

February 19, 1975

SENATOR LEWIS: Mr. President, members of the Legislature, I offer this amendment for the reason that if we are going to have joint generation facilities, and I think it is a good idea and I support the bill, but I don't plan to support the bill if we just lock it in to the major power companies. Now, I think we should provide that some of these municipalities that join together for generation facilities should have an opportunity to have the wheeling capacities and the wheeling rates reviewed and, with this thought in mind, I am offering this amendment. I think if we are really dedicated to an economy move as Senator Goodrich outlined and an opportunity for the municipality and the smaller power districts to band together for generation facilities, then I think that we should provide them an opportunity to have the wheeling charges and capacities reviewed and that is all I am asking for in this amendment and I move the adoption of the amendment.

SPEAKER: Have any further discussion? Senator Goodrich.

SENATOR GOODRICH: Mr. President, members of the body, I have to resist my good friend's, Senator Lewis, amendment. What his amendment does is, it establishes a rate setting body in the form of giving the Power Review Board the power to review rate disputes between bodies..between participants of a joint venture facility and that their finding, when this dispute is submitted to them, their finding would be binding. Now that's the very thing we can't let happen on this bill because it would affect the rate setting authority of a power...the Board of Directors of a power district. That rate setting authority is set in 70-655 and the reason, for example, that power districts can get good rates on revenue bonds that they have to issue, in order to fund these facilities, is they have the power to set the rates themselves according to the terms of the statute and along those limitations set by the statutes and, if we give the Power Review Board the authority to intervene or to interfere, then we are literally subjecting the bonds that would be issued for the state of Nebraska to come in at a little higher rate, probably a quarter of a percent or a half of a percent higher rate than they would if we did not have this Lewis amendment in there. Since, for example, we are building, or are in the process of building three major facilities in the state of Nebraska. One is the Gentleman plant out in western Nebraska. I don't even know the exact cost of it. I suppose it is 350 million dollars, something in the neighborhood of that. We have the second atomic plant at...nuclear plant at Fort Calhoun and we have the new Nebraska City plant being contracted for right now. This state is going to be borrowing anywhere from 850 million dollars upwards to..it may even go to a billion dollars over the next three to five years for the financing of generating facilities. We cannot afford to have the Lewis amendment in this bill because it would affect the rates that we sell those bonds at and there is no sense in having the rate payers of Nebraska have to pay a higher rate just because we want to set a interference, you might say, with the Public Power Review Boards. Give them, in other words, a way to hinder the rate setting facilities...rate setting authority of the Board of Directors of each of the Power districts.

SPEAKER: The chair recognizes Senator Clark.

SENATOR CLARK: Mr. President, members of the body, I