

natural gas prices, immediately double. The cost, the average cost, would increase from \$300 to \$400. Now the result of that doubling would in fact be no increase in the supply of natural gas. There would be no increase in the supply of natural gas in the United States for that price doubling. And the source that I give for that is one of the industry organizations that testified at the hearing in favor of LR 21 and that is InterNorth which owns Northern Natural Gas Company and Tom Jetton from InterNorth indicated that Northern agrees with the intent of LR 21 and is working to ensure the gradual decontrol of natural gas at the well-head is carried out under the provisions of the Natural Gas Policy Act. Further, Northern opposes the total immediate decontrol of natural gas. Decontrolling the price of flowing gas as has been suggested will not bring about an increase in the quantity of gas available but will simply raise prices unnecessarily and be burdensome to consumers' already strained budget. Accelerating the rate of decontrol would similarly provide little additional gas since nearly every drilling rig is currently now employed and there are indeed shortages of crews. So the immediate decontrol does nothing to provide additional natural gas, it does nothing to assist with regards to the supply of energy but it does have a catastrophic effect on the economy of the State of Nebraska. Seventy percent of the homes in the State of Nebraska are heated with natural gas. A good deal of our industry and agriculture depends directly or indirectly on natural gas, either through the use of the fuel or the petro chemicals that are developed, fertilizers and so on, from natural gas. For that reason LR 21 is of great importance to our state. It is essential that we oppose the immediate decontrol, go to a more gradual system so that the economy is not adversely affected. Now the Public Works Committee I think entered with some concern about whether or not such a statement was somehow contrary to the energy needs of our country, and in the representative of the gas industry, one after another came and testified in favor of LR 21. The people that have the responsibility for supplying gas to the state support this resolution because they know that the immediate decontrol provides no additional energy but will create a major economic impact that will slow the growth of the Nebraska economy for no benefit. For that reason the Public Works Committee unanimously advanced LR 21. I would urge its adoption by the Legislature.

PRESIDENT: The Chair recognizes Senator Howard Peterson.

SENATOR H. PETERSON: I rise to oppose the resolution. It appears to me that we who believe in free enterprise ought to certainly be standing up for the rights of the natural gas companies to be free to do the things that they do best,