## LEGISLATURE OF NEBRASKA ONE HUNDRED SEVENTH LEGISLATURE

## SECOND SESSION

## **LEGISLATIVE BILL 1047**

Introduced by Bostelman, 23.

Read first time January 18, 2022

## Committee:

- 1 A BILL FOR AN ACT relating to the Nebraska Power Review Board; to amend
- 2 sections 70-1001, 70-1001.01, and 70-1025, Reissue Revised Statutes
- of Nebraska; to change a declaration of policy; to define a term; to
- 4 change requirements for an annual report as prescribed; to harmonize
- 5 provisions; and to repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 70-1001, Reissue Revised Statutes of Nebraska, is

- 2 amended to read:
- 3 70-1001 (1) In order to provide the citizens of the state with
- 4 adequate <u>and reliable</u> electric service at as low overall cost as
- 5 possible, consistent with sound business practices, it is the policy of
- 6 this state to avoid and eliminate conflict and competition between public
- 7 power districts, public power and irrigation districts, individual
- 8 municipalities, registered groups of municipalities, electric membership
- 9 associations, and cooperatives in furnishing electric energy to retail
- 10 and wholesale customers, to avoid and eliminate the duplication of
- 11 facilities and resources which result therefrom, and to facilitate the
- 12 settlement of rate disputes between suppliers of electricity.
- 13 (2) It is also the policy of the state to prepare for an evolving
- 14 retail electricity market if certain conditions are met which indicate
- 15 that retail competition is in the best interests of the citizens of the
- 16 state. The determination on the timing and form of competitive markets is
- 17 a matter properly left to the states as each state must evaluate the
- 18 costs and benefits of a competitive retail market based on its own unique
- 19 conditions. Consequently, there is a need for the state to monitor
- 20 whether the conditions necessary for its citizens to benefit from retail
- 21 competition exist.
- 22 (3) It is also the policy of the state to encourage and allow
- 23 opportunities for private developers to develop, own, and operate
- 24 renewable energy facilities intended for sale at wholesale under a
- 25 statutory framework which protects the ratepayers of consumer-owned
- 26 utility systems operating in the state from subsidizing the costs of such
- 27 export facilities through their rates.
- Sec. 2. Section 70-1001.01, Reissue Revised Statutes of Nebraska, is
- 29 amended to read:
- 30 70-1001.01 For purposes of sections 70-1001 to 70-1028, unless the
- 31 context otherwise requires:

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

- 1 counties in Nebraska or whose service area contains a city of the
- 2 metropolitan class to provide firm electric generation or transmission so
- 3 that electricity is available to be dispatched to serve firm or non-firm
- 4 load needs in the state continuously for twenty-four hours per day, seven
- 5 <u>days per week;</u>
- 6 (7) (6) Representative organization means an organization designated
- 7 by the board and organized for the purpose of providing joint planning
- 8 and encouraging maximum cooperation and coordination among electric
- 9 suppliers. Such organization shall represent electric suppliers owning a
- 10 combined electric generation plant capacity of at least ninety percent of
- 11 the total electric generation plant capacity constructed and in operation
- 12 within the state;
- 13 (8) (7) State means the State of Nebraska; and
- 14 (9) (8) Unbundled retail rates means the separation of utility bills
- 15 into the individual price components for which an electric supplier
- 16 charges its retail customers, including, but not limited to, the separate
- 17 charges for the generation, transmission, and distribution of
- 18 electricity.
- 19 Sec. 3. Section 70-1025, Reissue Revised Statutes of Nebraska, is
- 20 amended to read:
- 21 70-1025 (1) The representative organization shall file with the
- 22 board a coordinated long-range power supply plan containing the following
- 23 information:
- 24 (a) The identification of all electric generation plants operating
- 25 or authorized for construction within the state that have a rated
- 26 capacity of at least twenty-five thousand kilowatts;
- 27 (b) The identification of all transmission lines located or
- 28 authorized for construction within the state that have a rated capacity
- 29 of at least two hundred thirty kilovolts; and
- 30 (c) The identification of all additional planned electric generation
- 31 and transmission requirements needed to serve estimated power supply

- 1 demands within the state for a period of twenty years.
- 2 (2) Beginning in 1986, the representative organization shall file
- 3 with the board the coordinated long-range power supply plan specified in
- 4 subsection (1) of this section, and the board shall determine the date on
- 5 which such report is to be filed, except that such report shall not be
- 6 required to be filed more often than biennially.
- 7 (3) An annual load and capability report shall be filed with the
- 8 board by the representative organization. The report shall include:
- 9 <u>(a) Statewide statewide</u> utility load <u>and reliability</u> forecasts and
- the resources available to satisfy the loads over a twenty-year period; -
- 11 (b) The firm electric generation resources available to be scheduled
- 12 <u>and dispatched to serve firm or non-firm load needs in the state in such</u>
- 13 <u>a manner as to clearly illustrate a twenty-year-look-ahead-forecast for</u>
- 14 both summer peak load conditions and winter peak load conditions; and
- 15 (c) For any firm electric generation plant that does not have the
- 16 capability to store a forty-five-day-supply of fuel onsite, (i)
- 17 <u>identification of those fuel suppliers who can deliver adequate fuel</u>
- 18 supply during summer and winter peak load conditions, (ii) an estimate of
- 19 the volume of fuel required during such load periods, and (iii)
- 20 verification of the suppliers' ability to deliver such fuel amounts
- 21 <u>needed, including by what means of delivery such as ground transportation</u>
- 22 or pipeline. Such information shall be provided by the operator of the
- 23 plant to the representative organization.
- 24 (4) The annual load and capability report shall be filed on dates
- 25 specified by the board.
- 26 Sec. 4. Original sections 70-1001, 70-1001.01, and 70-1025, Reissue
- 27 Revised Statutes of Nebraska, are repealed.