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Natural Resources Committee
February 24, 2011

[LB227 LB369 LB533]

The Committee on Natural Resources met at 1:30 p.m. on Thursday, February 24, 2011, in Room 1525 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB369, LB533, and LB227. Senators present: Chris Langemeier, Chairperson; Ken Schilz, Vice Chairperson; Mark Christensen; Annette Dubas; Ken Haar; and Jim Smith. Senators absent: Tom Carlson; and Beau McCoy.

SENATOR LANGEMEIER: Good afternoon and welcome to the Natural Resources Committee. My name is Chris Langemeier, I'm the Chairman of the committee. We'd like to welcome everybody that's here in the audience and going to participate in today's hearing and those that are watching us on closed-caption television, as well as those that are watching on our live Internet feed. I'd like to introduce my committee members that are with us today. We have...we'll start clear to the right this time, my right or your far left. We'll start with Barb Koehlmoos is the committee clerk. As you come up to testify you give her your testifying sheet. On this side of the room we're only going to have Senator Annette Dubas from Fullerton, Nebraska, as she's got to represent that whole side of the table today. To my immediate left, or your right, we have Laurie Lage who is the legal counsel for the Natural Resources Committee. Next to her we have Senator Ken Schilz who is from Ogallala, Nebraska, who is the Vice Chair of the committee. And then we have Senator Ken Haar from Malcolm, Nebraska. And then we have Jim Smith is our newest member to the committee, from Papillion, Nebraska.

SENATOR HAAR: Chairman, does she get more than one vote since she's the only side...

SENATOR LANGEMEIER: We'll talk about that some more. I'll take that under advisement. Thank you. I like that. In the corners of the room if you're going to testify today you'll see these green sheets, we ask that you fill it out in its entirety and then as you come up to testify if you'd give that to Barb and it helps us keep an accurate record of today's hearing. If you're here in the crowd and you want to be on the record as of being here, but you're not planning to testify, there's also this spreadsheet-looking form in the corners of the room. We ask that you sign in on there and tell us whether you support or oppose one of the particular bills here today. You don't have to do both. As you come up to testify, we ask the first thing that you do is say and spell your name. It helps us keep a more accurate record of today's hearings. We ask that if you have anything to hand out that you give out 12 copies. And if you know right now you're short a couple copies, one of our two pages will be happy to help you get those copies. If you hand us something for...out that you want us to look at, we are going to keep it for the record. So if you have something like a family photo or something that you want us to show as part of your testimony, please show it to us from the table, because if you do give it to us we have to keep it for the record and allow a senator to come look at it a little more at a later date. We have two pages that will be helping us today. If you have

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anything you'd like to hand out, we have Ian Vosburg who is a political science major from Holdrege, Nebraska; he is a sophomore at UNL. And we also have Katie DeLashmutt from Burwell, Nebraska, and she is a senior at UNL. And we appreciate having them with us today. We do have joining us Senator Mark Christensen from Imperial, Nebraska, is our other committee member. And with that said, we do in Natural Resources Committee we do use the light system. We allow five minutes to testify. You'll see the green light for four; it will go yellow, you have one minute left; and when it goes red we ask that you conclude so you can allow yourself available for questions. With this time, I'd have you all look at your cell phone and make sure they're either off or to vibrate so we don't disrupt those that are here to testify in front of us. Now with all that said, Senator Howard is here and we'll take the bills as they were posted and we'll start with LB369 and welcome back to the Natural Resources Committee.

SENATOR HOWARD: Well thank you, thank you, Senator Langemeier, and members of the committee. For the record I am Senator Gwen Howard, H-o-w-a-r-d, and I represent District 9. And I'm going to tell you right off the bat that I was in here with you last year. We should have done this then because the fiscal note then was that. The fiscal note this year has multiplied considerably. (Laugh) I'm astounded, I have to be really honest with you. This is regarding power strips. And for an agency to come in and say they would have to have \$50,000 to study this...well here's one that was \$500,000. So I think, for me, this is certainly questionable in terms of what in the Sam Hill goes on with our purchasing? LB369 would require state agencies to create conservation plans that at a minimum include plugging equipment into power strips that can be switched off when the equipment is not in use, pretty basic principle. I originally envisioned this bill to only require the use of power strips so I'd like to spend a little time talking about power strips and standby power usage. Like a lot of good legislation, the ideas for this bill is from personal experience. My daughter who is living...who is an attorney in Chicago was able to significantly reduce her energy bill each month by plugging in her devices and her appliances and switching them off when she wasn't using them. That's the beauty of a power strip. Research suggests that the average household could save \$100 a year by reducing standby power. The state of Nebraska has many more computers, monitors, televisions, and other devices than the average homeowner so logically, the savings would be significantly more. Standby, or vampire power as it's called, is the power appliances and devices use even when they're switched off. Sometimes we can see that our appliances are still using power. If the little LED light is red on your TV, it's still using power. Your microwave uses a goodly amount of standby power to power the clock. Other things like radios or phone chargers may not outwardly show us that they are still sucking up power, but it is clear from our power bills that they are. The EPA estimates that standby power costs Americans as much as \$10 billion a year. Standby power also accounts for 1 percent of carbon dioxide emissions. If we reduce this amount by only half of a percent, it would be as if there were 18 million fewer cars on the road. LB369 is not intended to cause agencies pain, but I hope it is

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one of those innovative ways to help us cut costs that has the added bonus of being good for the environment. And you know, we have two challenges here, go green, save the state money. So I'm trying to be helpful with that. Last year I received some feedback that some agencies were concerned the power strips may pose a fire hazard, especially if they were plugged into each other. If LB369 were to pass, it would be necessary for agencies to make sure that conservation practices are used safely. Ideally, state employees should not be plugging any more appliances or devices into outlets than they do right now. Even in my own office when we decided to try and make sure that our TVs and computers were plugged into power strips, we had to move the power strips around so that they were located in places that were both safe and convenient. Our offices will also need to follow the best practices with regard to their equipment. They're going to have to shut down their computers before they flip the switch. Shut off the computer, then shut off the power strip. These are commonsense things that most employees probably know. Some have suggested the sleep mode would be a better method of cutting back on computer power usage. It's true, sleep mode uses less energy than a computer would use at full power. However, this still doesn't prevent standby power use. In fact, it's that power use during sleep mode that LB369 is meant to address. Data we received from the Lincoln Electric System indicates that a desktop computer uses from one to six watts while in sleep mode and computer monitors can use as many as 15 watts; higher number. LB369 also includes a conservation plan requirement because cutting back on standby power is not the only way we can conserve energy and help the environment. In LB369 we intend to allow agencies to come up with their own innovative ways to save energy. I do want to recognize, though, that some agencies will be more able to create energy savings than others. Smaller agencies whose offices are operated by Building Division probably will not be able to do much more than plug their computers into power strips and make sure they're turned off at the end of the day. LB369 sets the floor for energy conservation and then allows agencies to develop ideas that work best for them. Eliminating standby power and other energy-wasting practices may start out as just a few nickels and a few dimes for each agency, but if you add that change back into the state's General Fund jar, it can be an amount of money. Moreover, LB369 will encourage agencies to get creative and lessen our environmental impact. I want to thank you so much for being diligent and letting me present this, in spite of this, I really appreciate it. Thank you. [LB369]

SENATOR LANGEMEIER: Very good. Are there any questions? Senator Haar. [LB369]

SENATOR HAAR: Explain to me again the fiscal note; what are they saying it will cost? [LB369]

SENATOR HOWARD: Do you have a copy in your file? There's a lot. [LB369]

SENATOR HAAR: Yeah. It's a lot. [LB369]

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SENATOR HOWARD: I'm just going to be real honest with you up front. I don't know how we can have \$55,000 operating expenditures here for one group and...I just...oh, that's...huh. It is just astonishing to me that the Game and Parks Commission is going to need...let's see, how much do they want? [LB369]

SENATOR SCHILZ: Half a million. [LB369]

SENATOR HAAR: Half a million. [LB369]

SENATOR HOWARD: Yeah. [LB369]

SENATOR HAAR: Oh, okay. [LB369]

SENATOR HOWARD: Well, I'll say you'll probably get a better price for power strips in bulk at maybe Home Depot. [LB369]

SENATOR HAAR: Yeah, these are all kind... [LB369]

SENATOR LANGEMEIER: Are there any other questions? I just have one. [LB369]

SENATOR HOWARD: Sure. [LB369]

SENATOR LANGEMEIER: Senator Howard, and we look to mandate the use of power strips in this bill. I happened to be on the University of Nebraska's campus not last night, but the night before last, went in early, early in the evening, and left late in the evening, and just guessing, I would say 50 percent of the lights are on in every one of those buildings on campus. So if you have employees that can't turn the lights off when they leave the buildings, including the stadium, the University of Nebraska stadium has lights all over inside of it on two nights ago. How do we get them... [LB369]

SENATOR HOWARD: How would we know if they could... [LB369]

SENATOR LANGEMEIER: ...after we spend the \$500,000 the fiscal note says we need to do in buying power strips, how do we get them to flip the switch? [LB369]

SENATOR HOWARD: Yeah, I would say that you probably would have saved them a whole lot of money on a study just by bringing that up because that's such a good point. Turn off the lights. It seemed to be people's mothers used to tell them that. [LB369]

SENATOR LANGEMEIER: I remember that. So, Senator Haar. [LB369]

SENATOR HAAR: Well there are some schools where kids have become sort of the

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energy patrol, for use of a better term, and the savings are amazing. These kids go from room to room and they see if lights are turned on when they shouldn't be and...so I don't know if we need a light patrol in the Capitol. And I'm smiling because it's such a simple thing to do and I can't believe that we're not doing it. [LB369]

SENATOR HOWARD: Well thank you for saying that. That's how I felt about it too. It seems so 101. I mean if there's a way that's a simple method for saving us some money, why would you want to put up barriers to doing that? [LB369]

SENATOR HAAR: Well and the cost of energy is not going down and we all know that. [LB369]

SENATOR HOWARD: The cost of energy or anything else is not going down. But it's these sort of fiscal notes that are such a discouragement to anybody, to any senator who wants to bring in something that could save us money. [LB369]

SENATOR HAAR: Well, please keep after it because it's a doable goal. I have a... [LB369]

SENATOR HOWARD: Well thank you. Well I did have actually one convert from last year who is very diligent and went home and unplugged his appliances. So I feel one senator at a time is a milestone. [LB369]

SENATOR HAAR: Well and I have my computer and stuff, my own personal computer in there on a power strip and the other day I forgot to turn it back on. It was a big hassle to lean down and turn... [LB369]

SENATOR HOWARD: Gosh, and yet you survived. [LB369]

SENATOR HAAR: It's just such a...why wouldn't we, kind of thing. [LB369]

SENATOR HOWARD: I know. And my staff has been great about putting things on power strips and crawling under the desk to turn...just because it's the right thing to do, like turning off the lights. [LB369]

SENATOR HAAR: Thank you. [LB369]

SENATOR LANGEMEIER: Very good. Thank you. [LB369]

SENATOR HOWARD: Thank you. [LB369]

SENATOR LANGEMEIER: Seeing no other... [LB369]

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SENATOR HOWARD: I'm not going to stay till closing because you've heard my presentation. [LB369]

SENATOR LANGEMEIER: Oh, okay. Okay. [LB369]

SENATOR HOWARD: Thank you. [LB369]

SENATOR LANGEMEIER: Thank you very much, Senator Howard. You've heard the opening on LB369. We'll now take those who would like to testify as a proponent, or in support. Seeing...oh, proponent? [LB369]

ROBERT BYRNES: Yes. [LB369]

SENATOR LANGEMEIER: Welcome. [LB369]

ROBERT BYRNES: Welcome. My name is Robert Byrnes, B-y-r-n-e-s, and from Oakland, Nebraska. I cannot pass up the opportunity to chime in on this. I appreciate Senator Howard's diligence in trying to bring energy conservation into the operating way of life of the state. And I think the power strips that she suggested are effective and that is just one suggestion of many that could be undertaken by state agencies, and I'd like to just offer some ideas in that regard. One of the benefits of power strips is that you have a positive ability to ensure the absence of ghost loads. Power strips also supply power surge protection for the attached equipment. That is also a wise investment for the state to protect their electronic infrastructure. There are technologies now that can do these kinds of things; surge protection and power quality improvement on a whole-building basis, as well as the individual power strips. So there's a number of interesting technologies now that have matured that can enhance the power quality and provide surge protection to that critical infrastructure. Also, power strips will fail. Generally they have a life of 6 to 12 months, where...as they are hit by all different size power surges and different speeds, these power strips wear out over time. The button still works, but the power surge protection aspect of it is fleeting. For lights, I know, in rooms we're working with the Winnebago Tribe up in northeast Nebraska doing a lot of innovative energy conservation things which is certainly applicable to state agencies. Motion sensors in rooms that have no occupancy; they shut themselves off. Thermal imaging of facilities either from space or on the field. UNO is bringing up the gun tomorrow, we're going to be utilizing that. Thermal imaging of facilities quickly identifies areas of both air conditioning and heating losses in buildings so that very precise applications of insulation in critical areas can provide maximum return. State agencies have a significant carbon footprint with regards to liquid fuels. Conservation in this regard is also another component of energy conservation beyond just thinking electricity. When you look at a state agency, just like any operation, you have to look at the total energy pie and that is electricity, liquid fuels, in some case solid fuels, in some case gaseous fuels. Heating fuels are common in the form of natural gas and these

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things need to...we need to ensure that the devices that are using these fuels are either Energy Star or have some kind of maintenance program or are efficient in the use of those resources. Federally, there have been tremendous efforts with the federal government to demonstrate energy efficiency technology and the wise use of taxpayer resources. And I think from a state level, I think that's what this law...this bill comes down to is energy stewardship. Do state agencies exemplify and put an effort toward demonstrating energy stewardship with the taxpayer resources that are provided to fund those agencies? And I think it's no, and we'll discuss this more later, but I don't think it's any secret that the energy future in the near term is looking kind of grim. So this is a copy of the Nebraska Energy Conservation Plan from 1977. And, you know, if these kinds of things were done and diligently stuck to, we'd be in a much better place right now. It's 2011, '77 has come and gone, but it's never too late to get these kinds of initiatives in place and affect the operating culture going forward. And with that I...I appreciate your time. [LB369]

SENATOR LANGEMEIER: Very good. Are there any questions? Senator Haar. [LB369]

SENATOR HAAR: Well I would just...your professional opinion, how many clocks does a house need? I mean I have a clock on my coffee pot, and which now I have on a switch, so I can turn that off, but on my microwave, I mean. [LB369]

ROBERT BYRNES: We only really need the stove clock and our cell phone clocks. [LB369]

SENATOR HAAR: Yeah. [LB369]

ROBERT BYRNES: For a house of six. So I think with the...with everybody carrying a cell phone anymore, with a clock on it, I think the whole clock power thing is going downhill. [LB369]

SENATOR HAAR: Do you see as, because you kind of keep up on this, as products are being developed and Energy Star is becoming more widely used, are we seeing appliances with less of this junk clocks and stuff on it? [LB369]

ROBERT BYRNES: I don't...I would not say that. I don't know that there...it really comes down to manufacturers, whether they value those things and put those things into their products. I know a coffee maker makes...coffee makers uses 1,000 watts of power. That's one kilowatt hour every hour. That's a lot of juice when you're looking at the electrical profile. And some of those don't shut off, they'll just keep on brewing and sitting there all day long, some do. So you really...Energy Star items would have a clock or if there was a ghost load would be minimized because that would have to be disclosed to get that kind of a rating. So Energy Star is a good guideline to stick by for appliances. And, you know, I feel for Senator Howard being shackled with a massive

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fiscal note, but, you know, energy conservation is a gain and we save money. And generally when I do ROIs, return on investments for renewable energy versus energy conservation, energy conservation returns on investment are generally half of renewable energy production, ROIs. It's a good investment. [LB369]

SENATOR HAAR: Um-hum. Great. [LB369]

SENATOR LANGEMEIER: Seeing no other questions, thank you very much. [LB369]

ROBERT BYRNES: Thanks, Senator. [LB369]

SENATOR LANGEMEIER: Appreciate it. Further testimony in support of LB369. [LB369]

RICHARD HEDRICK: I'm Richard Hedrick, H-e-d-r-i-c-k. I'm for LB369 which is for conservation. I learned from my father, Orville, long ago to conserve and to be doubtful of all I hear. My sister did not learn this. She believes it is dangerous to use fluorescent bulbs. They have mercury in them. She listens to Fox News which may explain her reasoning. She didn't learn what my father told her. She is going...storing bulbs, incandescent bulbs, so she'll have them when she can't buy any. I told her that she should be buying LEDs and she would be using less electricity. I e-mailed her that she would...cause more mercury in her environment as...most electricity as produced by burning coal which gives off mercury which you're breathing and it's also going in the soil so your grandchildren will be getting food with mercury in it. I followed my advice by buying five LEDs for our dining room chandelier. This reduced our electric use from 200 watts to 40 watts. I do not believe that I will have to buy another LED if I live to be 100. The law library is an example of how the use of electricity by the state could be reduced. When the Capitol was built, the library was a prime example of not using electricity. The bays on each side have light switches and the lights were not very bright so they have handheld light bulbs to read your...where the books are. They couldn't see it without the handheld light. All the lights in the bay are now left on all day. They have fluorescent lights which are a lot brighter and so you don't use the handheld. They don't use the switches because you can't expect an attorney to know how to turn on a light. And then there's all the tables, they have light bulbs burning all day long also. They got...I had it figured out one time, I think about 4,000 watts they were using in the library up there. They have, I don't know what they're using for the chandeliers which are decorative. They do not...they must be 200 amp light bulbs and they're only using 110 so they aren't as bright. But you could get the LEDs that I was using and use those. I don't know who that idiot was in Washington. He said you had to pay \$15...he didn't say that, he was saying you could buy a light bulb for less than a dollar and he had to pay for LED a couple of dollars. Well LEDs, if you're a businessman you would know that if you had those LEDs in those decorative, you would be using less electricity and you would not be having to like pay somebody to put new bulbs in when they burn out. Thank you.

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[LB369]

SENATOR LANGEMEIER: Very good. Are there any questions? Seeing none, thank you very much for your testimony. Further testifiers in support of LB369. Seeing none. Are there...now we'll move to opponents. Are there anyone wishing to testify in opposition? Seeing none. Is there anyone that would like to testify in neutral capacity? Welcome. The multi-lights mean keep it quick. No, just kidding. Oh, we're going to start with yellow. There you go. Speaking of LED lights. Welcome. [LB369]

GINGER WILLSON: (Exhibit 1) Well thank you. Good afternoon, Chairman Langemeier and members of the Natural Resources Committee. My name is Ginger Willson, G-i-n-g-e-r W-i-l-l-s-o-n, and I'm the director of the Nebraska Energy Office. I appear before you today to testify in a neutral position on LB369. Energy efficiency is a vital component of the nation's and the state of Nebraska's energy strategy. The mission of the Nebraska Energy Office is to promote the efficient, economic and environmentally responsible use of energy. In support of the agency's mission, the following goals have been adopted: maximize the efficient use of traditional energy resources; encourage Nebraskans to adopt energy efficiency through low-cost financing; and advise the executive and legislative branches of state government on energy policy and security. The Nebraska Energy Office State Energy Program and Weatherization Program are specific areas dedicated to energy efficiency. Furthermore, the American Recovery and Reinvestment Act fund's purpose was to also be utilized for energy efficiency programs. Using \$10 million from ARRA, the Nebraska Energy Office is funding energy efficient building improvements at the University of Nebraska, state and community college campuses, and in the state government buildings under the management of the Department of Administrative Services State Building Division. As a stipulation of these grant funds, the university and the state are utilizing ECO 24/7, a service that uses a patented technology to integrate and optimize heating and cooling systems and other energy-related systems to improve occupant comfort and minimize energy use. The ECO 24/7 service includes training building engineers so that they can sustain the comfort and energy savings. Utilizing this technology, we will also have a standardized understanding of energy use and energy savings from lighting, replacement of heating and cooling equipment and installation of programmable thermostats. This benchmarking tool allows for an energy savings analysis that can measure retrofit improvements to these buildings and save energy. As I have described, the Energy Office is committed to assisting other state agencies, universities and individuals implement practices to become more energy efficient. I would like to address some technical concerns in the bill as drafted. Defining and measuring energy efficiency is not an easy task. The ability to define and measure energy efficiency is essential to meeting our mission and goals. Most state agencies do not have direct access to its utility bill to monitor their energy use. The Nebraska Energy Office is one such agency where the utilities are included in the agency's lease and the building's electrical use is mass-metered. The Energy Office itself would not be able to comply with this bill to

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monitor its electric use or reduction in electric use. My other concern is related to the cost to implement LB369. There are approximately 78 state agencies, boards, and commissions receiving appropriations from the Legislature. The Energy Office is funded by about \$300,000 per year in cash funds. These cash funds have not increased over the years and are leveraged to their maximum capacity. The NEO does not have the staff or the financial resources to meet the requirements of this bill to evaluate the goals achieved in energy savings. Without a baseline benchmark of current energy use, limited access to agencies' electrical use and the absence of definable energy saving measures, it would be difficult to effectively implement the provisions of LB369. The Energy Office remains committed to energy efficiency. There are countless tools that the Energy Office and local utilities can provide to consumers and businesses to reduce energy use. Most are easy, practical solutions at little to no cost. I will gladly discuss any of these measures further with members of the committee or the Legislature. And this concludes my testimony. Happy to answer any questions. [LB369]

SENATOR LANGEMEIER: Very good. Are there any questions? Senator Dubas. [LB369]

SENATOR DUBAS: Thank you, Senator Langemeier. Thank you, Director Willson. And I think, you know, what Senator Howard is trying to achieve in this bill is something that's important and very simple to do. But sometimes it's the simplest things that we don't even realize we could do. And just in your closing you talked about there are a lot of things that either our power companies can provide or your office can provide. So without a mandate, which the way it's set up right now would make it very difficult to do, what would you see as some of the things that your department could do to just help some of the state agencies realize very simple cost-effective measures to take? [LB369]

GINGER WILLSON: There are some very simple things that we do right now. And it's things like, you know, shut the light off when you leave your office. I think we talked about that. All of our equipment is plugged into power strips and we ask that all of our staff power down their computers every night, not just put them in a sleep mode, but completely shut...power them down. We even have talked to our cleaning crew, so once we leave the office, I've even been there sometimes well past 8:00 when the cleaning crew comes in; they come in, they turn all the lights on. I've been there when they've left and sometimes they leave them on. So we've written notes to them and very kindly asked them, can you please shut all the lights off. And they've done that. And so those are just very simple things that we've done in our small little office. I think other agencies are doing the same thing. I think they shut off their computers, shut off their lights. We try to be as energy conscious as we can. I think there's other things; I mean, you know, I think the university has established some things as light switches that turn on and off, motion sensors so when you walk into a room it turns on; when you leave or not moving around, then the light would shut off. There's simple things like that. Some of those are actual plug-ins. Some of them are more complicated and more expensive, but certainly

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that gets into the costs associated with certain things. But other things like, you know, my office has a lot of natural light and so I don't often turn on the overhead lights. I don't really like them, but I like to have the natural light in. So there's some energy savings there; just simple, simple things. [LB369]

SENATOR DUBAS: Are there ways we could communicate those with other agencies? Like you said, sometimes we just...if we aren't thinking along that line, it just isn't something that ever comes into our thought process. [LB369]

GINGER WILLSON: You know, there's the 360 Building Task Force, and the Division of Administrative Services, Building Division, is also very conscious of other like energy savings types of things. And we certainly have brought energy efficiency back into the discussion of some things that state agency offices can do. But I think we're really excited to see some of the things that come back from our ECO 24/7 study, because it will give us an analysis of things all across the board in state office buildings, as well as the university. And then from there, there will be some simple things that we can do that will be no cost; again, shutting off lights, powering down computers and things like that. The report will also give us some other costly things like replacing boilers and chillers and things like that. Those are certainly...when you get into those things that cost more money like replacing boilers and chillers, your energy savings is a lot greater, but they are very costly to do. Lighting...a lot of lighting improvements can be made that are pretty cost effective. And a lot of the things that we are doing, utilizing our EECBG program under ARRA funds who with communities, a lot of those projects are lighting, so street lighting, you know, court facilities, all of those are updating some of their lighting to be more energy efficient. [LB369]

SENATOR DUBAS: So there really is a lot of work already being done in this direction. It's just not something that is common knowledge to the general public, but we are making great efforts to put these types of practices in place. [LB369]

GINGER WILLSON: Yep. I think it's definitely something that people...they want more information on what they can do. Our office provides a booklet on energy savings and it's simple things that you can do in your house that are little to no cost. And there again, some things are a little bit more expensive, but things like weather stripping or light plate covers, if you feel a draft coming through, a lot of those things can be just found at your local home improvement stores. [LB369]

SENATOR DUBAS: Thank you. [LB369]

GINGER WILLSON: Um-hum. [LB369]

SENATOR LANGEMEIER: Senator Haar. [LB369]

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SENATOR HAAR: Thank you. The ECO 24/7, that's a new term to me. Is that a report or a service? [LB369]

GINGER WILLSON: It's actually a study that was done by someone at the university and the professor's name is going to escape me. [LB369]

SENATOR HAAR: Okay. [LB369]

GINGER WILLSON: But they have the patent technology that is a service that we're requiring the universities and the state office buildings to utilize. And we're requiring that particular service instead of them going out to find their own, because there are other companies that can do it as well. We wanted them all to use the same service so that way we can have a general understanding across the board of where energy efficiencies can be achieved. And everybody would be using the same study with the same methodology so we could be pretty consistent on what we could understand... [LB369]

SENATOR HAAR: Uh-huh. [LB369]

GINGER WILLSON: ...across the board from not only office buildings that the state owns, but also from the universities and state campuses. [LB369]

SENATOR HAAR: I'd like some more information on that if you can get it. [LB369]

GINGER WILLSON: Absolutely. I can give you the name of the professor that we've utilized. And not...through the university, they're actually going out to conduct the study, so I'd be happy to get that to you. [LB369]

SENATOR HAAR: Good. That's good to hear. Thank you very much. [LB369]

GINGER WILLSON: Uh-huh. [LB369]

SENATOR LANGEMEIER: (Exhibits 2 and 3) Very good. Seeing no other questions, thank you very much. Any other testifiers in a neutral capacity? Seeing no more. I do have two letters; one from Frank Daley in Nebraska Accountability and Disclosure Commission in a neutral capacity. And then I have one signed by three...the directors for the Power Review Board, the Liquor Control Commission and the Nebraska Real Property Appraiser Board signed a joint letter in neutral capacity. With that, Senator Howard has waived closing, so that concludes the hearing on LB369. We will now move to Senator Fischer, I think, yep, there she is, we'll now move to LB533. And welcome back to the committee. [LB369]

SENATOR FISCHER: Thank you, Chairman Langemeier, and members of the Natural

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Resources Committee. For the record my name is Deb Fischer, F-i-s-c-h-e-r, and I am the senator representing the 43 District here in the Nebraska Unicameral. I appear before you today to present LB533. I introduced this bill on behalf of the Niobrara Council to update the statutes pertaining to their board. A representative from the council was unable to attend today's hearing, but I believe they submitted a letter of support to the committee clerk. LB533 proposes the following changes to Section 72-2007 relating to the council. It clarifies that a county commissioner, not an appointee of the county commissioners, would represent such county. It specifies that the regional director, or his or her designee from the National Park Service and the United States Fish and Wildlife Service will sit on the council. It clarifies that these members shall be nonvoting until these agencies formally notify the council and the Governor in writing of their intent to vote. It clarifies that the member representing a nonprofit, environmental, conservation, or wildlife organization must be designated by that group. It eliminates the reference to meetings taking place once a month as the council has a set meeting schedule; and it eliminates the restriction on members to vote if they have voted or participated on that issue as a member of a county board, county planning commission, or natural resource district board. These proposed changes will help the board operate more efficiently as the clarifications will ensure the board is operating correctly and within statutory guidelines. I'd be happy to answer any questions. [LB533]

SENATOR LANGEMEIER: Very good. Are there any questions for Senator Fischer? Seeing none, thank you very much. [LB533]

SENATOR FISCHER: Thank you. [LB533]

SENATOR LANGEMEIER: Is there anyone...you have heard the opening on LB533. Is there anyone wishing to testify in support? Welcome. [LB533]

MELVIN THORNTON: Thank you, Senator Langemeier, the other senators on the committee. My name is Melvin Thornton, M-e-l-v-i-n T-h-o-r-n-t-o-n. I'm here to support LB533 as written. Just by circumstance, I happened to be in Valentine early in January this past year and that was when they held a special meeting of the Niobrara Council and I was able to attend that council as just a private citizen and this was a special meeting they called in order to discuss these issues. They were trying to make the January 15 deadline for...and I'm pleased to report that what I carefully read on the bill reflects exactly what the council had suggested and I wanted to share with you some of my thoughts and what happened in some of the very helpful discussion as they discussed some of these issues at the Niobrara Council. First, on the representative of the National Park Service and U.S. Fish and Wildlife Service, as far as I've been attending these council meetings, the representative has always been the top person at the National Scenic River which would be the superintendent and the director at the Fort Niobrara Refuge. And they have not been voting members, but they have been full members in all other respects and that will continue. They can make motions, second,

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and they certainly are always involved in the discussion. When it comes time to vote, they're just listed as nonvoting. And so there's no real serious change there. On the change for the representative from the environmental groups, I agree with that change. "Designated by" removes kind of the implication that this person is representing just one conservation group. This person should really represent all conservation groups. The change no longer strongly suggesting once a month, I think that the council can efficiently do their business with just six meetings a year, and often there will be more than that because perhaps a special meeting. And as it has been in the past, they usually have two meetings in Valentine, two in Ainsworth, one in Bassett, and one in Springview, so that will undoubtedly continue. And what I found most interesting in their discussion was their concern about the dropping...the restriction on voting both on a county board and at the Niobrara Council. They had a very good discussion about that. They are painfully aware of the conflict of interest problems that might arise and they don't believe that that will cause any kind of a problem and I really, certainly agree with that. So I would like to just say for myself and also for Friends of the Niobrara, that we do strongly support these changes in the statute. [LB533]

SENATOR LANGEMEIER: Very good. Are there any questions? Seeing none, thank you very much for your testimony. [LB533]

MELVIN THORNTON: Thank you, [LB533]

SENATOR LANGEMEIER: Appreciate it. Further testimony in support of LB533. [LB533]

KEN WINSTON: Good afternoon, Chairman Langemeier, and members of the Natural Resources Committee. My name is Ken Winston, K-e-n W-i-n-s-t-o-n. I'm appearing on behalf of the Nebraska Sierra Club in support of LB533 for the reasons stated by Senator Fischer and Mr. Thornton. [LB533]

SENATOR LANGEMEIER: Very good. Are there any questions? [LB533]

KEN WINSTON: And for the record, this is not the first time the Sierra Club has supported a bill introduced by Senator Fischer, although it doesn't happen very often. (Laughter) [LB533]

SENATOR LANGEMEIER: I can say that LB666 that I introduced with Senator Fischer had all these components in it. So glad to see from heavy opposition to that bill to some support, we appreciate that. [LB533]

KEN WINSTON: Certainly. Certainly, we're glad to be able to support it. [LB533]

SENATOR LANGEMEIER: Seeing no other questions, thank you very much. [LB533]

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KEN WINSTON: Thank you. [LB533]

SENATOR LANGEMEIER: (Exhibit 4) Appreciate it. Is there any other proponents to LB533? Seeing none. I do have a letter from Kalli Kieborz who is the director of the Niobrara Council in support. Now we'll move to opponents. Is there anyone wishing to testify in opposition to LB533? Seeing none. Is there anyone that wants to testify in a neutral capacity? Seeing none. Senator Fischer, you're recognized to close. Short closing. [LB533]

SENATOR FISCHER: Thank you, Chairman Langemeier. Short closing, time me, it won't be 24 minutes. (Laughter) [LB533]

SENATOR LANGEMEIER: Trust me, I'm timing you. [LB533]

SENATOR FISCHER: No, no. I just also wanted to clarify, Senator Langemeier made mention that many of the things in this bill are what we had in LB666 two years ago, the Niobrara Council bill. And I think one especially is very important and that's the voting component that I spoke about last by allowing the county commissioners to vote if they had discussed something at their meetings or the NRDs. I remember from our discussions on that bill we were all kind of amazed that they weren't allowed to vote. I would like to clarify Mr. Thornton's comment on the representative from the conservation group. If you see the bill, it is that they are designated by a conservation group. I think that's important. But, of course, their representatives would hopefully represent all the conservation ideas across the state. So with that I would be happy to answer any questions you would have. [LB533]

SENATOR LANGEMEIER: Seeing no questions. [LB533]

SENATOR FISCHER: Thank you, always a pleasure to be here. [LB533]

SENATOR LANGEMEIER: Thanks. That concludes the hearing on LB533. Now we will open, there he is, Senator Mello is here, we'll open the hearing on LB227. Welcome to the Natural Resources Committee. [LB533]

SENATOR MELLO: (Exhibits 5, 6, and 7) Well thank you, Chairman Langemeier, and members of the Natural Resources Committee. My name is Senator Heath Mello, H-e-a-t-h M-e-l-l-o and I represent the 5th Legislative District which includes south Omaha and Bellevue. In 1991, then Governor Ben Nelson began the process of developing the state of Nebraska's first comprehensive energy policy plan. A report on this initial plan which was released in 1992 by the State Energy Office made more than 20 policy recommendations within the broad topics of transportation, state buildings, education, and economic development. The implementation of these policy

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recommendations was detailed in a 1994 report and was also referenced in the Nebraska Energy Office's annual reports through 1996. Unfortunately, the first real effort to update the 1991 State Energy Plan was not until 2008 when the Nebraska Energy Office solicited public comment on what should be included in the plan. An interim version of the plan was released in December, 2008, but despite claims that the final version of the plan was expected to be completed in 2009, final updates of The State Energy Plan are still currently under review. When my office began drafting LB227, the goal was to codify the current State Energy Plan and to require regular updates and legislative oversight of that plan. In talking with some of the interested parties, the suggestion was made to change the name from The State Energy Plan to a state energy assessment. Unfortunately, it appears that both the Nebraska Energy Office and a number of outside organizations have read the word "assessment" to imply something far broader than what was intended. To avoid any confusion and clarify the intent of the bill is to simply codify the State Energy Plan. The committee should have received a copy of an amendment which changes the word "assessment" back to "plan." With the amendment, the Nebraska Energy Office would be required to complete the State Energy Plan by July 1, 2012, and would have to update the plan every two years thereafter. In addition, the plan would have to be presented to the Legislature on or before December 1 each year it is updated and refer to the appropriate standing committee of the Legislature for its review. This language is identical to the language currently used with regards to the Department of Roads Needs Assessment which is reviewed annually in a joint public hearing before the Appropriations and Transportation and Telecommunications Committee. In fact, I would expect that the Natural Resources Committee would likely be a candidate to review the State Energy Plan. As I've already mentioned, it appears that the Nebraska Energy Office interpreted LB227 as requiring an entirely separate assessment in addition to the current State Energy Plan. With the clarifying amendment, there should be no additional cost for the Energy Office to finalize and update the plan. According to the Legislative Fiscal Office, the Energy Office did not receive additional General Funds to update the State Energy Plan when they began doing so in 2008 and thus should not require them for future plan updates. Thank you for your time and I'd be happy to answer any questions you may have. [LB227]

SENATOR LANGEMEIER: Very good. Are there any questions for Senator Mello? Have you had any communication with those individuals that you thought might have misinterpreted; and after you've offered your amendment, have you gotten any feedback? [LB227]

SENATOR MELLO: I believe that...I believe some of them...or maybe one of the main organizations will be testifying today, I believe, in a neutral capacity in regards to after we clarified the "assessment" to plan and clarified the intent of the legislation. [LB227]

SENATOR LANGEMEIER: Okay. But prior to that, you thought they might testify in opposition? [LB227]

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SENATOR MELLO: Yes. [LB227]

SENATOR LANGEMEIER: Okay. Seeing no other questions, very good. [LB227]

SENATOR HAAR: I have a question. [LB227]

SENATOR LANGEMEIER: Oh, Senator Haar. [LB227]

SENATOR HAAR: So again, in one sentence tell me the...the purpose of this is to actually publish the plan as a report. [LB227]

SENATOR MELLO: It codifies what the Nebraska Energy Office has done in previous...two other times, which is (1) create the plan; and then most recently in 2008, revise the plan. And this would codify that that plan becomes part of statute and they revise the plan every two years and provide that information to the Legislature. [LB227]

SENATOR HAAR: Okay. So are you talking about how the plan has to be developed or simply codifying the plan? [LB227]

SENATOR MELLO: Just codifying the plan. [LB227]

SENATOR HAAR: Gotcha. [LB227]

SENATOR LANGEMEIER: Now seeing no other questions, thank you very much. Are you going to stick around for closing? Just as well. [LB227]

SENATOR MELLO: Yeah. My other bill will go for a while. [LB227]

SENATOR LANGEMEIER: Now we'll move on to support of LB227. Welcome back. [LB227]

KEN WINSTON: (Exhibit 8) Good afternoon again, Chairman Langemeier, and members of the Natural Resources Committee. My name is Ken Winston, K-e-n W-i-n-s-t-o-n, appearing on behalf of the Nebraska Chapter of the Sierra Club in support of both LB227 and LB369. Most of my comments relate to LB227 so I waited to...for this hearing. There's just several quick points. First of all, we think a state energy plan is a very good idea, because setting out a plan for efficient use of energy, that that's an important part of making government operate as efficiently as possible. Secondly, we think the energy plan provides a road map on the best use of energy; would provide directions to assist public officials in determining how to reduce their energy use; energy costs, both through efficiency and through using native Nebraska resources such as solar, wind, or biofuels; and third, we think there's plenty of resources available. I guess

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I didn't realize until I heard Senator Mello's testimony that the plan is basically already in place...mostly developed, it just needs to be finalized and codified. But definitely there's plenty of expertise in that area, both at the Energy Office and the utilities and then also with private companies that work in that area. And then finally, we think it's...that having such an energy plan helps in terms of economic development because businesses need to know what our energy plans are in terms of making their investments. So we think this would provide a number of benefits and we'd ask the bill be advanced. [LB227]

SENATOR LANGEMEIER: Very good. Are there any questions? Senator Haar. [LB227]

SENATOR HAAR: Yeah. Thanks for being here. Okay, you say first we believe efficient use of energy is an important part of making government operate as efficiently as possible. Unfortunately, energy efficiency often takes money up front, so how do you weigh those two things against each other? [LB227]

KEN WINSTON: Well there's a lot of different resources available to help that happen. And a lot of these things, I know you're aware of, like energy service companies that provide...that can do energy audits and then provide the financing to do energy efficiency updates. There are bonding provisions that school districts have that they can use to do energy efficiency programs. The loan program that Ms. Willson described also is...that can be used to make these kinds of investments. So there's a lot of different resources that are available. There's also USDA grants that can be accessed. I'm trying to think of all the resources that...there are also some just regular loan programs that are out there as well. So there's a lot of different ways to get there and a lot of different...well like, for example, the loan programs, generally the reason they're willing to make the loan is because of the fact that they can get it paid off with the energy savings, the cost savings from the reduced energy costs. So there's a lot of different ways that those things can be funded. [LB227]

SENATOR HAAR: And obviously I agree with you. The whole thing of operation and maintenance without any cost as well, just changing our habits can also make a great deal of difference. [LB227]

KEN WINSTON: Sure, yeah. There's a lot of areas where just changing, yeah, changing habits, changing attitudes. And as was mentioned earlier, sometimes simple things like different lighting systems, a lot of times that can reduce energy usage by 10 percent right there, just changing the light bulbs. And sometimes putting in some caulking and those kinds of things can reduce energy usage. So there's a lot of different things. And I guess one of the other things, as I mentioned in my testimony, there's things like putting in solar panels and, I mean, and wind turbines to generate electricity that doesn't require additional fuel. So, even though there may be an up-front investment, there are companies that are willing to help in those areas as well. So there's lots of those kinds

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of things where there's incentives to invest in these kinds of things. [LB227]

SENATOR HAAR: Thanks. [LB227]

SENATOR LANGEMEIER: Are there any other questions? Seeing none, thank you very much. [LB227]

KEN WINSTON: Thanks. [LB227]

SENATOR LANGEMEIER: Further testimony in support. Welcome. [LB227]

CARA BRENNER: (Exhibit 9) Thank you. Senator Langemeier and members of the Natural Resources Committee, my name is Cara Brenner, spelled C-a-r-a B-r-e-n-n-e-r and I'm the executive director of the Nebraska League of Conservation Voters and I am here to testify in support of LB227 because it would encourage collaboration between the Nebraska Energy Office and the Legislature. It would promote the efficient, economically, and environmentally responsible use of energy by creating an energy plan which has already been created, but ensuring that it's still around, that would clearly indicate the most pressing state needs and determine which of these needs should be priorities. Now this is something the Energy Office already does, LB227 would codify the practice and increase the efficiency with which it is done. Legislative oversight of this assessment would serve to improve the efficiency and effectiveness of the Energy Office while informing the Legislature in order to ensure that Energy Office priorities and policies are in the public interest. LB227 would also provide information that could prove useful for the development of new legislative proposals and amendments to existing statutes while ensuring administrative compliance with state energy goals. I thank you for your time and encourage you to move forward with LB227. Sorry, I miswrote it on my paper that I handed in there. [LB227]

SENATOR LANGEMEIER: Very good. We'll get over that. Are there any questions? Senator Haar. [LB227]

SENATOR HAAR: One other the questions I have, I think part of the problem with energy efficiency and stuff is us older people are just used to cheap energy and that sort of...how do you look at that from your generational age? Do you think there's more of an awareness of energy and so on? [LB227]

CARA BRENNER: Oh, I certainly do. I think that with the increase of technology and the kinds of technology that we have and the demands that they make on energy, I think that we are just more aware in general. The fact that we have access to the information. A lot of times people don't always seek it out, but a lot of the time people my age tend to have access to that information readily available all the time. [LB227]

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SENATOR HAAR: Okay, yeah. [LB227]

CARA BRENNER: So I mean. [LB227]

SENATOR HAAR: I hope you make things happen. [LB227]

CARA BRENNER: Trying. [LB227]

SENATOR HAAR: Good. [LB227]

SENATOR LANGEMEIER: Are there any other questions? Seeing none, thank you very much for your testimony. [LB227]

CARA BRENNER: Great. Thank you. [LB227]

SENATOR LANGEMEIER: Further testimony in support of LB227. Welcome back. [LB227]

ROBERT BYRNES: (Exhibits 10 and 11) Good afternoon, Chairman Langemeier, members of the Natural Resources Committee. My name is Robert Byrnes from Oakland, Nebraska. That's spelled B-y-r-n-e-s. Appreciate the opportunity to come before you to discuss the energy plan. I'm passing around my testimony in this regard. At my first committee hearing many years ago, I mentioned that cheap energy today does not mean cheap energy tomorrow. And now I believe we stand looking over an energy precipice that we are unprepared for. While I strongly believe that an energy plan that is codified by the Legislature is badly needed to guide our development of energy policy, it may very well be too late. Today our nation finds itself in a precarious energy situation and Nebraska even more so because of our exported energy requirements...or import energy requirements. Two days ago crude oil increased 8.5 percent in one day. The Middle East is about to be totally engulfed in flames. The last federal energy plan of any worth was written by President Carter and the U.S. dollar used to buy all these imported materials is getting ready to go down for the second time. LB227 not only requires an updated assessment be produced every couple of years, it also creates a new process whereby the NEO delivers a plan to the Legislature who reviews it. I would add, in an approval or vote that follows that review. We do not need another study to sit on the shelf and collect dust. We need a plan to navigate an uncertain and unclear energy future. We do not need the Policy Research Office keeping the energy plan penned up. We do not need an energy plan that is created each time a leader changes seats. We do not need an energy plan that is beholden to controlling and narrow-minded energy lobbies. We need a broad spectrum plan that reflects the long-term interests of the people state of Nebraska. In my mind, we cannot have a discussion on this topic without at least referring back to recent legislative efforts regarding the NEO who is being charged with this effort. Attempts to create an

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independent agency out of the NEO were resisted by the Governor and the NEO over recent years with the promise of doing better. And I'll hand out this. Last time we had this discussion was in Government Affairs Committee. So I'll hand around this testimony that was pertinent to LB921 at that time which talked about changing the actual role of the Nebraska Energy Office from a code agency to an independent agency along the lines as was done, as Senator Dubas knows, I'll never get that chart out of head, with the organization of state energy with other state agencies and the networking and stuff that occurs in other states and to bring that model here. I want to be clear, the NEO does a lot of good things and has stepped up the pace somewhat. I am tickled to see Ginger as part of these energy conversations today. One of the things mentioned in LB227 is that the energy assessment, I'll use the term "energy assessment" and "energy plan" interchangeably here, will be referenced to the appropriate standing committee of the Legislature. Having seen many green bills assigned over the year, I'm not quite keyed in on the rhyme or reason that's used by the referral committee. Since energy affects everything that we do in our state, I would recommend that the energy plan be considered by all committees or a separate energy committee be established by itself or as part of an existing standing committee. That's how important I feel that these issues are. Nebraska has sorely needed a forward looking energy plan for decades. I suggest we get this piece behind us and move on to the higher level discussions regarding implementation of policy that supports realization of that energy plan and the future role of the State Energy Office in these matters. As I stated earlier, at this late stage there may be little we can do, but in my opinion, the lack of energy planning is evident through the following areas in our society. At one time there were more ethanol plants planned than we had corn. The biodiesel industry has come and gone despite 500 million gallons a year of resource being produced annually. No planning was ever undertaken to deliver high power...to deliver wind power from high wind, low-population areas, even though we've known about these for decades. Rich geothermal resources in the western portion of the state lie untapped. There's no policy focused on the development of second generation biofuels including algae that can utilize emissions from our beloved coal plants. Fuel efficiency and reduction efforts by citizens are being constantly greeted with higher road taxes that offsets benefits. A broad range of goals for our future energy mix has not been created. The voluntary 10 percent goal regarding electricity only addresses a small portion of our entire energy need. And there are some other examples here which you have before you. I guess just to call up one comment I made from that LB921 hearing in 2008, one cannot build a sound house without a plan. And I believe Nebraska has a critical need in this area. I would encourage the committee to support LB227 and consider the role of NEO so that they are best able to support Nebraska in an uncertain energy future. With that I'll be glad to take any questions. Thank you for your time. [LB227]

SENATOR LANGEMEIER: Senator Haar. [LB227]

SENATOR HAAR: I'm interested, you do some teaching, now right, at Northeast

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Community College or the university. [LB227]

ROBERT BYRNES: I'm currently adjunct with Little Priest Tribal College. [LB227]

SENATOR HAAR: Okay, okay. How do you see...what difference does age make in how people look at energy in our society? [LB227]

ROBERT BYRNES: Well in a couple things. I've done a lot of...we have an internship program for a number of years here in the state and in general I think Nebraska youth, compared to left and right coasts, are not plugged into this. And so on a national...and I deal with students from all over the world and I think the mid...and not just Nebraska, it's a Midwest thing, we've been blessed with cheap and abundant and that, of course, is a two-edged sword and our kids are just not plugged into this...these kinds of issues. There are some exceptions as we see, but generally speaking we're not...our youth is not. As far as the age differences from there, I always...I like to refer to the old adage, you know, you can't teach an old dog new tricks; not that I'm calling you an old dog, Senator. [LB227]

SENATOR HAAR: Thank you very much. [LB227]

ROBERT BYRNES: But it is harder to change ingrained habits, especially in face of a perceived problem. A perceived problem that's going to be resolved from a long period of effort. I think the older generation feels that they've paid their dues and that's enough, that they aren't going to be around. I've had people say, oh, I would do this, but I'll never be around to see those benefits, or whatever reason. So it's a unique perspective, I think, as you get...from middle age and beyond that at that point what you're doing is not really for yourself anymore, it's for the greater good. And sadly I don't see people using that as a reason to make these changes. So it's an interesting study. There really is...I'm not a psychologist, but there really is quite a bit of psychology involved in it. [LB227]

SENATOR HAAR: Well I appreciate your passion for this topic and keep coming. [LB227]

ROBERT BYRNES: Thanks, Senator. [LB227]

SENATOR LANGEMEIER: Senator Dubas. [LB227]

SENATOR DUBAS: Thank you, Senator Langemeier. Thank you, Robert. We have a little history on this issue and I've appreciated all of your support on this. And unfortunately, we're a society that is much more reactive than proactive and it's, you know, we don't think we should do something until we feel physical or financial pain. And, you know, in the '70s we had the gas lines and all of those things and so that's when we became, okay, we've got to do something. And the pain went away, and so all

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of our resolve to do something went away with it. I think we're back to that pain now and so the resolve is returning. So how do you see...I know you're feeling like we're...have fallen even further behind the curve because of what we haven't done. Well how would you...what you recommend for us to firm up that resolve and keep us moving towards addressing some of these concerns? [LB227]

ROBERT BYRNES: Well, and I think that...I think that really starts with a sound energy plan and I know how we all feel about mandates, but unfortunately at this...at the 11th hour, that is the guy I would play is we need to require change. We can't ask for change; we can't encourage change; we can't suggest change; we need to require change, at least in very small increments which is still not in our best interest of time, however, it is progress. But I feel the energy plan is kind of the first step because I have had the opportunity to visit with the Legislature and be part of this process and I'm pleased to do that as much as I can. But I feel for you guys having to make these decisions with meager resources, at times none, and you don't have a context to put these issues in. Different issues come before the energy conservation here, net metering, but we're not talking about that, but net metering, this and that, and really we need an over-arching framework so we know where these things go together. We can't do everything at once, but if we know what the structure...what we want that structure to look like, we know where each individual brick goes. And I think the most important part of LB227 in my mind is the fact that the Legislature as a represent of the people now have the approving stamp on this plan. So we discuss these issues hence forward, we can refer to the energy plan in our arguments and this has already been approved as in the best interest of the state and I think when you go back in executive session and weigh the benefits and the critical areas and you only have so much to do a lot, I think that would really empower the Legislature to take the steps that are needed instead of more studies and more time in mulling over and looking for answers that may never not appear, may never appear in that context. I think a state codified energy plan is that framework to build sound energy policy on. [LB227]

SENATOR DUBAS: Thank you. [LB227]

SENATOR LANGEMEIER: Very good. Senator Smith. [LB227]

SENATOR SMITH: Thank you, Senator Langemeier. Mr. Byrnes, in your response to Senator Dubas, you sounded as if you would like to see this energy plan have teeth in it enough to be able to establish mandates and force the mandates, is that correct? [LB227]

ROBERT BYRNES: Well the State Energy Plan is not in a position to tell Legislature what to do. Certainly that's not their role, but the State Energy Plan would be the State Energy Office, I just reviewed the 2010 assessment, it's 2008 data, but that's...there's some great information there. They do that day in and day out, collect energy data.

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They are the natural body to develop a set of recommendations if they are given some political freedom to do so. Say here's what we're doing, here's what other states are doing, here's what we...we suggest you take this. If they would go to the Legislature, the Legislature would put their stamp on it and then adopt individual measures as they come before the committees for adoption. I think the...I don't know legally if the State Energy Office can make those kinds of requirements; the Legislature certainly can. And I think making that linkage between the Energy Office and the Legislature, there's a lot of benefits I can't even wrap my head around, but they are innumerable. And I think that's the biggest one is giving some clear guidance as to what's to gain, what's to lose, what are the issues involved regarding these legislative options. [LB227]

SENATOR SMITH: So at the very least, support or a recommendation capacity with an eye on mandates to force this forward. [LB227]

ROBERT BYRNES: Right. But that will be left to the Legislation, in my view, as the representative of the people. So if the State Energy Plan comes out and say, I think we should do this, or the plan recommends that we do this, this, and this, the Legislature looks at that and says, well, maybe not this, or maybe not this much or a little less here, there's the stamp, then everybody is kind of operating on the same page. We don't have...and that's...we need unity in this discussion. I know that. Again, net metering. But we have some issues here that have become very divisive over the years and we've lost a lot of time, years, you know, in bringing around what should be fairly straightforward issues. So I think that helps to get everybody operating on the same sheet of music. And then with that information out there, when those bills come up before the Legislature, if they have a context and a framework and have been somewhat discussed or...not approved, particularly, you know, more particular action, but discussed and legislators are aware of those opportunities and the pros and cons. [LB227]

SENATOR SMITH: Okay. Let me ask one more question here. Give me a little history on this. In your testimony you said, we do not need an energy plan that is behold to controlling and narrow-minded energy lobbies. Can you give me a little perspective on that factor? [LB227]

ROBERT BYRNES: Well I think whenever...the energy industry is like any other in that what is best for that industry is what that industry tends and tries to fund and develop, sometimes at the expense of what other people would consider in their best interests. So while it is a natural or survival mechanism for an organization, trade organization, lobby group, to do whatever is in the best interest of that particular technology or product or material, we have to be careful that that doesn't become the only way that that is done. An example I might bring up, I was able to participate in the Nebraska Clean Cities discussion earlier today. And a bill was brought up regarding C&G and the development or a grant program to develop C&G projects, because that was brought

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forward by the C&G folks. Great idea. It's old carbon, but hey it's cleaner, worth developing. However, the myopia comes in my view is that we're talking about gaseous fuel. Okay, why can't we include biogas? Why can't we include syngas that comes from new carbon materials? And even the net metering discussion, you know, we're also talking about solar. We're talking about biogas, you know, so I don't want to be technology exclusive, I guess is what I'm aiming at there. [LB227]

SENATOR SMITH: So you would at least say that there's a renewable lobby as well. [LB227]

ROBERT BYRNES: In theory. Yes. [LB227]

SENATOR SMITH: Okay. Just in the sense of unity. [LB227]

ROBERT BYRNES: Not nearly as well funded. [LB227]

SENATOR SMITH: Okay, thanks. [LB227]

SENATOR LANGEMEIER: I do have one question. And it goes back to a bill we heard earlier today. We've been asked on many occasions is who sets energy policy in Nebraska? Is that the Legislature? Is it that public power? Who does that? And as the Legislature has probably tried to insert itself in that more in the last few years than in the past whether it's renewables or what's out there. And yet we see a bill just before this committee last week that public power, and Nebraska Public Power in particular, is trying to, as an organization, trying to do what's right for their customers, but yet understands the pressure they're getting from our side in the policy realm, but yet we saw a real rebellion from their wholesale customers and those that said we have elected boards, we need to have more say in what you're doing because you're not going the way the end-user wants them to go. I kind of revert this to a semi going down the road with three trailers and a lot of bendable points, and it's...where do you see that melding together, because we got one trailer that wants to kind of swipe around that side and the other trailer is trying to pull them around that side, and who the heck is driving the truck? [LB227]

ROBERT BYRNES: Well, I'd offer a couple things. One thing an energy plan that is agreed upon by the Legislature does is it gets it encourages groups to have this discussion before the hearings so we're not brawling in hearings. So we come in...imagine if everybody came in on the same team. I think to some extent that attempts to get that thing more uniform before it even makes a turn, you know, into the committee hearing. Nebraska Public Power and the public power agencies that we have really revolve around electricity. In that great 2010 report on your Web site, it says that electricity consumption is decreasing for a number of reasons. However, diesel fuel and other liquid...other fuels, old carbon-based fuels are not. Electricity is a really small part

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of the trillions of BTUs that are consumed in this state and they absolutely should be part of that discussion. But again, the energy pie is...only one slice is electricity. The old carbon liquid fuels is probably the biggest piece of that. And that...we don't have public power in that area. So in my view, the natural...the most I'm going to say unbiased, but certainly the most diverse opinion is going to become...is going to come from the Legislature as a represent of the people. And in a public power state, that, in my mind, seems to be the natural body to undertake this task. And I think they're going to have the biggest...the most diverse and try to get...represent all arguments and all sides in that, because now you have 100 people looking at this, not one. And I think that keeps it from a collecting bias. But we're going to need all the players to be involved in this and provide input to this. I think the NEO had a great turnout when Neal had the sessions across the state and the e-mail feedback in; and we can get citizens plugged into that plan through the Legislature that becomes law that results in policy. I mean that's...that's what I see a loop that moves us forward out of consistent discussions and that's all good. But it is hard to make a decision with meager resources and without an over-arching list of what are the state's priorities? Do we know? I'm not sure that we do. I know we know there's some good stuff out there, but just like with ethanol and I think we've...we got to keep everything in there, in their slice and pay them the attention that they need according to that piece. Liquid fuels is going to be a nightmare this summer. And we need to...you know, the more we can get ahead of it the better. But you're absolutely right, Senator, on that pain. And in the biofuels industry, we call \$4 a red light, green light. At \$3.99 that phone just collects dust. At \$4.01 it's ringing off the hook. And we have seen that time and time again. And those ebbs and flows will continue as time goes on. But what's not going to change is the buying power of the dollar and that is, in my...at this point now, I think that's the 700 pound gorilla in the room, because as this goes on, we have some other trends that are really working against us trying to implement these changes. [LB227]

SENATOR LANGEMEIER: Very good. Seeing no other questions, thank you very much for your testimony. [LB227]

ROBERT BYRNES: Thank you for your time. [LB227]

SENATOR LANGEMEIER: Further testimony in support of LB227. Seeing none. Those that would like to testify in opposition. Welcome. [LB227]

GINGER WILLSON: (Exhibits 12 and 13) Good afternoon again. Chairman Langemeier, members of the Natural Resources Committee, my name is Ginger Willson, G-i-n-g-e-r W-i-l-l-s-o-n and I'm the director of the Nebraska Energy Office. I appear before you today to testify in opposition to LB227. I want my comments to be clear that we had not been consulted about any amendment to this bill. I have not seen the amendment so my testimony is drafted and my comments today are directed to LB227 as offered. The bill duplicates many duties already performed by the Nebraska Energy Office. This bill

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also duplicates many efforts of the Nebraska Power Review Board, Nebraska Power Association and other public power utilities. Nebraska Statute 81-1602 describes 12 specific duties of the State Energy Office, some of which are related to LB227: serve as or assist in development and coordination and a central repository within state government for the collection of data on energy; undertake a continuing assessment of the trends in the availability, consumption, and development of all forms of energy; collect and analyze data relating to present and future demands and resources for all sources of energy and to specify energy needs for the state; provide for public dissemination of appropriate information on energy, energy sources, and energy conservation; prepare emergency allocation plans suggesting to the Governor actions to be taken in the event of serious shortages of energy. In addition, Nebraska Statute 81-1606 states the director of the State Energy Office shall develop and maintain a program of collections, compilations, and analysis of energy statistics and information. Existing information reports requests, maintained at the state and federal level, shall be utilized whenever possible in any data collection. This report is submitted to the Clerk of the Legislature identifying state energy consumption by fuel type and by use to the extent such information is available. In 2008, the Clerk of the Legislature informed the Energy Office that a link to this report on the NEO Web site was sufficient, negating the need to print the multi-page report every year. The Energy Office provides an annual report to the Clerk of the Legislature and the Governor by February 15 of every year. This comprehensive report, as required by Nebraska Statute 81-1607, is designated to identify emerging trends related to energy supply, demand, and conservation and to specify the level of statewide energy need within the following sectors: agriculture, commercial, residential, industrial, transportation, utilities, government, and any other sector that the director deems to be useful. This report includes, but is not limited to: an assessment of the state energy resources, including an examination of the current energy supplies and any feasible alternative sources; the estimated reduction in annual energy consumption resulting from various energy conservation measures; the status of the state's ongoing studies; recommendations to the Governor and the Legislature for administrative and legislative actions; and the use of funds in the Nebraska Energy Settlement Fund disbursed during the previous year through the Dollar and Energy Saving Loan Program. The above mentioned information can be found on the agency's Web site and in annual reports submitted to the Legislature. Information on Nebraska's energy use for buildings, consumption, emission, expenditures, generation/production, national rank, prices, percent of income spent on energy, Nebraska's energy profile and various other useful information can be found on the agency's Web site. Daily, weekly, and monthly reports on gasoline and diesel prices can also be found on the Web site. Information on pricing and supplies for propane, heating oil, natural gas is available on a weekly basis during the heating season and on a monthly basis during the cooling season. I've included with my testimony a listing of current energy assessment activities including production, distribution, consumption, and conservation. The Energy Office is able to provide a wide array of information because of the U.S. Department of Energy's Energy Information Administration, the Nebraska Oil and Gas Conservation

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Commission, and the Nebraska Department of Revenue-Motor Fuels Division. Some of the information the agency collects is current and due to some complexities and other national information, data can lag. LB227 as drafted requires a more comprehensive assessment than what is currently being provided by the Nebraska Energy Office. The requirements of LB227 necessitate the need for another FTE position and the hiring of a contractor to collect the necessary production, consumption, and assessment of present and future demands for energy data required by the bill every two years. The Nebraska Energy Office cannot meet the requirement of this bill at our current staffing and funding levels. I would like to address Senator Mello's statement of intent regarding the status of the Nebraska Energy Plan. Since I became the director of the Nebraska Energy Office in July, I have been working diligently to revise the State Energy Plan providing a visionary road map for energy opportunities. The plan I have been developing provides strategies for the state to consider in meeting the following objectives: ensure access to affordable, reliable, and responsible energy for Nebraska citizens; advance implementation and innovation of renewable energy in the state; increase energy efficiency in Nebraska's transportation sector. I am in the final drafting stages and I look forward to working with members of this committee to discuss the objectives and the strategies outlined in the State Energy Plan. This concludes my testimony and I will answer any questions. [LB227]

SENATOR LANGEMEIER: Senator Dubas. [LB227]

SENATOR DUBAS: Thank you, Senator Langemeier. Thank you very much, Director Willson. You and I have had a chance to have a couple of conversations and first off, I just want to tell you how much I appreciate the enthusiasm and the commitment you're bringing into your position and into this office and look forward to more good things coming out of NEO. I may be oversimplifying this, and Senator Mello can certainly correct me when he comes up for his closing, but I think what he's trying to do through this bill is take the plan from plan to action. Do you feel you have the capability of doing that maybe in a more limited sense without this particular piece of legislation? [LB227]

GINGER WILLSON: I think we have the definite opportunity to move the plan into action. And I think we're close to doing that. I think that a state energy plan has to be more visionary than just the issues that are affecting the state today, or issues that are hot topics today. I think the plan has to include some things that lay forward a road map of where the state can go on energy needs, but also to understand we have to live within the foundation of which we were built. And we are built on public power. And until the Legislature changes that, we need to understand that that is the structure of which we live in. Now we can offer a lot of alternatives and a lot of opportunities that still fit within that structure. Renewables is definitely one of those areas. And I think our public utilities are making great strides in that. But I think we have to be very measured in what we...what our expectations of this plan are and can achieve. [LB227]

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SENATOR DUBAS: Thank you. [LB227]

SENATOR LANGEMEIER: Senator Haar. [LB227]

SENATOR HAAR: Yeah, I would like to echo what Senator Dubas said. I've welcomed sitting down and talking with you and your willingness to talk and to dream. Thank you. [LB227]

GINGER WILLSON: You're welcome. [LB227]

SENATOR LANGEMEIER: Senator Smith. [LB227]

SENATOR SMITH: Thank you, Senator Langemeier. Ms. Willson, you said in your testimony LB227 as drafted requires a more comprehensive assessment than what is currently being provided by the Nebraska Energy Office. And you alluded to that a little bit in your response to Senator Dubas. To what benefit would this more comprehensive assessment be, particularly to the consumers of energy in our state? What is the benefit that you see coming out of that more comprehensive assessment? Or do you see benefits coming from it? [LB227]

GINGER WILLSON: Well, as I interpret the bill, and as I read a certain section in the bill, when it talks about to assess present and future demands of energy, recommendations regarding energy policy and conservation measures, I'm talking that from the language in LB227. How I interpret that is, I need to be able to provide a better analysis of our energy use and needs. And I don't have the statistical analysis in my staff to do that today. The information that we receive on some of our use and demand is lagging and that information comes from some of the 2008 data. And that data is actually information that utilities are required under their FERC requirements to report to the federal government. That information is analyzed at the federal government standpoint and so it's very difficult for us to...for them to quickly bring that information back down to the states. But if the people in the state of Nebraska can benefit from a future assessment of energy needs, that takes some additional time and staff from our office that we don't currently have. How that benefits the citizens, I don't know, maybe they can understand that our energy use is going up, but I'm not sure that the Energy Office is the best capable person of making some of those recommendations for our citizens. I think that's why we have a public power process in the state that does a lot of that analysis and they have some strategies that they implement in which they can inform Nebraska citizens. And I think that data is probably much more valuable than any analysis that our office could do. Does that answer your question? [LB227]

SENATOR SMITH: Yes. If I may, Senator Langemeier, how much involvement is there by the various utilities, gas utilities, electric utilities across the state in making your analysis and assessment? Because what I see here is a, for lack of better term, maybe

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an academic approach to energy planning, as opposed to a more practical approach whenever you, you know, these utilities across our state are very much aware of what federal regulations are coming. They understand the long-term outlook of fuel costs; the cost of coal; transportation costs; and if we have a couple of people dedicated to a more academic approach of looking at numbers and assessing it, but not really in touch with what the utilities know, the experts in the field, there's really a disconnect. And we're seeing some poor decisions made across our country, I think, maybe in terms of what the best portfolio looks like for energy generation. So how...tell me a little bit about what's inside your mind as to how you work together with the utilities in the state. [LB227]

GINGER WILLSON: I have really welcomed the opportunity to sit down with our public utilities at many different levels. I've asked them some very sophomoric questions and then have asked them some of a little more difficult questions, but they have always been very open and very willing to meet with me and provide me with some information from their expertise. They have tremendous expertise within their staff that, as you mentioned, can look at different opportunities and project out certain environmental regulations maybe coming down from the EPA and what that actually means for our Nebraska distribution centers and, you know, and energy producing centers. And I really value their input and their opinion. And I have utilized them as kind of a sounding board on a lot of different things. I think that they...you know, I really operate with a lot of open-door policies and I think they've been willing to come to me when they have thoughts or questions and I've certainly been willing to go to them and express thoughts or questions. And I think we have a really good working relationship. And I welcome that. I don't think they, by any means, have any control over how the Energy Office operates, but for us just to know what each other are doing. And we have committees that come together and talk about energy efficiencies that they're doing on their level with their ratepayers, as well as things that the Energy Office can then help, sometimes in funding, sometimes in education. I think there's just multiple places that we can point to where we have a working relationship back and forth. And we have a good understanding of each other's mission and objectives. [LB227]

SENATOR SMITH: Thank you. [LB227]

GINGER WILLSON: Um-hum. [LB227]

SENATOR LANGEMEIER: Now I have a question. What role does your departments take with DAS or Department of Roads as far as...you know, we've talked about turning lights off in your office and the janitors and I guess I would make the argument and it's an uneducated argument, it's just a theory, that we need to spend more time working with DAS, it buying vehicles for the state. As we look to buy 10 new cars this year, or 20 new cars that are being driven across the state every day whether it's in HHS or it's the three auditors for the Real Estate Appraiser Board, or it's someone in Department of

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Roads, that if we look to get...at \$4 gas, maybe \$5 gas, that any car that we can purchase whether we use ARRA funds is going to save the state a whole lot more money than worrying about whether you're...and granted we want the lights off in your office, but I would say it would save us in an annual year a whole lot more money than turning those lights off. So are you taking an active role with DAS and we need to spend \$3,000 more for a more efficient car than what we're buying? [LB227]

GINGER WILLSON: We definitely provide input to other agencies and give recommendations. So that's part of what our mission is, is part of what the statute requires us to do. I do know that they have a very specific process they have to go through for procurement. And there are other factors that are included in that. Not just price, but other things that the state is required to do. And I don't know all the details of all of those things. But I would say that certainly since my time in the Energy Office, I do spend a lot of time working and talking to other directors, especially like Economic Development, just to make sure that we're doing the things that needed to be done; that the Energy Office can do different things within our office to make Nebraska more enticing for businesses to come here because of our lower electric rate. But yet, you know, there's other different opportunities that kind of overlap along the way with maybe certain businesses that have a more energy focus of manufacturing that want to come to the state. So I would say that a lot of...there's a lot of interaction with other directors at that level to have conversations of ways that we can all be more efficient, that we can all look at ways of saving money within our agencies and always that we can find other collaborative ways that we can pool our money together even and leverage that for grants or other opportunities. [LB227]

SENATOR LANGEMEIER: Okay. Seeing no other questions, thank you very much for testifying. [LB227]

GINGER WILLSON: Um-hum. Thanks. [LB227]

SENATOR LANGEMEIER: Further testimony in opposition to LB227. Seeing none. Is there anyone that would like to testify in a neutral capacity? Welcome. [LB227]

SHELLEY SAHLING-ZART: Good afternoon. Senator Langemeier, members of the Natural Resources Committee, for the record my name is Shelley Sahling-Zart, S-h-e-l-l-e-y S-a-h-l-i-n-g hyphen Z-a-r-t. I'm vice president and assistant counsel for Lincoln Electric System here in Lincoln and today I'm here testifying on behalf of the Nebraska Power Association in a neutral capacity on this bill. The NPA represents all of Nebraska's electric consumer owned electric utilities including municipalities, public power districts, rural public power districts, and cooperatives. We are the organization that Senator Mello referred to earlier that was intending to come in in opposition and after some conversations with him, we are here in a neutral capacity. We had some initial concerns as we read the bill over lines 5 through 11 talking about the assessment

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and what the assessment would involve. Really sounded like a study that the Nebraska Power Association conducts at the request of the Power Review Board. A study I'm going to talk to you more about tomorrow afternoon, so I won't go into a great deal of detail about that today. But we do some very detailed studies that are required by statute; we're going to talk about those tomorrow. And this really sounded like a duplication of effort if we would have the Nebraska Energy Office undertaking a similar assessment. As Senator Mello introduced the bill, and as we understand it now, what he's really trying to do is codify the requirement to..for the NEO do conduct a state energy plan, a strategic energy plan for the state and to require that that be updated every two years. That's a different kind of proposal and I don't think we have any issue with any of that. I think we can support the need for a statewide energy vision. George Norris has a vision. It took him a lot of years to accomplish his vision, but visions aren't bad things to have and they give us direction and focus. Some of the assessments we do are pretty detailed. We'll talk tomorrow, but when you use the word "assessment" with a bunch of engineers, you're going to get a lot of modeling studies in response to that. So the word "assessment" really kind of...we keyed off of that and I think changing the amendment that changes that back to "plan" will certainly help calm the troops on our end. With regard to some of the things that have been said today, and I don't mean this to be a rebuttal, but public power is not a special interest lobby group. I mean, we're here representing the consumers that we serve. And we don't go to work and get any kinds of special incentives. We're here to do the public good, much like you are. And as part of that, we've got some statutory charges that we're required to try and do things at as low overall cost as possible and what we really try and do in our industry is balance...Senator Chuck Hagel said this once, and it's really balancing the three E's. We try to balance energy, the environment, and the economy. And sometimes that's a precarious balance. And it sometimes it means that we can't progress toward that vision quite as quickly in some areas as we'd like. But I think, Senator Dubas, you've been on this committee for a number of years, I think we've made great strides in the last decade. Probably not as fast as some people would like, but progress nonetheless. So we're happy to work with Senator Mello. We've indicated that with regard to some of the studies we do, and we're going to be talking to Senator Haar about his bill. To the extent you have input on what you'd like the scope of some of these studies to include, we're open to that. The industry is always open to your input to make sure that we're assessing and providing the information to the Power Review Board that you think is valuable; and we are happy to provide those studies to the Nebraska Energy Office as well. So with that I would be happy to answer any questions. [LB227]

SENATOR LANGEMEIER: Are there any questions? Seeing none, thank you very much for your testimony. [LB227]

SHELLEY SAHLING-ZART: Got off easy. [LB227]

SENATOR LANGEMEIER: Easy group. Is there anyone else wishing to testify in a

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neutral capacity? Seeing none. Senator Mello, you're recognized to close. [LB227]

SENATOR MELLO: Thank you, Chairman Langemeier and members of the committee. I'll be brief because I have to get across the hall to close on another bill of mine in the Revenue Committee. In hearing...I suppose in hearing the opposition testimony, I would say that as always I'm more than willing to work with any state agency on any potential piece of legislation I introduce. Sometimes it seems to be a bit more difficult with certain agencies than others. And I find it...I find it, just for the record too, I appreciate Senator Langemeier's question regarding the integration, so to speak, of the Nebraska Energy Office with other agencies, particularly when discussing potentially purchasing state vehicles or helping DAS work on other issues because while there are no Government Committee members on this...that also, obviously, sit on Natural Resources, I had a similar bill that would have helped DAS with their purchasing of, I think, alternative fuel vehicles, biodiesel, flex-fuel vehicles, things of that nature. So I will have to follow up, I guess, with the Nebraska Energy Office to find out what exactly they provided DAS in regards to assisting them in coming in opposition to that piece of legislation. But in reference to LB227, I appreciate the testimony in opposition and support and neutral in a sense that if anything everyone can agree is that as a state we need a more strategic vision to move forward with energy policy. And I know in conversations with Senator Langemeier, the question ultimately comes down at the end of the day as who ultimately makes public policy? And I think from my perspective and the chair I sit in, obviously the Legislature makes the public policy. Makes public policy over public power; makes public policy over Nebraska Energy Office; because all power derives from the Legislature, unless it derives from the people of Nebraska through a constitutional amendment or a ballot initiative. So in that sense, I know that's a question that you've asked me before, particularly in regards to the State Energy Plan. But I would say in hearing everyone comment today, the State Energy Plan to some extent, my intention has always been to provide guideposts. Guideposts for conversations; guideposts for where the Legislature and the executive branch may be able to work together on issues. We may not always agree on issues, but at the end of the day it's a vision potentially from the executive branch's perspective of where we need to move as a state in regards to energy policy. And I would also be remiss to say that unfortunately a significant amount of our energy policy in conversations tend to solely focus around public power and it's unfortunate because they serve a very purposeful role obviously, in I think our greater energy dilemma and greater energy policy, but it was mentioned by another testifier that there's a host of other energy issues that are out there, particularly in regards to fossil fuel energies, in regards to liquid energy more than anything else, that we have a tendency not to discuss an awful lot. So I think it's worthwhile to discuss...and that is in the State Energy Plan. They go over various liquid, petroleum, natural gas, biodiesel, ethanol, you name it, and that's a very critical component, I think, of our energy policy as a state. And it's one of the few areas in the state document, so to speak, that generally references and has any potential policy options or recommendations that the Legislature can evaluate or look to investigate further

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regarding our energy policy or for our energy plan for lack of matter. So, with that, as always, I'm more than willing to work with the Chairman and the committee in regards on refining LB227 further than we have to because I think at the end of the day everyone can agree that good planning will lead to, hopefully, much better public policy and a little bit more collaboration between the legislative and the executive branches in government. [LB227]

SENATOR LANGEMEIER: Senator Haar. [LB227]

SENATOR HAAR: Now you're on the Planning Committee, right, with Senator Harms? [LB227]

SENATOR MELLO: Um-hum. [LB227]

SENATOR HAAR: I would say that this dovetails into that as well, right? [LB227]

SENATOR MELLO: Well it...to some extent, Senator Haar, it kind of has. It's, by all means, it's been conversations we've had in a sense of why Nebraska would have an interim energy plan, so to speak, for over two years. And I think that's part of the reason why LB227 came about is we've had these conversations within the Planning Committee in regards to setting up performance benchmarks, or I should say planning benchmarks regarding the energy subcategory. And there's just...there's not a lot of concrete...or there wasn't a, I should say, a significant concrete way for it, because there was no real guiding document. I mean public power serves a role in regards to energy and energy generation in regards to electricity, but there's very few besides the Nebraska Ethanol Board that deals with ethanol. Very few other entities out there that provide, I think, a significant amount of planning and/or...or invest heavily in regards to looking to the future. So, it's an issue I'm for certain as a Planning Committee member we'll continue to look at, but I think there's nothing in state statute that generally I think helps direct this a little further of setting up those broad guideposts. And the way I described it today is it really what our state energy plan takes a 50,000 foot perspective from an energy policy and our strategic vision forward...moving forward, so to speak, it's nothing as the MPA mentioned. It's nothing, in regards to the day in and day out load capacity of any particular power generating facility because that's not ultimately what I envisioned with LB227. I think as policymakers, sometimes we unfortunately cross the threshold in regard to program management and policymaking and I wanted to keep this conversation at the policymaking level, less on the program implementation or digging into the weeds, so to speak. [LB227]

SENATOR HAAR: Thank you. [LB227]

SENATOR LANGEMEIER: Seeing no other questions, thank you very much. [LB227]

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SENATOR MELLO: Thank you. [LB227]

SENATOR LANGEMEIER: You've heard the closing on LB227. That concludes the hearing on LB227 and that also concludes our hearings for today. We'd like to thank everyone that came and was part of the hearing process. And have a great night and a safe trip home in the snow. (See also Exhibit 14.) [LB227]