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directors sets it, and that's for MUD districts, the MUD boundaries themselves.

SENATOR BOURNE: I would...I'd concede that.

SENATOR LANDIS: Okay. Good. When you operate beyond the MUD boundaries in the Sarpy County area, where they're not part of the district but you're serving them--we're past the MUD boundaries but we're into an area that MUD serves, which is a good portion of Sarpy County, right--those folks look to who for the regulation of the natural gas customer relationship?

SENATOR BOURNE: I would say, in general, they would probably look to the Public Service Commission.

SENATOR LANDIS: All right. Thank you very much. Well, let me go back to the...I'll ask you one more question; then I'll make my point. If MUD has control of their own territory and they are an exclusive server in their district, something we've agreed to, why can't other natural gas providers have the same benefits, the same status that MUD has by law, which is they are an exclusive provider in their boundaries? Why can't others have what MUD already has?

SENATOR BOURNE: Well, that's a fair question, Senator Landis, and I would say, you know, without getting into the part of it that the public owns, Metropolitan Utilities District, that's a fair question. Let me chew on that for a little bit.

SENATOR LANDIS: Okay. Senator Cudaback, members of the Legislature, I want to make one point and I'm going to yield some time to Senator Friend, because he deserves an opportunity to be heard today. There are exclusive service territories in this state and they are the city-owned operations and MUD. They are exclusive service territories. Pat Bourne was exactly right. MUD controls their fate and nobody can sell natural gas inside Omaha because they are an exclusive service territory. The only people who don't have exclusive service territories are the other operations in this state, and the point here is that MUD is fighting other people having exactly the same rights they already have. They are an exclusive service territory and they