

LEGISLATIVE BILL 941

Approved by the Governor April 4, 1994

Introduced by Bromm, 23

AN ACT relating to energy; to amend sections 66-1004 and 66-1008, Reissue Revised Statutes of Nebraska, 1943, and section 66-1009, Revised Statutes Supplement, 1993; to change provisions relating to utility loans; to redefine a term; to change a loan limit; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 66-1004, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

66-1004. Energy conservation measure shall mean installing or using any:

- (1) Caulking or weatherstripping of doors or windows;
- (2) Furnace efficiency modifications involving electric service;
- (3) Clock thermostats;
- (4) Water heater insulation or modification;
- (5) Ceiling, attic, wall, or floor insulation;
- (6) Storm windows or doors, multiglazed windows or doors, or heat absorbing or reflective glazed window and door material;
- (7) Devices which control demand of appliances and aid load management;
- (8) Devices to utilize solar energy, biomass, or wind power for any energy conservation purpose, including heating of water and space heating or cooling, which have been identified by the State Energy Office as an energy conservation measure for the purposes of sections 66-1001 to 66-1011; and
- (9) High-efficiency lighting and motors;
- (10) Devices which are designed to increase energy efficiency, the utilization of renewable resources, or both; and
- (11) Such other conservation measures as the State Energy Office shall identify.

Sec. 2. That section 66-1008, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

66-1008. A utility making a loan pursuant to section 66-1007 shall not:

- (1) Operate an energy conservation plan for profit; or
- (2) Own, supply or install energy conservation measures under its plan or own, either wholly or partially, any subsidiary involved in supplying or installing energy conservation measures under its plan.

Sec. 3. That section 66-1009, Revised Statutes Supplement, 1993, be amended to read as follows:

66-1009. (1) A customer borrowing from a utility under a plan adopted pursuant to ~~the Nebraska Investment Finance Authority Act or~~ sections 66-1001 to 66-1011 shall be allowed to contract with the utility for a repayment plan and shall be offered a repayment period of not less than three years and not more than twenty years.

(2) Upon default on a loan by a customer, after expending reasonable efforts to collect, a utility may treat the entire unpaid contract amount as due, but services to a residential, agricultural, or commercial customer may not be terminated as a result of such default. Default occurs when any amount due a utility under a plan adopted pursuant to sections 66-1001 to 66-1011, 70-625, 70-704, 81-161, 81-1602, 81-1606 to 81-1626, and 84-162 to 84-167 is not paid within sixty days of the due date.

(3) Any customer obtaining a loan pursuant to ~~the act or~~ section 66-1007 shall only use the funds to accomplish the purposes agreed upon at the time of the loan. If the borrower of any funds obtained pursuant to ~~the act or~~ sections 66-1001 to 66-1011 uses such funds in a manner or for a purpose not authorized by this section, the total amount of the loan shall immediately become due and payable.

(4) Any amount due a utility on a loan pursuant to ~~the act or~~ sections 66-1001 to 66-1011 which is not paid in full within sixty days of the due date shall become a lien as provided in this section on the real property concerned as to the full unpaid balance. No lien under this section shall be valid unless (a) the loan was signed by the party or parties shown on the indexes of the register of deeds to be the owners of record of such real property on the date of the loan and (b) the lien is filed not more than four months after the date of default, in the same office and in the same manner as

mortgages in the county in which the real property is located. Such lien shall take effect and be in force from and after the time of delivering the same to the register of deeds for recording, and not before, as to all creditors and subsequent purchasers in good faith without notice, and such lien shall be adjudged void as to all such creditors and subsequent purchasers without notice whose deeds, mortgages, or other instruments shall be first recorded, except that such lien shall be valid between the parties. A publicly owned utility shall not maintain possession of any property which it may acquire pursuant to a lien authorized by this section for a period of time longer than is reasonably necessary to dispose of such property.

(5) Any loan made under a plan adopted pursuant to sections 66-1001 to 66-1011 shall not exceed ~~ten~~ fifteen thousand dollars, subject to any existing limitations under federal law. Any loan to be made by a utility which exceeds ten thousand dollars shall only be made in participation with a bank pursuant to a contract. The utility and the participating bank shall determine the terms and conditions of the contract.

(6) The State Energy Office may adopt and promulgate rules and regulations to carry out sections 66-1001 to 66-1011.

Sec. 4. That original sections 66-1004 and 66-1008, Reissue Revised Statutes of Nebraska, 1943, and section 66-1009, Revised Statutes Supplement, 1993, are repealed.