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FLOOR DEBATE

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LB 1249

does it guarantee that consumers are going to get the lowest rates, if there is exclusive territory?

SENATOR LANDIS: Ah, the rate-setting power exists in existing law, in 66-1825. Rates set, whether there are territories or not, are absolutely unchanged. The standards are absolutely unchanged--got to go to the PSC to change your rates. Want to raise rates, got to go and justify them. Got to be able to show the cost of gas has gone up, cost of business has gone up. Those are examined by a public advocate, which are paid for by the gas companies who then critique the natural gas companies' desire to raise rates. And it says that no jurisdiction shall, as to rates, make or grant any unreasonable preference or advantage. It shall determine just and reasonable rates for natural gas--the commission has to determine those--shall give due consideration to the public need for adequate, efficient, and reasonable natural gas service,...

SENATOR CUDABACK: One minute.

SENATOR LANDIS: ...so that natural gas companies do not set their own price. They have to ask permission for the price they set, it has to be granted by the PSC after an investigation and existing standards that apply, without regard to the existence of territories or not, there's no change.

SENATOR HUDKINS: We're out of time, but then what would be your answer--and you can finish it, I see your light is on--what would be the worst thing that would happen if this bill is not passed?

SENATOR LANDIS: Oh. We can probably continue as we are. Let me tell you what we've done in the past. We had a \$400,000 asset, at public expense, built and then ordered to be either torn down or sold, because it wasn't in the public interest to do it. We get to continue to do that,...

SENATOR CUDABACK: The time is up.

SENATOR LANDIS: ...because that's what we have.