

ONE HUNDRED FOURTH LEGISLATURE - FIRST SESSION - 2015

COMMITTEE STATEMENT

LB469

Hearing Date: Thursday February 05, 2015
Committee On: Natural Resources
Introducer: Smith
One Liner: Provide powers and duties to the Department of Environmental Quality relating to the development of a state plan for regulating carbon dioxide emissions

Roll Call Vote - Final Committee Action:

Advanced to General File with amendment(s)

Vote Results:

Aye: 7 Senators Friesen, Hughes, Johnson, Lindstrom, McCollister, Schilz, Schnoor

Nay:

Absent: 1 Senator Kolowski

Present Not Voting:

Verbal Testimony:

Proponents:

Senator Jim Smith
Mark Ourada
Jessica Kolterman
Bob Borgeson
Pat Ptacek
Matt Litt
David Levy

Representing:

Introducer
American Coalition for Clean Coal Electricity
Nebraska Farm Bureau Federation
SMART-TD
Nebraska Association of Ethanol Producers
Americans for Prosperity-NE
Sandhills Wind Energy

Opponents:

Ken Winston
Doug Grandt

Representing:

Nebraska Sierra Club
Self

Neutral:

Duane Hovorka
Mary Spurgeon
Pat Rice
Shelley Schneider

Representing:

Nebraska Wildlife Federation
Omaha Together One Community
Nebraska Department of Environmental Quality
Nebraska Department of Environmental Quality

Summary of purpose and/or changes:

LB 469 would require the Department of Environmental Quality, before developing a state plan that may be required under federal EPA carbon dioxide emissions regulations, to prepare an assessment and conduct a public hearing. The assessment would show the effects that a state plan would have on: the electric public power sector, including effects on affordability, generating capacity changes, stranded investments, necessary investments to offset changes, reliability risks, and rate increase forecasts; electricity customers, particularly middle and low-income households; state employment; economic development; the state's competitive position; state and local governments; and state law. The department would be required to submit a copy of the state plan and assessment to the Legislature.

Explanation of amendments:

AM 833 to LB 469 combines and revises LB 469 and LB 583, Sen. Schilz's state energy plan bill. LB 469, as amended, would do the following:

Sections 1 through 4 create new language that provides:

- * Definitions for covered electric generating unit, federal emission guidelines and state plan;
- * A requirement that the Department of Environmental Quality (DEQ) provide a copy of a state plan for regulating carbon dioxide emissions to the State Energy Office (SEO) prior to submitting such plan to the U.S. Environmental Protection Agency (EPA) and prior to the deadline;
- * If the deadline is extended, the DEQ is to provide the SEO with a copy of the plan prior to the extended deadline;
- * The SEO is to prepare an assessment of the plan's effect on:
 - Electric generating capacity that could retire or change fuel;
 - Stranded investments;
 - Investments needed to offset electric generating capacity changes;
 - Risks to electric reliability;
 - Electricity prices;
 - Employment;
- * The SEO is to finish the report within 30 days after receipt and submit it to the Legislature;
- * The Legislature may vote on a nonbinding legislative resolution on the report's findings;
- * The DEQ is to submit the final state plan to the Legislature;
- * Clarify that nothing in this act is to prevent DEQ from complying with federal deadlines.

Section 6 amends 81-1602, which lists the State Energy Office's duties, by adding the duties of developing a strategic state energy plan; developing and disseminating transparent and objective energy information and analysis, while using existing resources; maximizing funding to the state for energy planning; monitoring energy transmission planning and energy infrastructure and making policy recommendations to the Governor and Legislature.

Section 8 creates new language that provides:

- * Legislative findings on energy planning;
- * The requirement that the SEO develop an integrated and comprehensive strategic state energy plan;
- * Authority for the SEO to create and use committees for development of the state energy plan;
- * Requirements on the content of the state energy plan;
- * The requirement that the state energy plan identify goals and recommendations on a number of energy topics.

Sections 5, 7, and 9 through 11 amend various statutes pertaining to the State Energy Office by making reference to the new sections of this law.

Section 12 repeals the original sections.

Ken Schilz, Chairperson