. And I wrote some things down, but I kind of wanted to address some things that haven't been brought up before. But I want to start with a little bit of why this hits a little bit close to home. So I'm a community organizer at South of Downtown. And last year we opened up our South of Downtown Art Hub. So we're doing a lot of creative placemaking, providing a space for neighbors to meet and gather because, as my job is to go door to door, a lot of people were saying that they wanted to meet their neighbors. They just didn't have that built environment for it or that space to do that. And what we've seen from our space is that it's a really safe space for kids to come in after school. They like to help out with tasks. They always ask what they can help with. They like to play with the clay and they're super respectful, and they're just kids who want something to do. Before this, they were climbing all over the fences at Everett Elementary, which caused the custodians a lot of stress. But one of the things that happened last month is that there's this family of three kids who come in and they're all of them elementary aged. And one of them says, hey, my house is really dark right now. And I'm like, oh, what? Like, what happened? And he was like, oh, our electricity got shut off. And that just kind of hit home because we interact with these kids every single day. They just want something to do. They think we're trusted adults, which we are. And all I could do was give him some flashlights that we had from a, an event that we had a couple of years ago. I asked him if his house was warm and he said, yeah. So, you know, that was kind of all that we could do. My colleague and I, we went to the social worker at the elementary school the next day and talked to her about it. And she

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said she's been playing phone tag with their mom. Because she's a single mom, they live with a couple of their uncles. There's four kids total in the household. So it's really, really busy. And so kind of what has been said before is that there, there's really no uniformity to it. And it's really difficult to navigate that system, even though there are resources, there's churches, Community Action does a great job. It's really difficult to do that. And then on top of it, if we're letting companies or public power districts charge fees that, that aren't for the costs but are for profit, that creates an undue burden on families like the ones that we're serving. Our neighborhood has the oldest housing stock in Lincoln. A lot of it is inefficient. And while there are grants through LES, people don't usually go that way because they're-- to apply to get the windows and everything upgraded, it's such a hard process. We had conversation with, actually, our landlord who is fixing up one of his other properties. I'm almost done, I swear. And he said that even he got halfway through it and he didn't even want to do it again. And that was for one unit, and he owns so much property in the neighborhood. So with that, I think that this bill would be great to kind of streamline some things and lessen the pressure on our families. And I'd urge you to advance LB933.

HUGHES: Thank you, Ms. Salas. Any questions from the committee? Seeing none, thank you for your testimony.

ISABEL SALAS: Thank you.

HUGHES: Next proponent. Welcome.

MICHAEL J. O'HARA: Chairman Hughes, members of committee, my name is Michael J. O'Hara, M-i-c-h-a-e-l, middle initial J., last name O'Hara, O-'-H-a-r-a. I'm representing Nebraska Sierra Club, we appear in favor of LB933. One of our missions in the Sierra Club is social justice. And this bill goes to that question. One of the issues lurking-- I'll start off by saying that we have, agree with the Senator Crawford's proposed amendment to page 3, line 16, of keeping 60 days. On page 3, line 17, Senator Crawford made a point of pointing out the deleting of the word "allowed" and inserting the word "required" and then explained her intent. I think you want them to amend on page 3, line 16, at the end of the line you have the word "only" and insert "at least." If that-- if I captured the intent correctly. One of the problems you have is limitation on the utilities to give away power. They are prohibited by statute from doing that if they're a public power district. And page 2, line 17, requiring it to be reasonable cost is an extension of that existing statutory command in Section

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70-655 that applies to all the pub power districts, but which all of the municipalities tend to comply with. And that 655, Section 655 requires fair or reasonable nondiscriminatory rates that have been adjusted in a fair and equitable manner to confer and distribute onto all the members, to benefit profitable operation. I used to be on the OPPD board, and this was an issue that came up all the time. They don't want to cut people off. And one of the first things I did was add to the monthly mailing that you could contribute to the Red Cross heat fund. We need a way to have this body, the Legislature engaging oversight, direct the utilities to give away the property, because then it's not in violation of constitutional prohibition against special legislation. We're in favor of this. But when you do reasonable costs, it's going to pick up things such as the cost of disconnect, you send a human being out to turn it off; the cost of reconnect, you send a human being out to turn it back on. And you're going to have bad debt loss. I guess double the highest bill was not just costs, but they were not required to do reasonable costs. So they did what would stop the behavior. And a lot of it is concentrated in older homes that are not well-insulated. If you have any questions, I'd be glad to answer them.

HUGHES: Thank you, Mr. O'Hara. Are there any questions? Seeing none, thank you for your testimony. Next, proponent. Anyone else wishing to testify in favor of LB933? Welcome.

TONYA WARD: I'm sorry, I have a terrible cough.

HUGHES: That's fine.

TONYA WARD: Good afternoon, senators. Excuse me. My name is Ton-- Miss Tonya Ward, T-o-n-y-a W-a-r-d, I'm the president and founder of Energy Rescue in south Omaha. Our mission is to advocate for public utility justice on behalf of those disconnected and who are being threatened with disconnection. We do not charge a fee for our service. I support LB933 because it's a beginning, but there is a need for so much more. It's my understanding that OPPD disconnected 18,431 residents in 2014 alone, and I've never received any MUD details that state how many residents they shut off in a year, but they say it's just 3 percent of their customer base that's impacted by the shutoffs. 2017, OPPD shut off over 9,779 residents, and it would be very helpful if our senators could find out accurate numbers of the shutoffs from each utility across Nebraska. During the times when the shutoffs occur, I received over 30 or more phone calls in one month from people crying for help with OPPD and MUD, along with other utilities across the state

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shutting them off. Other nonprofits receive so many calls for help that their funds disappear within just a few days. This is no small problem in terms of trauma to individuals or in the scale of those affected, destroying our homes and communities. I started Energy Rescue in 2007 after both utilities, MUD and OPPD, shut me and my children off for three months when I was a single parent, divorced from an abusive husband, with a newborn and his two brothers. I had to buy gallons of water, fill my milk jugs from my neighbor's water hose. I had to heat water on the stove and carry the pots to the bathroom so I could bathe my sons in warm bubble baths. I had to do the same to wash my dishes and our clothes. Some days our neighbors would let us connect our garden hose and bring them inside to fill our clean tub with water, which was easier than lugging milk jugs. Neither utility would accept my offer of small payments or make a payment arrangement that I could afford. Finally, after many phone calls in three months, I got both utilities to turn us back on, promising to pay them \$100 each month from my tiny \$350 a month income. Those utility payments didn't leave us much money to live on, but our Section 8 home requires utilities or we can be evicted. In our public utilities appreciated-- if our public utilities appreciated and cared about the Nebraskans who buy and rely on their electricity, water, sewer, and gas, they would not-- they would see that disconnection is not the answer. The monopoly should be understanding of our problems and give us fair, reasonable and attainable payment arrangements until people can recover and regain employment at or find financial assistance. These public companies should accept doctor statements that medical conditions require utility services instead of disconnecting homes from water, gas, and electricity and realize those medical conditions and the resulting loss of income lasts longer than 30 days. One man who called was a veteran in his 60s with disabilities bound to a wheelchair. His kidneys lost function and required dialysis three times a week. He called MUD and asked them to please continue his service and accept a small payment from him until he could obtain funding from the VA or SSI, but MUD shut him off anyway. The veteran ended up in the ER that same day because he had no way to cool down when his home reached temperatures over 79 degrees and began to endanger his life. Is this the role of our public utility monopolies? Is it acceptable for them to destabilize our homes of the poor and the elderly and the injured? Another cry from help on our hotline came--

HUGHES: Ms. Ward.

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TONYA WARD: Oh.

HUGHES: Your light is on.

TONYA WARD: It's all done. OK, that was-- I tried to go fast, but wow.

HUGHES: You did a very good job. Thank you.

TONYA WARD: Sorry. Thank you.

HUGHES: We have the rest of your testimony and we will read it. Are there any questions from the committee? Senator Moser.

MOSER: I just have one on this page with the months and the years going across. These are the shutoffs that-- OPPD, is that what those are?

TONYA WARD: Yes.

MOSER: OK. Do you have any idea how many total customers they have?

TONYA WARD: No, not off the top of my head.

MOSER: OK. All right, thank you. I just wanted to understand what you brought in. Thank you.

TONYA WARD: Thank you.

HUGHES: Are there any additional questions? Seeing none, thank you, Ms. Ward, for coming and testifying today.

TONYA WARD: Thank you.

HUGHES: Additional proponents. Don't be afraid, we're not--

TONYA WARD: This is my son.

HUGHES: We're harmless, mostly. Welcome.

MICHAEL WARD: Thank you. Thank you [INAUDIBLE] and listening. My name is Michael Ward, M-i-c-h-a-e-l, and I'm just speaking on behalf of my family, I mean what happened when the utilities shut us off.

HUGHES: Ward is W-a-r-d?

MICHAEL WARD: Yes.

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HUGHES: Thank you.

MICHAEL WARD: Why utilities [INAUDIBLE] with me and my families. Every time our house has been shut off, life gets paused and it's hard leaving our house with our own beds and going to our friends or grandparents and staying on their couches or on their floors on the blowup mattress. It takes a bit of time to get back on track with me and my brothers' educations with all of our stuff on our mind-- sorry, with other stuff on our mind, like wondering if our pets are OK in our house with no heat or no water. We can't take them with us most of the time when we go over to our friends'. And it's hard to see our refrigerator that was full of food and fresh, fresh good food get turned into a rotten stink bomb. And it's a pain in the butt after the water gets shut off and caught in, we have to clean all the water filters in the house, from the sink to the washer and couple other ones. A brown grit, the brown, rusty grit comes out of each filter from being shut off for so long for the week or so we're off. And it's a pain in the butt to wash dishes because the sink, it takes longer for that grit to get out of the sinks. It's hard to see my little brother walk around in a blindfold on. It's hard to see my little brother teach himself how to walk around with a blindfold. He likes to do it so he can make sure to go into mom's room if they shut us off before 5:00. I don't think that humans should ever be forced to live without water, gas or electricity. Because it makes life too hard and a burden, I would like it if our senators would please protect us and help us pass the LB933-- sorry, bill, so that we can have a better quality of life than cows and pigs in Nebraska. My family always, always has-- always have helped people come, that come to us with for cry-for-help calls that my mom helps. And when we get shut-- when they get shut off from the utilities. And that's about it.

HUGHES: Thank you, Mr. Ward. Very good job.

MICHAEL WARD: Thank you.

HUGHES: Any questions from the committee? Seeing none, thank you for coming to test-- testify today. Any additional proponents to LB933? Seeing none, we do have letters. Together agency, Center for People in Need, Asian Community and Culture [SIC] Center, Katie McCabe, Holland Chil-- Holland Children's Movement, YWCA of Lincoln, AARP of Nebraska, The Women's Fund of Omaha, Omaha Public Power District, Hannes Zetzcek [PHONETIC]-- Zetzsche, Heartland Workers Center, Center for Rural Affairs, Nebraska Children's Home Society. Anyone wishing to testify in opposition to LB933? Anyone wishing to testify in opposition? We do

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have letters, two letters of opposition from the Elkhorn Rural Public Power and Southern Public Power District. Anyone wishing to testify in the neutral position? Welcome.

LASH CHAFFIN: Good afternoon. My name is Lash, L-a-s-h, Chaffin, C-h-a-f-f-i-n, represent the League of Nebraska Municipalities, and I'm here to testify in a neutral capacity on LB933, in particular with Senator Crawford's amendment. If, if, if the bill moves forward without the 60 to 30 days, the League will strongly oppose this bill. There are 530 municipalities, almost 500 of those municipalities own and operate water distribution systems. A little over 400 operate wastewater collection systems, 122 of them operate electric distribution systems, and 13 of them operate natural gas distribution systems. Interestingly, I didn't realize this till I thought about it just a few minutes ago, almost all the natural gas distribution systems fall in the, in the districts of the senators on this committee. So Senator Gragert has several in his district and Senator Halloran as well. The-- just has nothing to do with anything, but I just thought of it in the back. And, and the, the, the doctor's, the doctor's note is an important part of the disconnect process. The 60 days would become, would become a big problem. I think the, particularly in small places like a Glenville, Nebraska, or somewhere like that, you know, if four or five people are carrying over their bill, that becomes a significant portion of their revenue stream. And the expenses continue to accrue. And so there, there's a, there's an issue with this. And, and I would like to say several of the testifiers have indicated this is-- a large problem in this state is housing stock. And this issue is not unrelated to housing stock in Nebraska. You can have a fancy home with an \$85 electric bill and a, and a small home that doesn't have good insulation might have a \$200 or \$300 electric bill. And, you know, and I would encourage the Legislature to continue to work on housing stock issues. You know, bills like Senator Quick's landbank bill, other bills like this are moving in the same direction and they have a direct overlap with issues such as utility disconnects. They're, they're not unrelated. So and I would certainly answer any questions.

HUGHES: Thank you, Mr. Chaffin. Are there any questions? Senator Albrecht?

ALBRECHT: Thank you, Chairman Hughes. And thank you for being here to represent the League of Municipalities, correct? When you all have your conferences and things like that and you have 500 that have water

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systems and 400 with wastewater, do you talk about these situations and how much they charge to--

LASH CHAFFIN: We, we do. We talk extensively about utility disconnects.

ALBRECHT: So what do they do?

LASH CHAFFIN: The, I would say the vast major-- we have a standardized package that we send out to cities and villages. The vast majority of the cities below North Platte's size adopt pretty much the standard package. And, and I will say the-- there's probably not a lot of uniformity when it comes to reconnect fees, although that issue doesn't come up a lot. I think I will start to bring that into the, into the mindset because there are some utilities that never have a disconnect. Then there are some that have them on a pretty regular basis. And, you know, that's not an issue. We spent a lot of time talking about the wording of the envelope and, and things like this. And then interestingly, the disconnect law has very specific magic words you need to put in the notice. And what we often get is we'll get a new city clerk who looks at that language and says, I can make that better and cuts out about a third of it because it's duplicative, like, no, no, no, no, no, it can't do that. It's got to be the words that are in the law.

ALBRECHT: What's in a standard package that you talk about?

LASH CHAFFIN: What we include is we include a policy, and it's maybe a page, and it's pretty generic. And we include a sample notice. And we include a third-party notification process form, meaning if a landlord or parent wants to be notified if somebody is on the disconnect list. And this is unrelated to the medical disconnect, but then when we include-- and then, then we include standard-- OK, the law also requires that the envelope be conspicuously marked as to its importance. No idea what that means. But we've, we, we include some standardized language that sort of virtually every city utility uses on their envelope.

ALBRECHT: OK, thank you.

HUGHES: Any additional questions? Thank you, Mr. Chaffin. Oh, I'm sorry. Senator Quick.

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QUICK: Yeah, thank you, Chairman Hughes. Now, one of the things, you know, and I've kind of talked about that with some other, you know, like with maybe Appleseed and some of the public power districts, but like for education pieces for people to understand that maybe if they come and talk to you, tell you before these shutoffs happen, it would really help a lot of the, a lot of those people who maybe have budgeting issues or maybe-- and I know they have to also read those things that come out. So, I mean, that's the other side of it. So as, as, you know, I don't know if that's something that the utilities try to do or--

LASH CHAFFIN: Well, you know, Senator Quick, that's an interesting question. And as I sat and I listened to the, to the proponents, probably we don't do a great job of education. And it's, you know, the days, your days just blend into days and these things just happen. And I guess I will-- we have a big, in June we do have a big clerks meeting and we get 400 or 500 village and city clerks there. And I, I was thinking we'll do a session all on one on to see if we can somewhat standardize reconnect fees. I don't think it's just ever been thought about much. It just sort of pops up. And then also, I think there's probably-- we could probably standardize and enhance education, getting them in touch with Community Action and things like that. I mean, everybody's busy. And I think it's just, utility disconnects are a minor part of what people do as part of their day and they just, it just gets done. And then you move on. And, I mean, I would-- I mean, we're-- I think that's something I thought about. We will definitely try to educate cities on trying to get the word out in a more understandable way.

QUICK: Yes. I think it would actually help the utilities too, or their--

LASH CHAFFIN: I think it would help. I think it would help.

QUICK: Because they don't want to shut people off either.

LASH CHAFFIN: They, they don't.

QUICK: But I think, you know, if you can get that education piece, I think it would really help a lot of people.

LASH CHAFFIN: You know, Senator Quick, I think that's an outstanding idea. We will, we will definitely try to do that. And I think increasingly we can probably, the utilities can, work with each other

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to get that done in the age of the Internet and email. You know, customers don't always understand where they live and they don't know which utility serves them. And sometimes it might be multiple utilities that serve them. And I think this, and there's probably some opportunities. I don't think it's gonna be a big effort to coordinate and possibly do a better job of this so.

HUGHES: OK, very good. Any additional questions? Seeing none, thank you, Mr. Chaffin.

LASH CHAFFIN: Thank you.

HUGHES: Next, neutral testifier. Welcome.

KRISTEN GOTTSCHALK: Thank you, Senator Hughes, members of the Natural Resource Committee. My name is Kristen Gottschalk, K-r-i-s-t-e-n G-o-t-t-s-c-h-a-l-k, I'm the registered lobbyist and the government relations director for the Nebraska Rural Electric Association, which is 34 rural electric providers in Nebraska. I actually visited with Senator Crawford on Monday to let her know that I was going to be testifying in opposition to this bill, which I'm really glad I'm not testifying in opposition to this bill today. And our opposition was not because we disagreed with her intent, but because we had a sincere concern that by extending the deferral time for a disconnect puts a customer further and further in debt. And just so you have a little bit better understanding, a customer's bill is sent to them following the month that they had the usage. So there's already a month gone by. And typically there's 30 days that you have to pay that bill. So when there's nonpayment before a utility even has a chance to flag someone for nonpayment, they may already be 60 days behind. And so adding more time to that doesn't necessarily benefit the customer. So when they red flag and they send a disconnect notice, and I should note that very few disconnects take place after a disconnect notice is actually sent, our NREA members make a concerted effort to assist customers who have trouble paying their bills. I mean, obviously, we don't want to disconnect. We would like to collect, because if we don't collect, that means our other customers have to pick up, pick up that tab. One of our systems, they sent out 3,000 disconnect notices in a year. For each of those disconnect notices, they make a phone call prior to the expiration of the seven-day time and they try to make arrangements for payment, even small payments from those customers to enable them to stay online. And that one system that had 3,000 disconnect notices, at the end of the year, they only disconnected 6 people from those 3,000. So I think that's a testament. We did poll our members, and when we

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did, a vast majority of our members had never disconnected somebody for, for nonpayment when they proved that they had some form of medical condition. And that, and that went beyond what the, what the limit was in the statute. I do want to mention that, that before my time runs out that, as we look forward at this, we are in a neutral position. We do agree with what the changes are, but we need to look at with the real need is here. And addressing the problem, we heard this from several other people before, addressing the problem before disconnect notice is sent is what we really need to do. We're finding that many of the resources available to people who are in the situation of disconnect or are behind on their bills, they can't get assistance until they've been disconnected. And that, that-- we'd like to see that that assistance take place ahead of time. So there needs to be a little bit greater coordination and awareness of the programs that are available. In fact, we talked with Senator Crawford about trying to bring the social groups together, the electric utilities together to develop some kind of awareness and education program, so that we can get to the point where we prevent disconnects, so that we're not fighting this, this large payment that's, that's due. And I'm happy to answer any questions you may have. I provided some background information on disconnects from the utilities that I represent. I'd be happy to answer any questions related to any of this.

HUGHES: Thank you, Ms. Gottschalk. Are there any questions? Senator Geist.

GEIST: Yes, thank you. I, I've been hoping I could ask this question. On page 2, it talks about "reasonable costs." And I'm curious if that's an understood measure with utilities or is that-- will that end up being a variable that we're going to revisit at some point? Because what one calls reasonable, another may not call reasonable.

KRISTEN GOTTSCHALK: Right. And I do appreciate you bringing that up, because in my, in my testimony that I skipped over, I said that, that we believe we, we have reasonable fees. But putting reasonable in there can lead to a misunderstanding of what that term means. And so that, that does leave a little bit of a gray area of what exactly does reasonable mean. For some utilities, what are, and I'm speaking for my members, reasonable is what does it cost to send a person out to that utility when, when there's a need to send somebody out to that utility? Now, those systems that have advanced metering systems, they may be able to make those connects and disconnects from the office.

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And then as such, no fee is charged. So those are variable. And so determining what's reasonable really depends on a lot of factors, and it, it's gray in the statute.

GEIST: OK. Thank you.

HUGHES: Very good. Are there any other questions? Seeing none, thank you,--

KRISTEN GOTTSCHALK: Thank you.

HUGHES: --Ms. Gottschalk for coming today. Next neutral testifier. Welcome.

SHELLEY SAHLING-ZART: Thank you. Good afternoon, Chairman Hughes, members of the Natural Resources Committee. For the record, my name is Shelley Sahling-Zart, Shelly is S-h-e-l-l-e-y, Sahling-Zart is S as in Sam-a-h-l-i-n-g-Zart, I'm Vice President and general counsel for Lincoln Electric System, the municipal electric utility here in Lincoln. First, I'd like to thank Senator Crawford for working with utilities and having the discussions and, and listening to some of the concerns we had. And I want you to know that we listened to the concerns of the social service agencies and the people in need as well. We well-understand that we have a significant vulnerable population in Lincoln. And we've spent a lot of time trying to work with them. Do we do everything as perfectly as we can? No, we keep working on that. And that's why the discussions that Senator Crawford wants to have are important. But we've, we've taken a lot of measures to try and address some of these. Starting in 2001, Lincoln Electric System established an energy assistance fund, it's equivalent to about 5 cents for every customer per month. That's about \$320,000 today. We distribute that to the Community Action program of Lincoln and Lancaster County, who then distributes that to the folks in need. That takes us out of the social service business. It puts it in their hands where they have the skilled professionals to deal with that, which we think is great. Now, that doesn't mean we aren't dealing with customers. We do a lot of payment programs. We will work out payment plans for customers if they call. And that is one of the big problems, is getting people to pick up that phone and understand that they can call us to work, work those plans out. So we've spent a lot of time on that. And we have a vice president who sits on the Community Action program board of directors. We have another manager in our customer service area that works with on the working group of the Rent Utility Network here in Lincoln. We have great communication with the Center

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for People in Need here. We've done some other things. A few years ago, we were the first, I think, the first utility in the country that segmented our residential customer class, our residential rates, recognizing that our customer service charges are probably inequitable. It doesn't cost us the same to serve a large six-bedroom home as it does a smaller residence. So we actually segmented our residential customers into three tiers and we charge our customer fees based on those tiers. So that's helped spread that out a little bit and take a little bit of that burden off of our folks on low and fixed incomes. So there's a lot of things that we, we think about and we try to do. We've got our sustainable energy program. We've got a pilot program now to try to get assistance there to help people insulate, update, weatherize their homes. Those are hard because a lot of them live in rental properties. But, you know, we're going to continue to work on this problem. And my time's about up mostly. I was not planning to testify, but I sensed that maybe there were some questions you all had of the utilities. Happy to answer any of those if I can.

HUGHES: Thank you, Ms. Sahling-Zart. Are there any questions? Senator Quick.

QUICK: Thank you, Chairman Hughes. And I should have asked the last justifier too. But do you think the education piece would be important to some people? Maybe you already do that, too.

SHELLEY SAHLING-ZART: Yeah, I think, I think it's important. You know, there was a couple other things I was going to note. When people come in and have paid their bills, especially if it's somebody that's been struggling, we have a little card that we will hand them out with, with all the different kinds of payment options that we have. And we try to put that in their hands. We worked with the Community Action program to try to get some of that information out as well. By the way, if I can, one statistic that I was going to provide is last year we issued 1.6 million bills and disconnected a little less than 10,000, so 0.6 percent. So it is a small percentage. That doesn't mean it's not important, but it is a relatively small percentage.

HUGHES: Thank you.

HUGHES: Any additional questions? Seeing none, thank you for your testimony today.

SHELLEY SAHLING-ZART: Thank you.

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HUGHES: Any additional neutral testifiers? Seeing none, Senator Crawford, you're welcome to close. We do have one letter in the neutral capacity from Black Hills Energy.

CRAWFORD: Thank you, colleagues. And I appreciate your patience this afternoon. When I started this process, I didn't realize how many people this affected and how many people were involved in and dealing with utility shutoffs and, and addressing them, and how many people they were impacting. And so I appreciate the time so many people gave to come today to tell you a little bit about what that looks like in Nebraska, so you get a feel for what the shutoff situation looks like and why this bill was necessary. I think listening, one of the-- to their testimony, one thing that struck me was an answer to your question to me was, was is there a uniform process? And it appears what we hear, heard from several testifiers was this is not uniform and that it's very hard to, to find the information until you get that disconnect notice. And so I think part of education that will be helped by this bill is getting that disconnect infor-- policy information out on the website and then so it's easier for people, who are struggling themselves or trying to help people who are struggling, find out what the policy is to be able to help address that situation in a more proactive way, as opposed to waiting until you get your disconnect notice to know what your options are. And I think we also had some good examples in the testimony of discussions of fees and some of the challenges around fees. And I think that reasonable fees is about what would be appropriate to put in the statute. And because the situation does change so much from situation to a situation where you have to send out a person versus where you can just flip a switch in an office, you know, those are very different situations. And so I think that's why we landed on reasonable fees as an appropriate statutory language for that. But I'm happy to discuss with members of committee, the committee if you have any other ideas on that front. So with that, I just, again, want to thank everyone for being here today. Thank you for your patience and listening to everyone's testimony today. And be happy to try to answer any other questions that you have now.

HUGHES: Thank you, Senator Crawford. Are there any additional questions? Seeing none, thank you--

CRAWFORD: Thank you.

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HUGHES: --for coming to bring the bill to us today. That will close our hearing on LB933. We'll take just a couple of minutes to allow people to clear the room and we'll start on our next bill.

ALBRECHT: I'll switch from water to coffee.

[BREAK]

HUGHES: Have a seat, please. We will open the hearing on LB1205. Senator McCollister, welcome back to the Natural Resources Committee.

McCOLLISTER: It is great to be back. What a great committee this is. Good afternoon, Chairman Hilg-- Hughes and members of the committee. I am John, J-o-h-n, McCollister, M-c-C-o-l-l-i-s-t-e-r, and I represent the 20th Legislative District in Omaha. Today, I'm introducing LB1205. This proposal would adopt the Renewable Energy Standards Act. The act would require Nebraska public power suppliers to develop generating capacity using renewable energy sources. LB1205 proposes gradual development of this capacity in three stages. After a look-back period, each stage would allow the utility one year to have a specified percentage of renewable energy in service-- renewable capacity in service. In the first stage, the look-back period would be calendar years 2019 through 2021. By the end of calendar year 2022, the utilities would be required to have generation capacity in service from renewable sources equal to 35 percent of the median annual generation in years 2019 through 2021. The second and third stages of development fall in subsequent years. Each uses a similar pattern, a two-year look-back followed by a year of development. Section 5 on page 3 outlines the schedule for all three stages of development. It's important to note that the required new capacity of renewable energy generation at each stage would be based on the median actual generation during the two-year look-back period. This gives utilities certainty about expectations. I want to point out a few other features of the bill. In Section 3(2), the term renewable energy generation facility is defined. Based on this definition, definition, demand side load management by utility or its customers is included as well as supply side. Supply side sources listed in the bill include a variety of technologies that are currently available. The definition of renewable energy generation facility also includes related investments, such as transmission and distribution, that are necessary components of the utility system. Section 4 of the bill clarifies that the utility can construct or purchase the generating capacity, or it can acquire the capacity by contracting with renewable energy production facilities. In Section 5, the 35 percent proportion

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required in the first stage of development would include renewable generating capacity already in service on the operative date of the act. During the next 10 years, renewable energy technology will improve, no doubt about it. Costs will continue to go down. LB1205 would assure Nebraskans that utility, electric utilities will be doing the best they can for our citizens and for our environment. I am offering AM22778 to LB1205 for the committee's consideration. This amendment would provide an opt out if the board of directors of a public power supplier declares that compliance with the Renewable Energy Standards Act would negatively affect reliable operation of its power system. The amendment would also add nuclear to the list of renewable energy generation facilities. LB1205 includes a January 1st, 2021, operative date. I would be happy to answer any questions.

HUGHES: Thank you, Senator McCollister. Are there questions? Senator Halloran.

HALLORAN: Thank you, Chairman Hughes. So it's my understanding this is a "shall," obviously not a "may," so it's, it's a mandate.

McCOLLISTER: Yes, it's a mandate.

HALLORAN: By a certain dateline, a certain amount has to be renewable.

McCOLLISTER: That's correct.

HALLORAN: So what if they don't achieve those goals by those dates.

McCOLLISTER: Well--

HALLORAN: There's no penalty here.

McCOLLISTER: That's true. There are no penalties here.

HALLORAN: Why not?

McCOLLISTER: Well, would you like to see some penalties, Senator?

HALLORAN: That's not my question. No, I would not. But what-- but I'm curious why-- there's little value in having a mandate if there's not some force of the government behind it to do something if they don't, right?

McCOLLISTER: That's a good point, Senator. I'll be happy to provide an amendment to provide some penalties.

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HALLORAN: It's not my question if you can do that. I'm just curious why it wasn't in place.

McCOLLISTER: Well, I think there is a public mandate. I think we increasingly are looking to our utilities for a renewable energy component. And so the ratepayers of those, of those companies, I think, would, would be an adequate measure to make sure those utilities go about this in some kind of constructive way.

HALLORAN: You think if you would have put that in the bill, there would have been more opposition to it from the onset?

McCOLLISTER: I think there may be some opposition to this bill.

HALLORAN: No, I'm saying if you wouldn't put in something that would have said, if you don't do it by this certain date, this will be the penalty. Would that--

McCOLLISTER: I don't think that would enhance passage of the bill.

HALLORAN: Would it have created more opposition, is my question.

McCOLLISTER: Perhaps? I can't say.

HALLORAN: Do you think it would have created more of a fiscal note if there would have been that in place.

McCOLLISTER: I have-- I don't know. Hard, hard to judge.

HALLORAN: Thank you, Senator.

HUGHES: Thank you, Senator Halloran. Are there other questions? I get, I'm-- looking through the bill, you use the term demand side management facility. What, what is your, what is your definition of that? What, what is that?

HALLORAN: I think if we haven't answered it correctly in the bill, we need-- there will be people testifying after me that can better answer that question.

HUGHES: OK. Well, OK. Very good. Then, I guess, just so I'm clear of what you consider as renewable energy, you know, wind and solar, obviously, is hydro?

McCOLLISTER: Yes.

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HUGHES: Nuclear?

McCOLLISTER: Yes.

HUGHES: Not necessarily renew-- renewable, but carbon-neutral would be a better term, maybe?

McCOLLISTER: Perhaps. You know, we're always trying to fine tune this bill. And some of those terms we could incorporate into another version of this with an amendment.

HUGHES: OK. OK, thank you. You'll stay to close?

McCOLLISTER: I will.

HUGHES: Thank you, Senator McCollister. How many are wishing to testify as a proponent? Can I see a show of hands? How many wishing to testify in opposition? OK. I think we will do two and two until we get through. So we'll start with two proponents, then we'll two-- take two, two opponents, and we'll move back and forth until we get through everyone. So we will start with proponents. Welcome.

MICHAEL J. O'HARA: Chairman Hughes, members of the committee, I'm Michael J. O'Hara, M-i-c-h-a-e-l, middle initial J., O'Hara, O-'-H-a-r-a. I'm here on behalf of the Nebraska chapter of the Sierra Club. Being handed out to you from someone who just had to leave is Cate Kelly, C-a-t-e K-e-l-l-y, and she is a member of the Sierra Club. She is also president of Students for Sustainability, and was one of the leaders of the student climate strike. I'm gonna-- we support Senator McCollister's proposed amendment. I want to talk about two things if I have time. Probably won't. First is, what is the role of the Legislature relative to public power? I first got involved in public power when I was staff to the predecessor committee of this, the Public Works Committee. And from that, I chose my economics dissertation topic, which was Nebraska Power Review Board regulating a publicly-owned electric utility industry. From there, I was then appointed to the Nebraska Power Review Board. And from there I was then elected to the OPPD board of directors. And after completing that service, I then served on the Legislative Research Committee on how to deregulate the industry. I've been studying the industry since 1979. In all that time, one of the consistencies was Legislature took the attitude that it was the board of directors of the public power industry, and the job was to engage in oversight and set policy so as to get uniformity when necessary across the industry. To set that

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policy, generally, you set it very broadly and leave the implementation to the management of each of the different utilities because they have very different contexts within which to manage. But to set that policy clearly, you have some need for definition, hence the stepwise definition of goals in this proposal, LB1205. To address some of the questions that have been asked, are there penalties for noncompliance? First you would have public suits, but more importantly you would have elections. It's very hard to run for reelection if you clearly haven't done your job. Would there have been a fiscal note? Only if the enforcement process had been specified. What is demand side management? Demand side management is when you try to reduce consumption, as I've said many times, first thing is to reduce. And if the utility, especially if they can reduce on peak demand, will be able to afford-- work more and more efficiently. And you need to have that either off the utility, they can turn off your air conditioner, the utility has control of your air conditioner, or the customer can turn off part of the customer's consumption. For example, in a room like this, the--

HUGHES: Mr. O'Hara--

MICHAEL J. O'HARA: --Capitol could turn everything---

HUGHES: Your red light is on.

MICHAEL J. O'HARA: --every other, every other light. And that would be demand side management. If you have any questions, be glad to answer them.

HUGHES: Thank you, Mr. O'Hara. Are there questions? So your definition of demand side, demand side management facility is giving the utility control over our thermostat?

MICHAEL J. O'HARA: That is one of two forms. You notice it can be located at the customer's property or the utility. If the utility controls your air conditioner, that's one type of demand side management. If they offer you incentives that you choose to turn it off on peak, they send you a notice and say, would you turn it off? That's another form. The rate is different. The rate cut you get is different if the utility can certify they're gonna turn it off. As you've heard with wind, if you have a megawatt of wind, you really don't get a megawatt. You only get a Southwest Power Pool about 0.12 of megawatt. If the utility controls turn off, that counts as one. If you control it, it depends on how often you say you won't. When I was

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in OPPD, got a rate for this, and the first person who got called to turn it off was a manager who didn't understand his operations. And if you're doing food processing and you're pushing food through the machine, you can't turn them off. So we called them up and said, time to turn off. You have 15 minutes. He goes, I can't turn it off. Well, he had three years of rate rebates that he had to repay. If you don't want to turn it off, don't turn it off, but you can shed a lot of load. And now many customers are signed up on rates where they shed load on command. And if they don't shed, they don't get a re-cut.

HUGHES: OK, very good. Senator Geist.

GEIST: Thank you. And thank you for your testimony. I'm curious if your perception from being on, or experience from being on the OPPD board was different than that your consumers are who drove what your board would decide to do. Or did your board make the decision regardless of what the consumer said? And I guess I'm asking this question because my perception is consumers are asking for renewable energy. Therefore, again, my perception is that public power is responding. So was that your experience, that you respond to the outcry or you just make the decisions and--

MICHAEL J. O'HARA: The two decisions you make when you're on a utility board is how to invest and how to set rates. And never did any customer ever refer to them as rates. They always call them taxes. And you know how people talk to you about taxes. When the boss shows up and says the price is too high, you respond. And the customers are very focused on their cost of the bill. And then they also, not surprisingly, say: Lower my property taxes and increase my governmental services. It's routine. They want more renewables because the public understands that we are in a situation where it's becoming increasingly dangerous to continue to burn carbon fuels. And they want them to go down, but they also don't want the rates to go up. Which is why you set the policy and then you tell the managers, you're going to have to achieve it. I mean, we tell them, you have to not pollute. We tell them, you have to not discriminate. You have to pay minimum wage. Tell them all sorts of things, but get the job done.

GEIST: But if we set this policy then the board can say, well, the Legislature did it, and we're just giving you the rate that we have to charge.

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MICHAEL J. O'HARA: I would be surprised with the several hundred board members that fewer than many would try to lay off any rate increase on you. I would be surprised if fewer than many.

GEIST: Thank you.

MICHAEL J. O'HARA: They would seize that opportunity. Yes.

HUGHES: Any additional questions? Thank you, Mr. O'Hara. Next proponent. Then we'll switch to an opponent after this testifier. Welcome.

DAVID CORBIN: Thank you. My name is David Corbin, D-a-v-i-d C-o-r-b-i-n, I'm here today representing the Public Health Association of Nebraska. It is an affiliate of the American Public Health Association, which is one of the, the largest, most diverse, and most respected public health organizations in the world. APHA, that's American Public Health Association, passed the policy in 2015 in which they said shifting to low-carbon energy production through increased energy efficiency and low-carbon renewable energy technologies, particular emphasis on eliminating coal, was something that could do to save thousands of lives and prevent countless respiratory conditions such as asthma. I personally suffer from asthma from a trip to China. The Public Health Association of Nebraska then in 2016 passed their own Nebraska policy advocating for renewable energy standards and goals for production of electricity. Support-- they support renewable energies such as wind energy and solar energy, of which Nebraska has ample opportunity. It is kind of strange that we have such potential for wind and solar, yet we continue to buy coal from another state and depend on our fossil fuels from other places when we could be our own independent energy producer. I've provided you with a list. There's a group called the Medical Society Consortium on Climate and Health. It's affiliated with George Mason University, and includes such organizations such as the American Medical Association, American Psy-- Psychiatric Association. But the last page shows that the other members of this, all who favor clean energy and getting off fossil fuels. It is not-- economically, fossil fuels can be cheaper than, I mean, clean renewable energy can be cheaper than fossil fuels. I just want to bring out one short thing about what's being done in Florida as well, which I think is an excellent idea. They have schools in Florida that are putting solar arrays on, on the schools. And so for most of the year, most of the time, it's just saving money for the schools and for the taxpayers, for that matter. And then if there's a disaster, whether it's a climate disaster or

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some other disaster, these schools serve as shelters. So they have, they have solar power, they have battery backup, and people who have lost their homes or had to move or got flooded or whatever happens to be, can go to those. This particular bill could be another thing that we could do for this state to help for those disasters. The other advantage of having it spread out is that it makes it less vulnerable to any kind of either climatic or terroristic threat. Thank you.

HUGHES: Thank you, Mr. Corbin. Are there any questions from the committee? Seeing none, thank you for your testimony today.

DAVID CORBIN: Thank you.

HUGHES: We will switch to opponents.

DAVID CORBIN: I just did want to say a neighbor of mine just gave me a letter last night. Can I enter it into--

HUGHES: You can hand it out, yes.

DAVID CORBIN: Thank you.

HUGHES: Welcome.

SHELLEY SAHLING-ZART: Hello again. Chairman Hughes, members of the Natural Resources Committee, for the record, my name is Shelly Sahling-Zart, S-h-e-l-l-e-y, Sahling-Zart, S-a-h-l-i-n-g-Z-a-r-t. I am vice president and general counsel for Lincoln Electric System, and I am here today testifying in opposition to LB1205 on behalf of the Nebraska Power Association, which is a voluntary association representing all of Nebraska's publicly consumer-owned electric utilities, including municipalities, public power districts, public power and irrigation districts, rural public power districts and cooperatives. There are two primary reasons we are opposed to LB1205. I'll get into the substance of the bill. But philosophically, public power, one of the hallmarks of public power is local control, which means that we are governed by a locally appointed and elected boards of directors. Mr. O'Hara told you that one of the penalties for this is, is being elected back to that board for not doing your job. Well, that's kind of our point. Our point is this Legislature has confirmed the authority for those public power districts to run the utilities, and their job is to set these policies. And in fact, the boards of directors for many of these utilities are, in fact, adopting those goals and setting those policies now. My own utility has reduced 30--

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reduced its carbon emissions 32 percent in the last 10 years. On a capacity basis, our portfolio is a third renewable, a third natural gas, and a third fossil fuels. And on an energy basis, renewables provides about 48 percent of our energy. OPPD has adopted a goal of to be net-zero carbon by 2050. The Munic-- Municipal Energy Agency of Nebraska has set a goal to be net carbon zero by 2050. Lincoln Electric Systems board is going to be considering a carbon-related goal probably in May. So it's happening. This bill is interesting though, because it seems to combine capacity and energy. Usually when we're looking at some of these kinds of standards, you'll see that it talks about you either buy-- you either construct and build generation or you buy it. That's capacity. DSM is more energy. So we're kind of combining the two concepts into one bill. The other concern of ours, the other main concern that I had is about reliability, which isn't discussed in here, but that is a huge responsibility to local boards of directors. So as we are moving toward these decarbonization goals, it is important that we also consider reliability as we do that. And that's not provided in here. And I wouldn't think that you'd want to penalize power district boards or even municipalities for not providing reliability to their customers. This applies to every public power supplier, and supplier is defined to mean all 165, 166 systems that we have. Keep in mind, a lot of those, a lot of the smaller municipalities and a lot of the rural power districts, they don't generate. They have all requirements, customers with, with an entity. They aren't entering into PPAs. I think if you technically read this bill, they'd be required to. The other interesting thing is renewable energy, and I'll wrap up, renewable energy does not include, I understand Senator McCollister said he would include nuclear. Doesn't address hydro, which is renewable. It doesn't account for energy storage, which is going to be really important to these decarbonization strategies moving forward. With that, I'll wrap up and take questions.

HUGHES: Thank you, Ms. Sahling-Zart. Are there questions? Senator Geist.

GEIST: I do have one. And I would just ask virtually the same thing is, is your board responsive to what customers are asking? Or are you strictly there making decisions on the basis of the business side, the-- or is it both? And tell me about--

SHELLEY SAHLING-ZART: Yeah, I'd like to tell you it's a balance. It's balance, because we hear from a lot of customers. We've had a lot of

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them coming to our meetings wanting us to look at decarbonization goals. We have a lot of customers that don't come to our meetings because they're perfectly happy with what we're doing. We presume. But I don't know. You know, there's a lot of people we don't hear from. So it's important to listen to the people that we are hearing from. But at the end of the day, the board members also have that responsibility to think about reliability, to think about, you know, safety, to consider the environmental consequences, and to think about economics. You know, you-- we just had a bill where we talked about the vulnerable population. So it's very, it's also very important as we move down this path to decarbonization that we are doing so in a measured way, that we aren't making that situation for our vulnerable customers worse. So it is a balance.

GEIST: But as a board, evidently you are at least forward-looking because you just said that many boards are already looking at being carbon-neutral by a specific date. So in your opinion, is this type of legislation needed, given the forward-looking stance that your board--

SHELLEY SAHLING-ZART: Yeah, I don't think it is. And it goes back to that local control. Because the decisions for Lincoln Electric System and our customers might not be the same decision you would make for Kimball, Nebraska, or for a smaller rural public power district. Right? So it allows the community to decide what, how quickly it wants to move forward toward that and what it can sustain within its community. And it is about being responsive to the customers in your utility. And that's why, that's why we have those local boards and they need to be accountable to their local customers. That answer it?

GEIST: Yes, I think so. Yeah.

HUGHES: OK, thank you. Are there other questions? Senator Gragert.

GRAGERT: Thank you, Chairman Hughes. Thank you for your testimony. I want to go back to reliability. From up in where I come from, we have a large amount of irrigation. We need, you know, power when we need power. Is this, is this a reasonable 2030 to go balance green or whatever you want to call it without battery storage? And where is battery storage?

SHELLEY SAHLING-ZART: Battery storage is not widely commercially available. I mean, it's, it's available and they're working on it in some places. But I wouldn't call it widely commercially, economically available. But that's, that's going to be important. And that is, is

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going to be a key. But keep in mind, battery storage gets you through a few hours. It's not replacing a resource necessarily. It's helping to backup a resource. 2030, I think most of us would tell you that 2030-- 2030 would be incredibly aggressive simply because a lot of developments need to be made in the, in the storage technologies. And, you know, this doesn't account for any other technologies that may come about in the next 30 years. Is 2050 more feasible? Yeah. But we'll have to see as we go along on, you know, the economics of it is going to be important. But I think what we've seen is that's generally where the general population wants to move, is to get off of the carbon-based fuels.

GRAGERT: With the battery storage in the bag, the type of batteries in the technology and the research going on, will batteries be able to be recycled, re--

SHELLEY SAHLING-ZART: Yeah, that's a great question. I don't know that I'm the best person to answer that. I know there's a lot of concern about recycling of battery materials, as well as wind turbine blades right-- which are right now being landfilled. There's going to have to be some research into that or that's going to be a growing problem. So, yeah, there's a lot of that. I would also note that NPPD, OPPD, and LES are all members of the Electric Power Research Institute. So we are all providing funds to help, and we participate in a lot of working groups with EPRI on some of the research being done in these areas. So we're pretty involved in that as well. But--

GRAGERT: Are the power companies involved in any kind of carbon sequestration, carbon credit program?

SHELLEY SAHLING-ZART: I don't know that any are actively involved right now. I know, I know NPPD and others are looking at carbon sequestration and carbon capture programs. I can't speak for them. LES, I know doesn't have one right now. Everybody is going to be looking at carbon capture kind of programs, and that's pretty critical moving forward as well.

GRAGERT: Thank you.

HUGHES: Senator Geist.

GEIST: One more quick question. In this conversation, it just occurs to me that, that I wonder if, and given your testimony and Mr. O'Hara's testimony, if the public understands the cost of renewable

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energy currently. If currently your portfolio were more heavily balanced towards renewables, is that currently affordable, affordable across the board?

SHELLEY SAHLING-ZART: If we were to get there overnight, maybe not. But if you think about it, let's just take Lincoln Electric System, which is what I know best. So we're a third, a third, a third, right? And we've gotten there the last 10 years, and we've done that with-- we haven't had rate increases for several years. So we've, we've done that without significant rate increases, but we've done that over a period of time in a balanced, measured way. So can it be done? Sure, it can be done. If we're going to try and do the rest of our portfolio by 2030, that would, that would put some pressure on our rates.

GEIST: OK.

SHELLEY SAHLING-ZART: So and, and do they, do they know about those costs? No. And at the end of the day, and I don't mean this to sound facetious, but at the end of the day, they don't really care. They do care about what they pay on the bill. I think most customers have some trust that we're going to do it and that we're going to do it in a responsible way. But I, I will tell you, we have had customers come in pushing us to raise rates to do more.

GEIST: OK.

SHELLEY SAHLING-ZART: Which is just different.

GEIST: Interesting. Thank you.

HUGHES: Additional questions? Senator Gragert.

GRAGERT: One last question. Thank you, Chairman Hughes. Where does Nebraska stand right now as far as the cost of electric--

SHELLEY SAHLING-ZART: Well, that's a great question.

GRAGERT: --with the rest of the nation?

SHELLEY SAHLING-ZART: On overall rates, I think on overall rates, and I'm going to be close. On overall rates, I think we're about 15th, 16th in the country, somewhere around there. And residential rates might be a little lower than that, but we're basically in the bottom 10, 15 percent lowest rates in the country.

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GRAGERT: Thank you.

HUGHES: So does, does LES utilize this demand side management facility?

SHELLEY SAHLING-ZART: We don't look at it as a facility. We have a lot of demand side management programs which are basically designed to encourage your customers to use less of your product, which is ironic. To use less of your product and use less energy, which the idea of that is that if we can lower our overall system demand, it puts off and delays the need for that next-generation resource in the future.

HUGHES: So LES is doing that with incentives, they're not-- they don't have in place where they can go in and turn your thermostat off. So like they--

SHELLEY SAHLING-ZART: We have voluntary. We have a voluntary right now. We have a pilot program going on, peak rewards program, where if you have enrolled your Wi-Fi thermostat, you can enroll in our programing and volunteer for us to go in and control your thermostat on peak load days. But it's a voluntary program and actually you can override it. If you override it, you don't get the credit at the end of the year that we provide, if you override it so many times a year.

HUGHES: OK, so reliable-- is, is reliability number one at LES or affordability?

SHELLEY SAHLING-ZART: Oh.

HUGHES: Are the [INAUDIBLE]? And I'm not going to, I'm not going to go to the board and say--

SHELLEY SAHLING-ZART: Well, it's not right-- it's not going to be very affordable if it's not reliable. But I would say keeping the lights on, it, you know, that's a health and public safety kind of thing. So keeping the lights on has got to come first.

HUGHES: OK.

SHELLEY SAHLING-ZART: You're asking me now--

HUGHES: So as--

SHELLEY SAHLING-ZART: I'll probably hear about it from my CEO later.

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HUGHES: As we move more to a, a wind and solar, you know, how, how do you keep the lights on? You know, after dark when the wind is not blowing?

SHELLEY SAHLING-ZART: That's a great question. That's why battery storage is going to be very significant. And it's, it's a concern not just for us. The Southwest Power Pool, which, you know, manages that load, that balance for the region, is very concerned about that. And they're starting to, I mean, we're having a lot of discussions. They've had a couple of days where, where resources actually dipped well into the reserve margin, where they weren't sure where the resources were going to come from. And that's, that's a concern. That doesn't happen frequently, but it's happened a couple of times. So they're starting to get more and more concerned about that. And a lot of that is because there's been such a saturation of wind. That's not to say that wind and solar is necessarily bad. It means it's a different kind of resource that we have got to figure out how we deal with differently. And storage has got to come along to do that.

HUGHES: So, and you talk about storage, that technology is not here yet?

SHELLEY SAHLING-ZART: It is. It's not terribly affordable. And on, on a large widespread utility scale, it's just not that prevalent.

HUGHES: So then I guess that brings me to the, you know, we, if we have battery technology, we have the reliability. But then what does that do to the affordability if you have to have massive batteries in order to run the system even for a short time?

SHELLEY SAHLING-ZART: But--

HUGHES: Where do the-- who pays those bills?

SHELLEY SAHLING-ZART: That's a great question. But a lot of it kind of depends on, it can depend on some other things. So let's say that, that we also have a significant carbon tax that Congress passes in the next few years. Well, that suddenly changes a lot of the economic equation as well. So all of a sudden, some of that stuff might be terribly affordable, right? So it kind of depends on what other pressures we may see.

HUGHES: So the reason why wind and solar is affordable now is because there's a huge subsidy to it. So you're saying that if Congress passes

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a tax, there will be a huge subsidy going into the battery technology and, and who, who's paying those subsidies?

SHELLEY SAHLING-ZART: Well, for public power, you all, we all are.

HUGHES: Yeah, very good. Thank you. Any other questions? Seeing none, we'll take another opponent. And then back to proponents. Welcome.

KRISTEN GOTTSCHALK: Thank you, Senator Hughes and members of the Natural Resources Committee. Again, for the record, my name is Kristen Gottschalk, K-r-i-s-t-e-n G-o-t-t-s-c-h-a-l-k, government relations director, registered lobbyist on behalf of the Nebraska Rural Electric Association. And of course we are testifying today in opposition to LB1205. In general, NREA members oppose mandates that are unfunded and do not account for the negative impacts to electric consumers in the state. LB1205 is a prime example of an arbitrary mandate with significant negative consequences that were not considered, or if they were considered, it's a shocking disregard for the consumers in the state of Nebraska. Now, LB1205 sounds straightforward, but implementation of this bill leads us down a path of uncertainty within a very complicated industry. Now, none of NREA's members own generation resources and, except for one member, they all have all-requirements contracts with a wholesale supplier such as Nebraska Public Power District or Tri-State electric G&T. Both organizations that are already going down a path to reduce their carbon imprints and, and move towards carbon-free resources. So this is something that, that is indeed already happening. And I should mention that some of our members systems, because they do have some allotments within their contracts with their all-requirements con-- suppliers also contract out for renewable energy within their service territories. We have a number of systems that are contracted for energy from solar panels or small wind turbine projects that are in their service territories. So that, that is indeed happening. But in general, just going down the list of things that we are most concerned with, and Shelley touched on this a lot, is that LB1205-- LB1205 ignores local control, does not let the entities transition resources to meet the needs of the customers in a manner that doesn't add significant costs over a short period of time. And it requires an aggressive time line that would be impossible to meet without significant financial implications. I mean, we look at the number of resources that have to go online and then we look at the resources we already have online that we have to continue to pay for. It doesn't address the, the necessarily duplication of facilities. It doesn't address, and this is

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significant when we look at this, and Tri-State has had to deal with this. It does not address the significant loss of jobs associated with power plant closures that would likely be required or the stranded asset-- investments caused by shutting down those currently low-cost facilities. Doesn't consider cost and reliability, it doesn't have an off-ramp to ensure reliability or affordability. And are we truly going to replace the capacity of generation Nebraska with renewables, with the generation that we currently have? And it's an important distinction. Again, Shelley talked about that. I don't need to extend it. But does the bill really intend to create a renewable energy portfolio or is it intended to create job security for renewable resource developers? With that, I'll end my testimony, and I would be happy to answer any questions.

HUGHES: Thank you, Ms. Gottschalk. Are there any questions? Seeing none, thank you for your testimony. We will go back now to proponents. Welcome.

CLYDE ANDERSON: Yeah, thank you. My name's Clyde Anderson, C-l-y-d-e A-n-d-e-r-s-o-n. I'm a member of Second Unitarian Church, was a member institution of Omaha Together One Community. I am here today speaking for OTOC's environment and sustainability action team, or ESAT. For the past 25 years, Omaha Together One Community has been the coalition of congregations, community organizations, and other groups that share a commitment to renew the fabric of community life in Omaha. When OTOC member institutions conducted a series of grassroots house meetings in 2013, one of the community issues identified was concern for the impact of climate change and the need to create a more sustainable city and economy that respects our natural environment. In response, in early 2014, OTOC organized its environmental sustainable-- sustainability action team. One of ESAT's first actions was to participate in OPPD's public meetings as a part of its long-range power generation study and encourage the utility to switch to clean, renewable energy sources like wind and solar, and phase out generation from fossil fuels. During the past five years, OPPD has made a lot of progress, but it still has a long way to go. And thank you, Senator McCollister, for introducing LB1205, and ESAT supports passage of this bill. LB1205 establishes the renewable energy generation goals for OPPD and Nebraska's other public utilities. According to the American Wind Energy Association, Nebraska ranks third in the nation for wind potential and has the strongest, most reliable wind energy in the country. But our state is currently 14th in energy, wind energy produced. Although Nebraska ranks 13th in the nation for solar energy

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potential, Nebraska currently ranks 38th in solar installation. Nebraska utilities need to step up to the challenge to better tap our state's potential for clean, renewable and inexpensive wind and solar energy. And I am pleased that the amendment that the senator added nuclear power plants to the facility list. And, however, we're a little divided, our team, as to whether that should include new nuclear power plants. Definitely existing power, nuclear power plants should be included. And we encourage the committee to advance LB1205 for the reasons stated. Thank you. Any questions?

HUGHES: Thank you, Mr. Anderson. Are there any questions? Seeing none, thank you for your testimony.

CLYDE ANDERSON: Thank you.

HUGHES: Next, proponent. Welcome.

KAT WOERNER: Thank you. Good afternoon, Chairman Hughes and the members of the committee. My name is Kat Woerner, K-a-t W-o-e-r-n-e-r, and I am a sophomore at UNL majoring in economics, environmental studies, and natural resource economics. And I'm going to make this quick because I have class. So I want to thank you all for letting us come here and for hearing our voices and listening to our words. I am a born-and-raised Nebraskan from Bellevue, which is just outside Omaha and home of Offutt Air Force Base. I am here to talk to you about my future and how passing LB1205, adopting the Renewable Energy Standards Act, is in the best interest of it. In 2014, Senator Ken Haar introduced a bill calling for a study of projected impacts of a changing climate. In response, the Institute of Agriculture and Natural Resources at UNL created their own. This assessment came out in 2015, and not even four years later, a devastating disaster struck. We all know this. We all know the impacts of the 2019 flood. Many of your districts were impacted, and I know Belleview definitely was. And so we also know that it costs \$1.6 billion dollars directly and to combat this and on flood damages, which a lot of it did come from taxpayer money. And the scientists hardly a mile away from here know the likeliness of it happening again grows more and more every single day as we pour more carbon dioxide in the atmosphere. And as stated earlier, OPPD has set a carbon neutrality goal and LES is in the works with it. LB1205 falls in line with this and will provide guidelines and goals for a public power to meet and will allow them to be held accountable. It also provides time for the goal to be met to allow innovation of new technologies, because as we were talking about, batteries definitely are needed to accomplish it. So I would, like,

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for me personally, I would like to see Nebraska utilities reach carbon neutrality before I reach my 50th birthday or I have my midlife crisis, whichever comes first. So please vote and decide as if you were my age, because at one point you were. And at some point, I will be yours, doing the same for the next generation. Thank you.

HUGHES: Thank you, Ms. Woerner. Are there any questions? Seeing none, thank you for your testimony.

KAT WOERNER: Thank you.

HUGHES: Let you get back to class.

KAT WOERNER: Yeah, no, it started life a half-hour ago.

HUGHES: You need a note? OK. We'll switch back to, to opponents. Are there additional opponents to LB1205? Welcome.

DUSTIN ANTONELLO: Good afternoon, Chairman Hughes and members of the Natural Resources Committee. My name is Dustin Antonello, that's spelled D-u-s-t-i-n A-n-t-o-n-e-l-l-o, I'm here today speaking on behalf of the Lincoln Independent Business Association in opposition to LB1205. Making it mandatory for electric utilities to place a certain percentage of renewable energy into service will lead to increased electricity bills for businesses and residential consumers. According to data from the U.S. Energy Information Administration, states with renewable mandate goals at 50 percent or more have residential electricity rates of about 40 to 50 percent higher than states without such requirements. In fact, 9 of the 10 states with the highest residential electric rates have strict renewable energy requirements, while 7 out of the 10 with the lowest rates do not have any renewable energy mandates. The highest on average are double the figures of the lowest rates. Furthermore, states with renewable energy mandates of 20 percent or more have rates that are about 27 percent per kilowatt hour more expensive than states with renewable energy mandates of 10 percent or less, and about 50 percent higher than states with no renewable energy mandates. This equates to about \$500 to \$1,000 a year in higher utility bills for a middle-class family in a typical state, and tens of thousand-- tens of thousands of dollars of higher costs for a business depending on energy usage. For manufacturers, it could mean a hundred thousand dollars or more in extra costs. The higher costs would be especially difficult for low-income, income Nebraskans to absorb, since lower-income households spend five to seven times more as a share of their incomes on energy

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than do high-income households. LIBA believes public power suppliers should have the flexibility to pursue the most cost-effective approach to adding more renewable energy sources. Public power suppliers in Nebraska are already adding more renewable energy sources to their portfolios without government coercion. Over the last 10 years, LES has taken action to diversify its portfolio and add more renewable energy capacity. Today, renewable energy accounts for nearly 35 percent of the power that the LES generates. I urge you to oppose LB1205 and leave it up to the local power, public power suppliers to determine how best to responsibly add renewable energy without substantially, substantially raising electricity rates. Thank you.

HUGHES: Thank you, Mr. Antonello. Are there any questions? Seeing none, thank you for your testimony.

DUSTIN ANTONELLO: Thank you.

HUGHES: Additional opponents? Any additional opponents? Welcome.

TWYLA WITT: Thank you. My name is Twyla Witt, T-w-y-l-a W-i-t-t, I'm from Thedford, Nebraska, crossroads of the Nebraska Sandhills. I live in town, also have a guest house between Thedford and Halsey, and also own a ranch in Cherry County. I'm very interested in energy, but I am very opposed to this bill because I do not believe that we need renewable energy mandates. I think it will hurt our state in many, many ways. Overall, Nebraska has an excess of energy and there's enough energy that Nebraska has right now to provide the energy for another city the size of Lincoln. We all know Nebraska is 100 percent public power, state. Energy must be safe, reliable and affordable. And passing LB1205 to provide more renewable energy will not keep it safe, reliable and affordable. Our U.S. government can't even control a virus, and it will never be able to control climate energy or control the climate. Therefore, I'm opposed to LB1205, and I thank you for listening. Thank you, Senator Hughes and the committee.

HUGHES: Thank you, Ms. Witt. Are there any questions? Seeing none, thank you for traveling all this way today.

TWYLA WITT: Thank you.

HUGHES: We will switch back to proponents. If you're wishing to testify, could you come up to the front? Welcome.

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KATIE TORPY: Thank you. Good afternoon. Good afternoon, Senator Hughes and respected members of the committee. My name is Katie Torpy, K-a-t-i-e T-o-r-p-y, here today representing the Nature Conservancy and our 409-- 4,900 member households. On behalf of them, we convey our support for LB1205. This legislation would set Nebraska on a clear pathway from fossil fuels toward cleaner energy source, sources. And it would reduce greenhouse gas emissions and air pollution in nebraska, which have health-- sorry, benefits in terms of reduced expenses on an average of, I think, \$36,000 per year per county, according to analysis through the COBRA tool, through the EPA. So there, there are unquantified reductions in expenses that aren't brought to the forefront often in these conversations that I just want to point out. And I'm "extemporizing," so sorry if that's-- I can provide that detail later with, with the correct resources. Renewable energy standard such as-- while currently we're not on track to achieve the aggressive emissions reductions needed to avoid the worst impacts of climate change, mitigating events, taking this, this action would reduce greenhouse gas emissions and hopefully stave off the worst consequences and keep us from flood events and the bomb cyclone such as the 2019 event, where we know that costs also, also escalate as a result of that. As you heard during that testimony last week on the task force mitigation plan. So as far as LB1205 or, or enact-- enactment of a broader net-zero goal, net-zero carbon goal, I would advocate for either as necessary and efficient action that the state can take to move us towards decarbonization. This may seem contrary to the Nature Conservancy's mission in that we are not in favor of energy sprawl, and we're wanting to have our land conservation objectives. But smart siting is what makes wind and solar a "yes, and" proposition. We're not choosing between wildlife and wattage. Responsible expansion of wind and solar energy is necessary to ensure the well-being of our communities, businesses, and natural resources. And we have more than 21 times the amount of disturbed or fragmented land available on which to site these renewables in the state and meet, to meet the Department of Energy's wind deployment vision. Then that's-- I'll, I'll conclude there.

HUGHES: OK, thank you, Ms. Torpy. Is that correct?

KATIE TORPY: Yes.

HUGHES: OK, very good. Any questions? Seeing none, thank you for your testimony today.

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KATIE TORPY: Certainly.

HUGHES: One more opponent. Or proponent. I'm sorry. Proponent, excuse me. Proponent. Welcome.

SHARON CLAWSON: Senator Hughes and the committee, my name is Sharon Clawson, S-h-a-r-o-n C-l-a-w-s-o-n, and I am the current chairperson of the Nebraska Chapter of the Sierra Club and I live in Omaha. Of course I'm in favor of LB1205, and I want to say that it's kind of a shame Nebraska is one of the few states in the nation that does not have either a renewable portfolio standards or renewable portfolio goals. Yet we have, as has been mentioned, the strongest, most reliable wind in the country and we rank 14th among states for wind energy produced. We have great solar energy potential, but yet we rank 38th in solar installations. We must act now to decrease our greenhouse gases. We don't have time for more studies. We must be forward-thinking in order to make the changes needed to slow down climate change. When she spoke about pressure on LES to have these goals attained by 2030, I think we need to have pressure on our utilities. I think we need to do that so that we can make the earth a habitable place for our children and grandchildren and future generations. Thank you.

HUGHES: Thank you, Ms. Clawson. Are there questions? I guess you've got here where Nebraska has the most reliable wind in the country, however, we rank 14th among the states for wind energy produced. Why? Why do you think that is?

SHARON CLAWSON: Because it hasn't gotten going yet. I think, I think it's, it's coming, more and more are being produced.

HUGHES: But if we have the best wind, why wouldn't it have been built yet? Because Nebraska wasn't--

SHARON CLAWSON: We're public.

HUGHES: We are a public power state. Very good.

SHARON CLAWSON: Yes. Right.

HUGHES: So our utilities were not able to take advantage of the federal subsidies that have built wind and solar. So I guess my question, how much more tax are you willing to pay in order to get us in line with other states? That's the question--

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SHARON CLAWSON: I--

HUGHES: --the reliability and the affordability. Thank you for your testimony.

SHARON CLAWSON: Sure. You bet.

HUGHES: Any other questions? Opponents. Welcome.

TOM WITT: Good afternoon, Senator Hughes, committee members. My name is Tom Witt, T-o-m W-i-t-t, I'm from Thedford. I am here in opposition to LB1205 for some minor reasons compared to some of these others. The first one is jobs. If you look at North Platte, Alliance, the UP BNSF, 90 percent of their traffic, if you're going by my place in Thedford is coal. The same, well, with UP is coal. If we're going to do this 75 percent of renewable energy by, what, 2030, like he said, or 2050, you basically destroy the economies of Alliance, North Platte, a lot of small towns in between. The second one, you want renewable energy. Where are we going to place these monstrosities? The wind towers or the solar farms, we have the ag land, farm land, the ranch land. Gonna take all that out of production to put it in the wind turbines? Are we actually gaining anything or are we losing? And as far as climate change, us trying to change the climate is like trying to push a log chain, it ain't going to happen. The climate is going to change. It has changed ten-thousand years ago or ice age got warmed up. We may be gradually cooling, may be warming more, but it's still-- climate is not just 10 years, 20 years, 100 years it's millenia. So we're not going to change whatever the climate does by what we do here. I guess that's all I have on my notes. So thank you.

HUGHES: OK. Thank you, Mr. Witt. Are there questions from the committee? Seeing none, thank you for coming and testifying today. Additional opponents? No other opponents. OK. We'll switch back to proponents. Welcome.

T. J. PFANNENSTIEL: Good afternoon, Chairman Hughes and other members of the committee. My name is T.J. Pfannenstiel, it's T.J. P-f-a-n-n-e-n-s-t-i-e-l. I am a member of Students for Sustainability in Omaha. I certainly don't have the prestige of some of those that also testifying today, but I ask that you take my thoughts into consideration all the same. Just across the Missouri River in Iowa was the first state to establish a renewable portfolio standard in 1983. Their state legislature was ahead of their time to acknowledge the infinite potential they held in respect to an infrastructure in

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renewable energy. Today, 29 states, not including the District of Columbia and 8 other states that have implemented a non-binding policy, have followed suit in recognizing the undeniable benefits of implementing some form of this policy. The United States Department of Energy ranks Nebraska as third in the nation for wind potential, and it would be beneficial to Nebraska, both environmentally and economically, to finally escalate our efforts towards utilizing the natural resources that we have long taken for granted. This policy and no regard, regard requires an abrupt trans-- transition from our current means of energy production to strictly renewable energy. Through the implementation of an eventual standard, individual public power districts will be capable of increasing their consumption and/or production of renewable energy, all, all the while maintaining their current operations. Respectively, this is why renewable portfolio standards are not estranged to overall decreasing costs of energy consumption for consumers. Because Nebraskans rely upon not-for-per-- not-for-profit power districts, the adoption of this act will likely save money for local governments and consumers alike. In the end, to adopt the Renewable Energy Standards Act is to work toward creating a Nebraska that will increasingly become more reliant upon itself. And energy infrastructure disparate of, not subject to, the ever-changing fossil fuel markets and the production of toxic waste is an extraordinary investment in Nebraska's, in Nebraska's economy, as well as environment that allows for our agricultural-based state to thrive. I am currently a senior in high school and I'm missing a day of school to be here today because I see a worthy cause to mandate a smooth trans-- transition from our reliance on non-renewable fuels to clean energy. My generation is over-- overwhelmingly in support of the concept of clean energy, and without a doubt we will continue to push the initiative for a more sustainable Nebraska. Years down the road, there will be an even larger demand for an infrastructure that is independent from the fossil fuel industry, and this will be the public consensus I will have the responsibility to uphold. Our government's disregard for this particular subjects magnifies the issues we will inherit simply because of our government inaction. LB1205 is a means of making the most out of the resources we have-- the resources available to us, as well as adjusting to the, to the demands of modern day society. Myself, as well as my peers, are invested in this issue for the sake of our lives and the lives of our future children. We intend to treat it as such and hope you see it the same way. Thank you.

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HUGHES: Thank you very much. I am sorry I missed your last name.

T.J. PFANNENSTIEL: Pfannenstiel.

HUGHES: Pfannenstiel?

T.J. PFANNENSTIEL: Pfannenstiel.

HUGHES: OK, great. Thank you, Mr. Pfannenstiel. We are glad you came and joined us rather than sitting in class all day. Are there questions? Seeing none, thank you for your testimony.

T.J. PFANNENSTIEL: Thank you.

HUGHES: Next proponent. Welcome.

KRISTEN OHNOUTKA: Good afternoon, Chairman Hughes and members of the committee. My name is Kristen, K-r-i-s-t-e-n, Ohnoutka, O-h-n-o-u-t-k-a. I work as a research fellow for New Power Nebraska, a renewable energy development organization. LB1205 would establish renewable energy standards for a state with tremendous renewable energy generation potential. The standards set out in this bill are attainable and the time lines are reasonable, given current utility trends in Nebraska. Without any kind of renewable energy standard or goal, Nebraska remains outlier among states. Thirty-seven states have, have such policies already in place. Of the 13 that don't, 9 of them are in the south, southeast region of the country. Outside of that region, it is only us, Wyoming, and Idaho that do not. Perhaps not coincidentally, Nebraska is an outlier in another way. From 2006 to 2016, Nebraska was the only state in the nation to increase its investment in coal. Not even Wyoming did that, and not even West Virginia did that. By contrast, Iowa was the first state to enact a renewable energy standard. What has that meant, is Iowa today produces more than five times as much renewable energy as Nebraska. And we should know Iowa has less renewable resource and less landmass as Nebraska. Iowa's economy has seen billions of dollars of investment in rural places, hundreds of millions in lease payments to farmers, thousands of new jobs, hundreds of millions of new tax revenues for counties and schools, and the successful recruitment of new businesses that have committed to buying solely renewable power. All because of this conscious decision to prioritize the renewable energy potential in their state. And Iowan rural families have been benefiting from and living in harmony with renewable energy generation now for decades. A renewable standard sends a message to renewable energy companies,

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investors, and private corporations that Nebraska is a serious place to do business and that our policy environment is renew-- is reasonable and welcoming to new development, new development that we desperately need. I am from Columbus and I'd like to return to rural Nebraska someday. And so would many of the people I grew up with. But we know without new jobs and economic opportunities based on the needs of a new economy, there's not much of that. There's not much hope of that happening. Renewable energy is one of those opportunities. Help widen that opportunity for rural Nebraskans into the future by supporting LB1205. I will say this comment based on what was discussed before. The situation in Nebraska is unique with public power in regard to enacting our renewable energy standard. But I do not think that we should let this source of public utilities stop us from trying to attain a goal of achieving more renewable energy potential in our state. And to answer another question that was brought up before, the reason Nebraska is not nearly as developed as it could be based on our standard as third-highest potential in the country is because of the limitations at the local level and county boards and the commissioners who make it a lot difficult for private companies to come in and develop in our rural counties. With that, thank you.

HUGHES: Very good. Thank you, Ms. Ohnoutka?

KRISTEN OHNOUTKA: Yep.

HUGHES: Very good. Any questions. I can see you are very knowledgeable on the subject.

KRISTEN OHNOUTKA: Thank you.

HUGHES: Thank you for coming today. Appreciate it.

KRISTEN OHNOUTKA: Thank you.

HUGHES: Additional proponent. Any additional proponents? Any additional opponents? Anyone in the neutral capacity? Welcome.

TIM TEXEL: Thank you, Senator Hughes, Mr. Chairman, members of the committee. My name is Tim Texel, T-i-m, last name is T-e-x-e-l. I'll be very quick, I think I'm last. I just had one minor point on this, or I guess could be major depending how you look at it. I'm the executive director of the Nebraska Power Review Board, the state agency with primary jurisdiction over power suppliers in Nebraska. Just wanted to point out in the bill on page 2, lines 20 and 21, when

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it defines renewable energy generation facilities, it says, "but shall not include any form of waste incineration for energy recovery." Normally under Nebraska law, landfill gas would be included in our-- is included as a renewable source. I think this language would prohibit that, not allow utilities to count their, a couple of facilities that capture landfill gas, because I think it would be considered waste and the fact that it says any form of waste incineration. My concern is that might have been intended to mean burning trash and such and not intended to ban landfill gas capture, which does burn off the methane that would otherwise need to be flared. So I just wanted to point that out for your consideration. My board and I don't take a stance on that policy, but I wanted to point that out. And that's all I have. Thank you very much.

HUGHES: Thank you, Mr. Texel. Are there any questions from the committee? Seeing none, thank you for your testimony.

TIM TEXEL: Thank you.

HUGHES: Any additional neutral testifiers? Seeing none, Senator McCollister. We do have several letters. Proponents are Kathy Jeffers, Nebraska Conservation Voters, Advanced Power Alliance, Baird Holm, Nebraska Interfaith Power and Light, Michele Miller and Tim Hantula, Dennis Demmel, Nebraskans for Peace. All those in opposition are Elkhorn Rural-- Elkhorn Rural Public Power District, Metropolitan Utilities District, Omaha Public Power, Nebraska Farm Bureau, Cuming County Power District, Midwest Electric-- Electric Cooperative Corporation, Black Hills Energy, Butler-- Butler Public Power, Timothy Lindahl, Niobrara Valley Electric Membership Corporation. Wheat Belt Public Power, KBR Rural Public Power District, Esther Bergen-- Bergen, Deborah Wills, Joan Estman-- Eastman, Dave and Sheryl Hutsell, Doug Anderson, Terry Madson, Nebraska Electric Generation and Transmission Cooperative, Inc., and David-- Dan Schmid. With that, Senator McCollister, you're welcome to close.

McCOLLISTER: Well, I want to thank the committee for their work this afternoon on a beginning of a recess, four-day recess. And so I won't keep you long. Commenting on Mr. Texel's comments, I would, I would think that sewer gas or gas generated from some kind of landfill, that would and should be included as a renewable fuel, a renewable energy source. I think you can see that there's a great deal of passion on this issue, a great deal of passion. And that passion will translate to the voters when they elect these utility directors. It will continue to do that. We've seen some evidence of that in Nebraska, and

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particularly in Omaha. National polls indicate renewable energy is an important item for-- for people in America, and that will continue to be so and will probably intensify as, as we look at greenhouse gases. I need to acknowledge the progress that our Nebraska utilities have made in decarbonizing. They have made remarkable progress. OPPD has done a terrific job, and they want to be carbon-neutral by 2050. So I have to acknowledge as-- acknowledge the good work they've done, and I just hope to continue it with a bill of this sort. Technology, if you would have told me 10 years ago we would have come this far on renewable energy, I would not have even agreed. We have done so well, and the cost of renewable energy has dropped precipitously. And I think what we will see is battery storage will, will develop at the same rate over the next 10 years. Jobs, been a couple of comments about jobs. And I think if you were to know there's more solar panel installers in this country now than coal miners. So jobs is really not the issue. Particularly in Nebraska, you've got so many people installing these wind turbines. It's a, it's a great-paying job. And the-- and it takes people to maintain those, those wind towers as well. And they're great, \$60, \$70,000 a year jobs. So, no, when it comes down to employment, renewable energy is the way to go. Let's talk about the cost of energy. Village utilities in Nebraska have made rapid progress toward renewable energy, but yet we have not seen rapid price increases at all. Why is that? Well, because the cost of fuel for a wind turbine or a solar panel is zero. And long-term, the cost of carbon-generating kinds of facilities, those facilities that use carbon to generate power, that will continue to go up, whereas the renewable component will drop. So we are not going to see huge increases in prices. If you were to ask those utilities in back of me what their price increases have been the last 10 years, I think they would tell you, none at all or very little. So finally, local control. I used to serve on a public utility board, and I understand about that issue. But the fact that we bring bills here to the Natural Resources Committee, and I will continue to do that, helps those board, boards focus on that issue. Every board has a, has a committee of the board that reviews legislation coming to the Nebraska Legislature. So the fact we bring these bills will focus their attention on renewable energy and reducing carbon in our environment. With that, Mr. Chairman, I will take some questions.

HUGHES: Thank you, Senator McCollister. Are there any questions? Seeing none, thank you for coming by.

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McCOLLISTER: I'm disappointed.

HUGHES: That will close our hearing on LB1205. Thank you, everybody,
for coming.