

April 3, 1989

LB 95

SENATOR HANNIBAL: I know.

SENATOR LANDIS: ...their concerns have been alleviated.

SENATOR HANNIBAL: And the league?

SENATOR LANDIS: The leagues neutrality I don't recall other than this is just simply a bill that relates to one area of the cities and not all cities and they are concerned generally that nothing be done in 95 that undoes the natural gas regulation law that we did about a year and a half ago, two years ago. In fact, in the redrafting of LB 95, it has been very clearly outlined that the methodology for regulation is, in fact, the very method that we use in the natural gas regulation law. That was not originally clear in the way the bill was drafted. As you can see, committee counsel Stadtwald worked very hard to do some redrafting to adjust those concerns.

SENATOR HANNIBAL: And since I'll probably run out of time, I'll ask you one other question then and maybe you covered it in the committee amendments as to why the city is a better regulator than the Public Service Commission in this case. I'll give you the rest of my time to answer that, but if you run out, I would hope you would take some time to explain that.

SENATOR LANDIS: Thank you, I will.

SPEAKER BARRETT: Two minutes.

SENATOR LANDIS: Thank you, Mr. Speaker, members of the Legislature, the question that Senator Hannibal asks is why cities and not the Public Service Commission in the regulation of this situation. At one time, there would have been an arguable constitutional challenge that said that, in fact, the Public Service Commission was the right home for this. At one time in our Constitution, it indicated that not only for common carriers, but for utilities, the Public Service Commission would have been the court of last resort for regulation. The very word utility was, in fact, deleted from the Public Service Commission's constitutional mandate at one point. The natural gas regulation in this state is done through a series of fact-finding procedures funded by ratepayers that go to a city council. The city gets to hear the arguments of the natural gas company and they...