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

April 4, 2006 LB 1249

SENATOR BOURNE: Okay. But there...okay, so look at the area there on the map that I gave you, and you have Cherry County, Grant County, Hooker County, Thomas County, Arthur County, McPherson County, and Logan County that do not have gas service; is that accurate?

SENATOR FRIEND: True.

SENATOR BOURNE: Is there anything in the bill that would obligate...so we're going to give that entire area to Kinder Morgan, but is there an obligation upon Kinder Morgan to actually give service to those areas?

SENATOR FRIEND: I think that's when you go to the PSC, and that's where economic feasibility comes into play, Senator Bourne, because...

SENATOR BOURNE: So who would petition, Senator Friend, to do that? I mean, as I understand it reading the bill, there's no obligation to provide the gas there, and you're saying, though, that a community can go to the PSC and compel them to provide service?

SENATOR FRIEND: Well, I think that that's probably where a little bit of the confusion lies. I mean, I'm telling you a governmental subdivision could do that, yes. But I don't think that that is expressly...if I remember right, I don't think that's expressly stated in the bill. But...

SENATOR BOURNE: Right.

SENATOR FRIEND: ...if I understand your question.

SENATOR BOURNE: There is no corresponding obligation to serve. We're going to give them a territory, but they don't necessarily have to serve the entire territory....

SENATOR FRIEND: But...

SENATOR BOURNE: ...but we can't...we won't let somebody else in there if they elect...