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LB 790

SENATOR QUANDAHL: Thank you, Senator Schimek and members of the body. And I will ask a few questions of Senator Landis of the bill as I do have a little bit of interest in this area, too. But if I think I heard Senator Landis correctly, and I haven't had a chance to digest all 66 pages of this pretty comprehensive amendment, I think what he said was, or what the gist of this is going to be, is that we are going to have PSC regulation but only for the private entities. We won't have PSC regulation of rates for municipally-owned utilities nor, for instance, like, MUD, also. And so, that would be a question that I would pose to Senator Landis. Is that correct?

SENATOR SCHIMEK: Senator Landis, would you yield to the question?

SENATOR LANDIS: That's generally accurate. There are a couple of variations. One, you could have those entities who would be under the jurisdiction of the PSC in the event they were marketing gas outside the area that they now serve. So that's one area that they would have. Secondly, there's also a class of ratepayer who wouldn't be involved; the really, really big, big users, who are very adroit--let's say Nucor Steel, at covering their costs, are essentially unregulated because they get to negotiate with the gas company. They have...so they're also out. So close, but slight variations on the theme, but accurate as far as you said, and then that are a little more to flesh out the story.

SENATOR QUANDAHL: And you also said, if I understood, that the amendment takes care of a double piping problem, that there wouldn't be municipalities and privates perhaps sending pipes in the same area, too. How does that work?

SENATOR LANDIS: We now have a rule on that, called LB 78, passed by the Urban Affairs Committee a number of years ago. What this says is that it's the statewide public policy that we not have dual piping. In the event there was to be a controversy, I suppose we could fall back on LB 78 as the answer to that. We have, however, an area of double piping in Kearney where two natural gas companies have pipes running right down