

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 412

Introduced by Mello, 5.

Read first time January 16, 2015

Committee: Natural Resources

- 1 A BILL FOR AN ACT relating to Rural Community-Based Energy Development
- 2 Act; to amend sections 70-1907, Reissue Revised Statutes of
- 3 Nebraska, and 70-1903, Revised Statutes Cumulative Supplement, 2014;
- 4 to redefine a term; to change requirements for project developers;
- 5 and to repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 70-1903, Revised Statutes Cumulative Supplement,
2 2014, is amended to read:

3 70-1903 For purposes of the Rural Community-Based Energy Development
4 Act:

5 (1) C-BED project or community-based energy development project
6 means a new energy generation project using wind, solar, biomass, or
7 landfill gas as the fuel source that:

8 (a) Has at least twenty-five percent of the gross power purchase
9 agreement payments flowing to the qualified owner or owners or as
10 payments to the local community; and

11 (b) Has a resolution of support adopted:

12 (i) By the county board of each county in which the C-BED project is
13 to be located and which has adopted zoning regulations that require
14 planning commission, county board, or county commission approval for the
15 C-BED project; or

16 (ii) By the tribal council for a C-BED project located within the
17 boundaries of an Indian reservation;

18 (2) Electric utility means an electric supplier that:

19 (a) Owns more than one hundred miles of one-hundred-fifteen-kilovolt
20 or larger transmission lines in the State of Nebraska;

21 (b) Owns more than two hundred megawatts of electric generating
22 facilities; and

23 (c) Has the obligation to directly serve more than two hundred
24 megawatts of wholesale or retail electric load in the State of Nebraska;

25 (3) Gross power purchase agreement payments means the total amount
26 of payments during the first twenty years of the agreement;

27 (4) Payments to the local community include, but are not limited to:

28 (a) Lease and easement payments to property owners made as part of a
29 C-BED project;

30 (b) Contract payments for concrete, steel, gravel, towers, turbines,
31 blades, wire, or engineering, procurement, construction, geotechnical,

1 environmental, meteorological, or legal services or payments for other
2 components, equipment, materials, or services that are necessary to
3 permit or construct the C-BED project and that are provided by a company
4 that has been organized or incorporated in Nebraska under Nebraska law
5 and has employed at least five Nebraska residents for at least eighteen
6 months prior to the date of the project application for certification as
7 a C-BED project; and

8 (c) Payments that are for physical parts, materials, or components
9 that are manufactured, assembled, or fabricated in Nebraska and that are
10 not described in subdivision (a) or (b) of this subdivision.

11 Such payments need not be made directly from power purchase
12 agreement revenue and may be made from other funds in advance of
13 receiving power purchase agreement revenue; and

14 (5) Qualified owner means:

15 (a) A Nebraska resident;

16 (b) A limited liability company that is organized under the Nebraska
17 Uniform Limited Liability Company Act and that is made up of members who
18 are Nebraska residents;

19 (c) A Nebraska nonprofit corporation organized under the Nebraska
20 Nonprofit Corporation Act;

21 (d) An electric supplier as defined in section 70-1001.01, except
22 that ownership in a single C-BED project is limited to no more than:

23 (i) Fifteen percent either directly or indirectly by a single
24 electric supplier; and

25 (ii) A combined total of twenty-five percent ownership either
26 directly or indirectly by multiple electric suppliers;

27 (e) A tribal council;

28 (f) A domestic corporation organized in Nebraska under the Business
29 Corporation Act and domiciled in Nebraska; or

30 (g) A cooperative corporation organized under sections 21-1301 to
31 21-1306 and domiciled in Nebraska.

1 Sec. 2. Section 70-1907, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 70-1907 To the extent feasible, a C-BED project developer shall
4 provide, in writing, notice of incentives pursuant to the Rural
5 Community-Based Energy Development Act for local ownership and local
6 participation in a C-BED project to each property owner on whose property
7 a turbine will be located and to the elected governing body of each
8 municipality or political subdivision in which a turbine will be located
9 ~~an opportunity to become a qualified owner in the C-BED project to each~~
10 ~~property owner on whose property a turbine will be located.~~

11 Sec. 3. Original section 70-1907, Reissue Revised Statutes of
12 Nebraska, and section 70-1903, Revised Statutes Cumulative Supplement,
13 2014, are repealed.