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LB 165

SENATOR CUDABACK: Thank you, Senator Brashear. (Visitors introduced.) On with discussion. Senator Schrock, followed by Senator Bromm and others.

SENATOR SCHROCK: Mr. President, members of the Legislature, I think for those of you who would like to be a little more familiar with the operations at Brownville, NPPD had a contract with MidAm out of Iowa for half of the power produced by that plant, and that's a long-term contract, but that expires September 1, 2004. They also have a contract with LES to take an eighth of the power, or 12.5 percent, up until September 1 of this year, and that contract expires this year. In both cases, neither LES or MidAm chose to renegotiate that contract, so NPPD will be responsible for 100 percent of the output of that nuclear plant. It is a large plant and I think it's something we want NPPD to keep on line, to keep running. If any of you have paid your natural gas bill lately or seen what the price of fuel has done, this plant becomes more important all the time in the makeup of electricity in the state of Nebraska, and of course it gives them the opportunity sell excess power in other states. Now the issue here is whether NPPD can contract out management of that plant to a company who has a better track record than they have, who manages multiple plants, and the goal of NPPD is to increase the ratings of that plant. Keep in mind this is fully regulated by the Nuclear Regulatory Commission out of Washington, D.C., and if I thought there was any safety problems there or if the Nuclear Regulatory Commission thought there was any safety problems there, they would be shut down. So I don't think there should be any question about the safety of this plant. I guess there are no absolutes in this world. But let's keep in mind what NPPD is trying to do with this bill. It's trying to say that indemnification or liability would still lie with NPPD. It doesn't absolve the management company of any mistakes they would make. But I think this is a chance to give NPPD an option to improve their lot, to turn the management over to a professional organization. And NPPD only operates one nuclear plant. It just makes sense that professional people who operate multiple plants probably can come in and operate that plant more efficiently and upgrade their ratings with the Nuclear Energy Regulatory Commission. So that's the purpose of this bill. It's pretty straight and simple forward. I would