

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

March 27, 2003 LB 790

CLERK: Mr. President, the next bill, LB 790. It's a bill introduced by Senator Landis. (Read title.) The bill was introduced on January 22 of this year, at that time referred to the Urban Affairs Committee. The bill was advanced to General File. I do have committee amendments, Mr. President. (AM0809, Legislative Journal page 903.)

SENATOR CUDABACK: Senator Landis, you're recognized to open on LB 790. Senator Landis.

SENATOR LANDIS: Thank you, Senator Cudaback, members of the Legislature. You have been hearing about this bill for a rather long time. I have been working on it for a long time as well. We are, I think, on the brink of an agreement and I have the agreement of all parties to move this bill to Select File because we've identified an agenda for further negotiation and the solution of about six or seven major issues that both parties, or both of the major parties believe to be solvable. We have now local option regula...I am sorry, local regulation of natural gas companies, and it doesn't work particularly well. We're the last state, with one other exception, Texas, that lets our cities do the regulation of natural gas. Most states, the overwhelming majority have moved to a state regulator. Because of problems that have occurred over recent years in the local natural gas regulation system, the cities have wanted to change. And so this bill was drafted to accommodate a number of interests. One, we have cities that want to deal with their negotiated...want to negotiate with their natural gas companies, and this has a local option to do so. Secondly, we have cities who don't have confidence in that process and want to go to a state regulator, so that the default position is going to the PSC. And we drafted LB 790 originally as essentially the laws in Kansas. Now here are the major areas that both parties agree need some work. Number one, we need a technical clean-up amendment of the bill and that's underway. Secondly, we want to make sure that the agricultural users have flexibility and choice options. All parties agree to that and all parties simply need to find the language to get ag users flexible use of rates with at least some kind of approach or access to the PSC for terms and conditions and services that are badly done. We expect that probably to be a complaint-based system. Large