

provide these kinds of incentives on their own. It has to be a project that has been approved by the board under the Job Qualities Act and LB 829. That, I hope, explains where we are on this bill, and I would invite your questions and comments.

SENATOR CROSBY: Thank you, Senator Beutler. Discussion on the committee amendments to LB 828. Senator Wesely.

SENATOR WESELY: Thank you, Madam President, and members, I would like to ask...I appreciate Senator Beutler's explanation of the bill and the issue and I would like to ask for some information. When I was involved heavily with public power issues and energy issues and we were trying to get lower rates for residential users for low income individuals, the argument back from the public power districts was that they had to provide service based on cost of service, that they had to...they could not differentiate, that they could have classes, residential, commercial, industrial, but within those classes that they could not discriminate within the class. They could discriminate among the classes but the idea would be always following the rule of thumb of cost of service. Is cost of service thrown out the window because of this amendment? And can it be thrown out the window based on constitutional authority to the districts or other statutory authority that was there in the past?

SENATOR CROSBY: Senator Beutler.

SENATOR BEUTLER: Senator Wesely, I think there are different ways of characterizing and answering that question, and there is more than one question as I understand it. I don't have knowledge of any constitutional problem, but for this bill, it would not, to a certain extent, have been possible for them to do this because in this particular...this particular bill allows them to create something other than a class. It allows them to look at situations individually. There are provisions in the general law with regard to the establishment of classes, and the fact that those classes have to be fair and nondiscriminatory. So I suppose, historically, the ability to manipulate classes may...may affect how one would answer the question of whether cost of service is going out the window or not. We know that as a matter of fact it is more economical to service large users, and so a commercial, large commercial establishments can be serviced more cheaply than a great many residences, especially if you are talking, for example, in rural areas where residences