

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 897**

Introduced by Lindstrom, 18.

Read first time January 11, 2016

Committee: Natural Resources

- 1 A BILL FOR AN ACT relating to the public power industry; to define terms;
- 2 to authorize generating power agencies to engage in commodity
- 3 futures financial hedging transactions; and to provide a duty for
- 4 the Revisor of Statutes.
- 5 Be it enacted by the people of the State of Nebraska,

1           Section 1. (1) For purposes of this section:

2           (a) Generating power agency has the same meaning as in Chapter 70,  
3 article 6; and

4           (b) Regional transmission organization has the same meaning as in  
5 section 70-1001.01.

6           (2) Any generating power agency buying or selling fuel, power, or  
7 energy which operates in a regional transmission organization shall be  
8 authorized to engage in commodity futures financial hedging transactions  
9 with products regulated under the federal Commodity Futures Trading  
10 Commission for fuel, power, or energy as part of its sound business  
11 practices. Any generating power agency engaged in such transactions is  
12 authorized to grant a security interest in and a lien on such agency's  
13 commodity futures account contracts or funds used for such transactions  
14 in an amount not exceeding five percent of such agency's annual gross  
15 revenue averaged over the preceding three calendar years.

16           (3) The authority to enter into agreements for the use of commodity  
17 futures financial hedging transactions shall be authorized by resolution  
18 or agreement adopted by the governing body of the generating power  
19 agency.

20           (4) The authority granted in this section is limited to granting a  
21 security interest in and a lien on future account contracts or funds  
22 specifically designated and used for such commodity futures financial  
23 hedging transactions. This section does not authorize granting a security  
24 interest in or a lien on any other funds, assets, facilities, or property  
25 of a generating power agency.

26           Sec. 2. The Revisor of Statutes shall assign section 1 of this act  
27 to Chapter 70, article 6.