

Chairperson:	Chris Langemeier
Committee:	Natural Resources
Date of Hearing:	February 19, 2009

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

The purpose of this bill is to encourage public power utility development of renewable energy generation by essentially waiving the statutory least-cost economic test for renewable generation up to a specified threshold.

Neb. Rev. Stat. Section 70-1014 provides that an application for electric generation may be approved by the Nebraska Power Review Board if the board finds that the application will serve the public convenience and necessity, and that the applicant can most economically and feasibly supply the electric service resulting from the proposed construction. Section 70-1014.01 currently provides an exemption from this approval standard for small renewable generation projects of 10,000 kilowatts or less.

LB 471 would expand Section 70-1014.01 to provide that the Power Review Board could approve applications for renewable generation projects larger than 10,000 kilowatts if the board finds that the following three criteria have been met: 1) the application is for a facility that will generate electricity using renewable energy sources, such as solar, wind, biomass, landfill gas, methane gas, or hydropower generation technology; 2) the total production from all renewable projects of the utility applicant does not exceed 10 percent of the utility's total energy sales; and 3) the utility's governing body has conducted at least one advertised public hearing on the proposed renewable generation project. Projects in excess of 10 percent of a utility's total energy sales would be subject to the standard economic test for new generation applications that currently exists in Section 70-1014.

LB 471 also applies to a Community-Based Energy Development (C-BED) project if the power and energy from the project is sold exclusively to Nebraska electric utilities for a term of at least 20 years and the purchasing electric utilities conduct a public hearing on the project.

Principal Introducer:

Senator Tony Fulton