

AMENDMENTS TO LB 78

1 1. Strike the original sections and all amendments
2 thereto and insert the following new sections:

3 "Section 1. Section 14-2115, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 14-2115. (1) A metropolitan utilities district shall
6 operate and account for each of its several utilities separately
7 and, as to each separate utility, shall possess all powers granted
8 on behalf of that utility or on behalf of any other utility being
9 operated by such district, or granted generally to such district,
10 and all such powers are hereby declared to be cumulative, though
11 separate, as to each utility, except that limitations or
12 restrictions which by their nature or intent are applicable only to
13 a utility of one type shall not apply to other different utilities.
14 The financial obligations of each utility shall be separate and
15 independent from the financial obligations of any other utility.

16 (2) A metropolitan utilities district shall keep all
17 funds, accounts, and obligations relating to any one utility under
18 its management separate and independent from the funds and accounts
19 of each other utility under its management. The cost of any
20 consolidated operation shall be allocated to the various utilities
21 upon some reasonable basis which is open to investigation, comment,
22 or protest by members of the public. Such allocation methodologies
23 shall be determined by ~~its~~ the board of directors and shall provide
24 for the allocation of costs and expenses in a manner that

1 accurately reflects the actual cost of service for each utility
2 under the management of the board, except that for purposes of this
3 section, the collection of sewer use fees for cities of the
4 metropolitan class shall not be considered as a utility. The
5 district shall have separate power to provide for the cost of
6 operation, maintenance, depreciation, extension, construction, and
7 improvement of any utility under its management, applying thereto
8 standard accounting principles.

9 (3) A metropolitan utilities district shall not discount
10 its water rates or connection fees in order to obtain natural gas
11 service from any customer.

12 (4) A metropolitan utilities district shall not delay or
13 condition in any manner the installation of water service or other
14 agreements related to water service to the purchase of natural gas
15 service from the district.

16 (5) The Auditor of Public Accounts shall have the
17 authority to initiate an audit or to take any action necessary to
18 ensure compliance with this section.

19 Sec. 2. Whenever any city of the primary, first, or
20 second class or village is furnished natural gas pursuant to a
21 franchise agreement with an investor-owned natural gas utility, a
22 metropolitan utilities district shall not solicit such franchise or
23 promote discontinuance of service with the utility, unless a
24 specific invitation to bid on the franchise has been formally
25 presented to the board of directors of the metropolitan utilities
26 district. For purposes of this section, a specific invitation to
27 bid shall mean a resolution adopted by a city council of a city of

1 the primary, first, or second class or the board of trustees of a
2 village.

3 Whenever any invitation to bid is received by the board
4 of directors of a metropolitan utilities district, the invitation
5 to bid will be considered by the board at its next regularly
6 scheduled monthly meeting.

7 Sec. 3. Sections 4 to 8 of this act shall be applicable
8 to an investor-owned natural gas utility only when it is operating
9 in a county in which there is located the natural gas service area,
10 or portion of the service area, of a metropolitan utilities
11 district.

12 Sec. 4. No investor-owned natural gas utility or
13 metropolitan utilities district may extend or enlarge its natural
14 gas service area or extend or enlarge its natural gas mains or
15 natural gas services unless it is in the public interest to do so.
16 In determining whether or not an extension or enlargement is in the
17 public interest, the district or the utility shall consider the
18 following:

19 (1) The economic feasibility of the extension or
20 enlargement;

21 (2) The impact the enlargement will have on the existing
22 and future natural gas ratepayers of the metropolitan utilities
23 district or the investor-owned natural gas utility;

24 (3) Whether the extension or enlargement contributes to
25 the orderly development of utility infrastructure;

26 (4) Whether the extension or enlargement will result in
27 duplicative or redundant utility infrastructure; and

1 (5) Whether the extension or enlargement is applied in a
2 nondiscriminatory manner.

3 Sec. 5. In determining whether an enlargement or
4 extension of a natural gas service area, natural gas mains, or
5 natural gas services is in the public interest pursuant to section
6 4 of this act, the following shall constitute rebuttable
7 presumptions:

8 (1) Any enlargement or extension by a metropolitan
9 utilities district within a city of the metropolitan class or its
10 extraterritorial zoning jurisdiction is in the public interest;

11 (2) Any enlargement or extension by an investor-owned
12 natural gas utility within a city of the primary, first, or second
13 class or village in which it serves natural gas on a franchise
14 basis on the effective date of this act or its extraterritorial
15 zoning jurisdiction is in the public interest; and

16 (3) Any enlargement or extension by a metropolitan
17 utilities district within its statutory boundary or within a city
18 of the first or second class or village in which it serves natural
19 gas on a franchise basis on the effective date of this act or its
20 extraterritorial zoning jurisdiction is in the public interest.

21 Sec. 6. A metropolitan utilities district or
22 investor-owned natural gas utility shall not extend duplicative or
23 redundant interior natural gas mains or natural gas services into a
24 subdivision, whether residential, commercial, or industrial, which
25 has existing natural gas utility infrastructure or which has
26 contracted for natural gas utility infrastructure with another
27 utility.

1 Sec. 7. If any aggrieved ratepayer of the investor-owned
2 natural gas utility or of the metropolitan utilities district or
3 the investor-owned natural gas utility or the metropolitan
4 utilities district disagrees with a determination by an
5 investor-owned natural gas utility or a metropolitan utilities
6 district that a proposed extension or enlargement is in the public
7 interest, the matter may be submitted to the Public Service
8 Commission for hearing and determination in the county where the
9 extension or enlargement is proposed and shall be subject to the
10 applicable procedures provided in sections 75-112, 75-129, and
11 75-134 to 75-136. In making a determination whether a proposed
12 extension or enlargement is in the public interest, the Public
13 Service Commission shall consider the factors set forth in sections
14 4 and 5 of this act. The Public Service Commission shall have no
15 jurisdiction over a metropolitan utilities district or natural gas
16 utility beyond the determination of disputes brought before it
17 under section 14-2115 and sections 2 to 8 of this act.

18 Sec. 8. All books, records, vouchers, papers, contracts,
19 engineering designs, and any other data of the metropolitan
20 utilities district relating to the public interest of an extension
21 or enlargement of natural gas mains or natural gas services or
22 relating to natural gas service areas, whether in written or
23 electronic form, shall be open and made available for public
24 inspection, investigation, comment, or protest upon reasonable
25 request during business hours, except that such books, records,
26 vouchers, papers, contracts, designs, and other data shall be
27 subject to section 84-712.05. Any such books, records, vouchers,

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1 papers, contracts, designs, or other data not made available to the
2 metropolitan utilities district or an investor-owned natural gas
3 utility pursuant to this section shall not be considered by the
4 Public Service Commission in determining whether an enlargement or
5 extension is in the public interest.

6 Sec. 9. Original section 14-2115, Reissue Revised
7 Statutes of Nebraska, is repealed.".