

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

May 9, 2005

LB 748

utilities do not have to have PSC certification in order to exercise their ability to market the product. Third, the bill repeals the Municipal Natural Gas System Condemnation Act. The bill provides that condemnation of a natural gas utility by a municipality would be done by the general eminent domain procedures and would be subject to a vote of the people through a limited referendum. Fourth, the bill ensures that all utilities are able to bring their product to the distribution systems. The bill broadens the Metropolitan Utility District's power of eminent domain. Currently, these powers do not extend beyond Omaha's corporate limits; however, MUD's boundaries already go beyond these limits. I do want to make clear that the committee amendment will change this slightly in that it will not allow MUD to acquire an existing utility's facility through condemnation if the facility is already within the jurisdiction of a city or a village. That will come in the committee amendment. Finally, the bill clarifies that if a city or village is annexed, the customers in that territory become the customers of the municipal system, and it would provide municipalities with the right of first refusal in cases where a natural gas service decides to dispose of all or part of a system. And again, that provision there, the right of first refusal, is also struck in the committee amendment. This has been going on as long as I've been in the Legislature. It seems every year there's a bill that either the private investor-owned or the public companies are pushing, and every year it seems to be fairly contentious. And again, I've been here six years and every year there's a significant bill that changes the policy. I have a few amendments filed to the bill and, in a spirit of our process, I tend to be responsive. If people have a concern or a complaint about a particular bill or a measure, similar to what we did earlier this year with the methamphetamine bill, I try to be responsive. And the bill, it simply is trying to add parity. I can give you examples of cities--Hastings, Central City--who again were part of the coalition that brought this bill to me, who have tried to do things in their communities with utilities with investor-owned utilities, and by the way the system is set up these utilities can be, in my opinion, fairly unresponsive and these communities are basically stuck or held prisoner, in my opinion. So that's what LB 748 does. I hope we'll have an extensive debate. I am not an expert in this