AMENDMENTS TO LB1045

Introduced by Natural Resources.

- 1 1. Strike the original sections and insert the following new
- 2 sections:
- 3 Section 1. (1) For purposes of this section:
- 4 (a) Base load means the minimum amount of electric power delivered
- 5 or required over a given period of time at a steady, continuous rate;
- 6 (b) Base load capacity means the electric generating equipment
- 7 normally operated to serve electric power loads on a continuous, around-
- 8 the-clock basis;
- 9 (c) Base load unit means a plant, usually housing high-efficiency
- 10 steam-electric units, which is normally operated to take all or part of
- 11 the base load of an electric system, capable of producing more than one
- 12 hundred megawatts of electricity at an essentially constant rate and
- 13 running continuously, and which maximizes system mechanical and thermal
- 14 efficiency and minimizes system operating costs; and
- 15 (d) Public power supplier means a public power district, public
- 16 power and irrigation district, or any other governmental entity providing
- 17 electric service. Public power supplier includes a municipal electric
- 18 utility.
- 19 (2) Any public power supplier that retires or permanently shuts down
- 20 a base load unit, or switches fuel which reduces the base load capacity
- 21 of a base load unit, before the expiration of its license or the end of
- 22 <u>its operational or useful life, as approved by the Nebraska Power Review</u>
- 23 Board in its discretion, shall:
- 24 (a) Pay a severance to any permanent employee employed at such base
- 25 load unit who is terminated or laid off as a result of such retirement,
- 26 shutdown, or reduction for a period of five years at the same rate of pay
- 27 received by such employee on the employee's termination or lay-off date;

1 <u>and</u>

- 2 (b) Remit payment of a fee of fifty million dollars to the county
- 3 treasurer of the county in which such base load unit is located, such
- 4 amount to be allocated to the taxing subdivisions in the county in the
- 5 <u>same proportion that payments in lieu of taxes made by the public power</u>
- 6 <u>supplier are allocated to such subdivisions.</u>
- 7 Sec. 2. Section 70-619, Reissue Revised Statutes of Nebraska, is
- 8 amended to read:
- 9 70-619 (1) The corporate powers of the district shall be vested in
- 10 and exercised by the board of directors of the district. No person shall
- 11 be qualified to hold office as a member of the board of directors unless
- 12 (a) he or she is a registered voter (i) of such chartered territory, (ii)
- 13 of the subdivision from which a director is to be elected if such
- 14 chartered territory is subdivided for election purposes as provided in
- 15 subsection (1), (2), or (3) of section 70-612, or (iii) of one of the
- 16 combined subdivisions from which directors are to be elected at large as
- 17 provided in section 70-612 or (b) he or she is a retail customer duly
- 18 certified in accordance with subsection (3) of section 70-604.03.
- 19 (2) (2) (a) No person who is a full-time or part-time employee of the
- 20 district shall be eligible to serve as a member of the board of directors
- 21 of that district and no high-level manager employed by a district may
- 22 serve as a member of the board of directors of any district unless such
- 23 person (i) resigns or (ii) assumes an unpaid leave of absence for the
- 24 term as a member. The employing district shall grant such leave of
- 25 absence when requested by any employee for the purpose of the employee
- 26 serving as a member of such board. A member of a governing body of any
- 27 one of the municipalities within the areas of the district may not serve
- 28 on the original board of directors under sections 70-603 to 70-609.
- 29 (b) For purposes of this subsection, high-level manager means a
- 30 person employed by a district who serves in a high-level managerial
- 31 position, including chief executive officer, president, vice president,

1 chief financial officer, chief operations officer, general manager, or

- 2 assistant general manager.
- 3 Sec. 3. Section 70-1001, Reissue Revised Statutes of Nebraska, is
- 4 amended to read:
- 5 70-1001 (1) In order to provide the citizens of the state with
- 6 adequate and reliable electric service at as low overall cost as
- 7 possible, consistent with sound business practices, it is the policy of
- 8 this state to avoid and eliminate conflict and competition between public
- 9 power districts, public power and irrigation districts, individual
- municipalities, registered groups of municipalities, electric membership 10
- associations, and cooperatives in furnishing electric energy to retail 11
- and wholesale customers, to avoid and eliminate the duplication of 12
- facilities and resources which result therefrom, and to facilitate the 13
- 14 settlement of rate disputes between suppliers of electricity.
- 15 (2) It is also the policy of the state to prepare for an evolving
- retail electricity market if certain conditions are met which indicate 16
- 17 that retail competition is in the best interests of the citizens of the
- state. The determination on the timing and form of competitive markets is 18
- a matter properly left to the states as each state must evaluate the 19
- 20 costs and benefits of a competitive retail market based on its own unique
- 21 conditions. Consequently, there is a need for the state to monitor
- 22 whether the conditions necessary for its citizens to benefit from retail
- 23 competition exist.
- (3) It is also the policy of the state to encourage and allow 24
- opportunities for private developers to develop, own, and operate 25
- 26 renewable energy facilities intended for sale at wholesale under a
- 27 statutory framework which protects the ratepayers of consumer-owned
- utility systems operating in the state from subsidizing the costs of such 28
- export facilities through their rates. 29
- 30 Sec. 4. Section 70-1001.01, Reissue Revised Statutes of Nebraska, is
- amended to read: 31

LB1045 LPB - 02/25/2022

70-1001.01 For purposes of sections 70-1001 to 70-1028, unless the 1 2 context otherwise requires:

- 3 (1) Board means the Nebraska Power Review Board;
- (2) Electric suppliers or suppliers of electricity means any legal 4 5 entity supplying, producing, or distributing electricity within the state 6 for sale at wholesale or retail;
- 7 (3) Private electric supplier means an electric supplier producing 8 electricity from a privately developed renewable energy generation 9 facility that is not a public power district, a public power and district, 10 irrigation а municipality, a registered group of 11 municipalities, an electric cooperative, an electric membership 12 association, any other governmental entity, or any combination thereof;
- (4) Privately developed renewable energy generation facility means a 13 14 facility that (a) generates electricity using solar, wind, geothermal, 15 biomass, landfill gas, or biogas, including all electrically connected equipment used to produce, collect, and store the facility output up to 16 17 and including the transformer that steps up the voltage to sixty thousand volts or greater, and including supporting structures, buildings, and 18 roads, unless otherwise agreed to in a joint transmission development 19 20 agreement, (b) is developed, constructed, and owned, in whole or in part, 21 by one or more private electric suppliers, and (c) is not wholly owned by 22 a public power district, a public power and irrigation district, a 23 municipality, a registered group of municipalities, an 24 cooperative, an electric membership association, any other governmental entity, or any combination thereof; 25
- 26 (5) Regional transmission organization means an entity independent 27 from those entities generating or marketing electricity at wholesale or retail, which has operational control over the electric transmission 28 29 lines in a designated geographic area in order to reduce constraints in 30 the flow of electricity and ensure that all power suppliers have open access to transmission lines for the transmission of electricity; 31

- 1 (6) Reliable or reliability means the ability of an electric
- 2 <u>supplier whose chartered territory comprises more than one-half of the</u>
- 3 counties in Nebraska or whose service area contains a city of the
- 4 metropolitan class to supply the aggregate electric power and energy
- 5 requirements of its electricity consumers in Nebraska at all times,
- 6 taking into account scheduled and expected unscheduled outages of system
- 7 components, and to withstand sudden disturbances such as electric short
- 8 circuits or unanticipated loss of system components;
- 9 (7) (6) Representative organization means an organization designated
- 10 by the board and organized for the purpose of providing joint planning
- 11 and encouraging maximum cooperation and coordination among electric
- 12 suppliers. Such organization shall represent electric suppliers owning a
- 13 combined electric generation plant capacity of at least ninety percent of
- 14 the total electric generation plant capacity constructed and in operation
- 15 within the state;
- 16 (8) (7) State means the State of Nebraska; and
- 17 (9) (8) Unbundled retail rates means the separation of utility bills
- 18 into the individual price components for which an electric supplier
- 19 charges its retail customers, including, but not limited to, the separate
- 20 charges for the generation, transmission, and distribution of
- 21 electricity.
- Sec. 5. Section 70-1025, Reissue Revised Statutes of Nebraska, is
- 23 amended to read:
- 24 70-1025 (1) The representative organization shall file with the
- 25 board a coordinated long-range power supply plan containing the following
- 26 information:
- 27 (a) The identification of all electric generation plants operating
- 28 or authorized for construction within the state that have a rated
- 29 capacity of at least twenty-five thousand kilowatts;
- 30 (b) The identification of all transmission lines located or
- 31 authorized for construction within the state that have a rated capacity

LB1045 LPB - 02/25/2022

AM2081 LB1045 LPB - 02/25/2022

- of at least two hundred thirty kilovolts; and 1
- (c) The identification of all additional planned electric generation 2
- 3 and transmission requirements needed to serve estimated power supply
- demands within the state for a period of twenty years. 4
- 5 (2) Beginning in 1986, the representative organization shall file
- 6 with the board the coordinated long-range power supply plan specified in
- 7 subsection (1) of this section, and the board shall determine the date on
- which such report is to be filed, except that such report shall not be 8
- 9 required to be filed more often than biennially.
- (3) An annual load and capability report shall be filed with the 10
- 11 board by the representative organization. The report shall include:
- 12 (a) Statewide statewide utility load forecasts and the resources
- available to satisfy the loads over a twenty-year period; -13
- 14 (b) Information regarding annual accredited generation unit
- availability including limitations, scheduled outages, and forced 15
- 16 outages;
- 17 (c) A description of adequate fuel supply planning for the next two
- calendar years for thermal generation units which are one hundred 18
- 19 megawatts or larger;
- 20 (d) A description of any changes to the accredited capacity of
- 21 generating units since the last report, if applicable, and the potential
- 22 impacts to electric system reliability; and
- 23 (e) Information on utility decarbonization goals and identified
- 24 plans to achieve those goals including any potential impacts to electric
- 25 system reliability.
- 26 (4) The annual load and capability report shall be filed on dates
- 27 specified by the board.
- Sec. 6. Original sections 70-619, 70-1001, 70-1001.01, and 70-1025, 28
- 29 Reissue Revised Statutes of Nebraska, are repealed.