

AMENDMENTS TO LB548

Introduced by Natural Resources.

1 1. Strike the original section and insert the following new section:

2 **Section 1.** (1) The Legislature declares that the purpose of this
3 section is to allow each political subdivision that owns and operates a
4 natural gas system to engage in tax-exempt natural gas supply
5 transactions as described in section 148(b)(4) of the Internal Revenue
6 Code and 26 C.F.R. 1.148-1(e)(2)(iii), as such section and regulation
7 existed on January 1, 2024, that benefit the political subdivision and
8 its taxpayers as well as the counterparty to the transactions.

9 (2) Any political subdivision which owns and operates a natural gas
10 system may enter into a contract to sell natural gas to any industrial
11 consumer of natural gas whose facilities are located in the State of
12 Nebraska within two hundred miles of such political subdivision and
13 require at least three billion British thermal units of natural gas per
14 day on an average day. The term of the contract shall be for at least two
15 years, not including renewable terms. Such contract shall not pose an
16 unreasonable financial risk to the political subdivision or its
17 taxpayers, as determined by the political subdivision's governing board.
18 Such industrial consumer shall not be a consumer of any investor-owned or
19 governmentally owned gas system with respect to the contract to receive
20 service or natural gas at the time such contract is entered into. During
21 the term of the contract, the location of such facility shall be
22 considered within the service area of such political subdivision's
23 natural gas distribution system for purposes of the contract.