

March 15, 1979

LB 223

those new customers as per the...if they could not negotiate a settlement, then they would have to fall back on the provisions of LB 223, which set out some guidelines with respect to the transfer of those facilities. So they would be able to serve existing customers, in existing service areas even though those customers may be served by another utility now.

SENATOR CARSTEN: Okay. That leads me then to my next couple of questions, and I assume you're going to be answering, Senator Cullan, is that correct?

SENATOR CULLAN: I would attempt to, Senator Carsten.

SENATOR CARSTEN: Okay. Municipalities now have the right to expand electrical zoning. Now that's my understanding...outside of the corporate limits, and if a city can control other utilities, and building regulations, why should they not be able to control the electrical zoning area also?

SENATOR CULLAN: Well, I think that...I think that when you talk about electrical utilities, and perhaps Senator Lewis would want to speak to this as well, I'm not sure what their ability to regulate other utilities are, but when you're talking about electrical service, I think you have to see that there is some fair and equitable...this is not stopping municipals from expanding their territory, but I think it sets up a procedure where there is a fair and equitable transfer of facilities when that occurs, and I'm not sure that I understand your question, Senator Carsten, but they still would have the ability to serve some...to serve customers outside of the city limits.

SENATOR CARSTEN: Well, I guess that may be an answer, perhaps, to my last question, but this is, what I'm really concerned is, is the intent of LB 223 to confine that electrical privilege to within the city limits?

SENATOR CULLAN: No, it is not.

SENATOR CARSTEN: Is that the intent of 223?

SENATOR CULLAN: No, it is not. They would still be allowed an orderly growth under 223. I think the main intent is to reduce the dispute between territories that have occurred and provide for an equitable transfer of facilities when indeed a city does annex additional territory, but they do have facilities outside the city limits now and they would still be allowed to serve those facilities, and they would still have the ability to annex additional territory, and serve additional customers. This does not, in my opinion, Senator Carsten, restrict the growth of municipals, or municipal electric services,