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001 GENERAL:

001.01 Definitions: As used in this chapter, unless the context otherwise requires, the following definitions shall be used:

001.01A Affiliate: A person or entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with a jurisdictional utility or competitive natural gas provider. A voting interest of 10 percent or more creates a rebuttable presumption of control.

001.01A1 Shared Resources Affiliate: A person or entity whose primary purpose is to share employees, departments or other physical assets used by the jurisdictional utility.

001.01A2 Affiliate Transaction: The purchase, sale, trade or lease of a good, service, or tangible or intangible asset from the regulated utility to an affiliate, regulated or unregulated other than a shared resources affiliate, or from an affiliate other than a shared resources affiliate to the regulated utility.

001.01B Aggregator: A person who combines retail end users into a group and arranges for the acquisition of competitive natural gas services without taking title to those services.

001.01C Competitive Natural Gas Provider or "CNGP": A person who takes title to natural gas and sells it for consumption by a retail end-user in the state of Nebraska, and for purposes of this section also means an aggregator as defined in LB 790 [2003], Sec. 48(1). CNGP includes an affiliate of a Nebraska natural gas public utility. CNGP does not include the following:

001.01C1 A jurisdictional utility, as defined in Nebraska Administrative Code, Title 291, Chapter 9, Rule 001.01G;

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BY
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001.01C2 A city-owned or operated natural gas utility or metropolitan utilities district in areas in which it provides natural gas service through pipes it owns; or

001.01C3 A natural gas public utility that is not subject to LB 790 as provided in LB 790, Sec. 3 in areas in which it is providing natural gas service in accordance with LB 790, Sec. 3 [2003].

001.01D Consumer Choice Program: A program offered by a jurisdictional utility that allows ratepayers, other than high-volume ratepayers, to purchase their gas supplies from a person other than the local gas utility.

001.01E Extension or Enlargement of a Service Area: The proposed extension or enlargement of a natural gas service area, natural gas mains, or natural gas services by an investor-owned utility or by a metropolitan utilities district.

001.01F Facility: New and existing pipelines, rights-of-way, and any equipment, facility, or building used in the transportation of liquid or gas or in the treatment of gas during the course of transportation.

001.01G Jurisdictional Utility: A natural gas utility subject to the jurisdiction of the Commission. Jurisdictional utility shall not mean a natural gas public utility not subject to the juris-diction of the Commission pursuant to LB 790, Sec. 3 [2003].

001.01H Major Oil Pipeline: For purposes of Section 023, a major oil pipeline shall mean a pipeline which is larger than six inches (6") in inside diameter and which is constructed in Nebraska for the transportation of petroleum, or petroleum components, products, or wastes, including crude oil or any fraction of crude oil, within, through, or across Nebraska, but does not include in-field and gathering lines or major oil pipelines otherwise exempt under the Major Oil Pipeline Siting Act.

001.01I Metropolitan Utilities District: A district constituted by an area as defined in Neb. Rev. Stat. Section 14-2101 (Reissue 1997).

001.01J Natural Gas Public Utility: Any corporation, company, individual, or association of persons or their trustees, lessees,



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or receivers that owns, controls, operates, or manages, except for private use, any equipment, plant, or machinery, or any part thereof, for the conveyance of natural gas through pipelines in or through any part of this state. Natural gas public utility does not mean a natural gas utility owned or operated by a city or a metropolitan utilities district. Natural gas public utility does not include any activity of an otherwise jurisdictional corporation, company, individual, or association of persons or their trustees, lessees, or receivers as to the marketing or sale of compressed natural gas for end use as motor vehicle fuel. Natural gas public utility does not include any gas gathering system or interstate pipeline.

001.01K Pipeline: For purposes of Section 023, pipeline shall mean a pipe used to transport, transmit, convey, or store liquid or gas for hire in Nebraska intrastate commerce other than a major oil pipeline, a gathering pipeline, distribution pipeline, or service line.

001.01L Pipeline Carrier: For purposes of Section 023, pipeline carrier shall mean a person that engages in owning, operating, or managing a major oil pipeline.

001.01M Prudent: Prudent shall mean that in making a decision a natural gas public utility has acted as any reasonable utility management would have acted in good faith, based upon the facts known or which should have been known at the time the decision was made.

001.01N Retail End-user: Any person or entity, including any manufacturer or producer of any product, purchasing natural gas for its own consumption, and not for resale or consumption by any other person or entity, without restriction based upon volume of gas consumed.

001.01O Safety Data Sheet: Safety data sheet means written or printed material concerning a hazardous chemical that is prepared in accordance with paragraph 29 C.F.R. § 1910.1200(g) as it existed on October 1, 2012.

001.01P Seasonal Disconnection Charge: A charge applied by a jurisdictional utility to a ratepayer who disconnects and re-connects service at the same premises within a twelve-month period requiring the ratepayer to pay in whole or in part charges for the months he or she was disconnected.

001.01Q Test Year: Either a consecutive twelve-month period commencing on the proposed effective date of the rate increase or a base year adjusted for known and measurable changes.

001.01R Supplier: A CNGP that participates in a consumer choice program.

002 MINIMUM SAFETY STANDARDS FOR PIPELINES:

002.01 Minimum Safety Standards: Unless otherwise specified by the Commission, carriers shall use the applicable provisions of the procedures established by the United States Department of Transportation as codified at 49 CFR 192 (revised October 1, 1998). These incorporated materials are available for inspection at the offices of the State Fire Marshal at either of the following locations: 246 South 14th Street, Lincoln, NE 68508-1804; 438 West Market Street, Albion, NE 68620; or, Craft State Office Building, 200 South Silber, North Platte, NE, 69101-4298.

002.02 Scope: These provisions shall apply to all intrastate carriers operating within the state.

002.03 Facilities, Inspection and Repairs: All facilities shall be cleaned when necessary and inspected at such intervals as the Commission shall determine. Any facilities known to be defective so as to endanger life or property shall be promptly repaired, permanently disconnected or isolated until repairs can be made.

002.04 Waiving of Rules: The rules may be modified or waived by the Commission wherever shown to be impractical or where the advantage of uniformity with existing construction is greater than construction in compliance with the rules providing that the existing construction is equivalently safe to the existing rules.

002.05 Waiver of Temporary Installations: These rules may be waived by the Commission in cases of temporary installations for a reasonable length of time provided that such construction is under competent supervision and has been made reasonably safe.

003 DISPUTES BETWEEN JURISDICTIONAL UTILITIES AND METROPOLITAN UTILITIES DISTRICTS:

003.01 Commission Jurisdiction: No jurisdictional utility or metropolitan utilities district proposing to extend or enlarge its natural gas service area or extend or enlarge its natural gas mains or natural gas services shall undertake or pursue such extension or enlargement

until the proposal has been submitted to the Commission for its determination that the proposed extension or enlargement is in the public interest. Any enlargement or extension by a metropolitan utilities district within the boundaries of a city of the metropolitan class involving the exercise of the power of eminent domain pursuant to Neb. Rev. Stat. § 14-2116(2) shall, by reason of such exercise, be conclusively determined to be in the public interest.

003.01A Filing and Contents of Proposal: Any proposal for extension or enlargement shall be filed with the Commission, and the Commission shall promptly make such application public in such manner as the Commission deems appropriate. Proposals for multiple extensions or enlargements may be filed in a single document at the discretion of the utility.

003.01A1 The proposal shall contain sufficient information so as to provide reasonable notice to any interested party of the location and nature of the proposed extension or enlargement. Such information shall contain, but not necessarily be limited to:

003.01A1a A description of the location of the extension or enlargement including any cross streets and a statement as to whether the proposed extensions are entirely or partially within a particular zoning jurisdiction;

003.01A1b The municipality and subdivision or development, if any, proposed to be served by the proposed extension or enlargement;

003.01A1c The plat and/or map for the prosed service area depicting the location of known mains of all natural gas utility service within a one-quarter (1/4) mile radius of the area to be served;

003.01A1d A description of the nature of the extension or enlargement including size and length of the main; and

003.01A2e The anticipated date the jurisictional utility or metropolitan utilities district intends to undertake or pursue such extension or enlargement.

003.01B The proposal shall be served on any jurisdictional utility or metropolitan utilities district with natural gas infrastructure in the area of the proposed extension or enlargement.

003.01C The Commission shall make such proposals public by posting them on the Commission website. Such proposals shall be deemed to have been made public three (3) days after the date of filing.

003.02 Protests: If no person or entity has filed with the Commission a protest alleging that the proposed extension or enlargement is not in the public interest within fifteen (15) business days after the date upon which the application was made public, the enlargement or extension shall be conclusively presumed to be in the public interest and the jurisdictional utility or metropolitan utilities district may proceed with the extension or enlargement without further Commission action. If a person or entity files with the Commission a protest, within five (5) business days of the filing of the protest, the jurisdictional utility or metropolitan utilities district proposing the extension or enlargement shall file with the Commission and serve on any party filing a protest a description as to how the proposed extension or enlargement satisfies the criteria set forth in Rule 003.

003.03 Subpoena and Other Powers: The Commission staff may administer oaths, compel the attendance of witnesses, examine any of the books, papers, documents and records of any investor-owned natural gas utility or metropolitan utilities district involved in a determination pursuant to this section. The Commission may have such examination made by any person that the Commission may employ for that purpose. Such person may also compel the production of such books, papers, documents or records or examine under oath or otherwise any officer, director, agent, or employee of any such party to the determination.

003.04 Hearing: Upon protest by an investor-owned natural gas utility or a metropolitan utilities district seeking a determination pursuant to this section, the Commission shall set a hearing date not later than ninety (90) days from the date of application except for good cause shown. In no event shall a hearing be set later than six (6) months from the date of application.

003.04A A hearing commenced pursuant to this section shall be held in the county where such extension or enlargement of the natural gas service area is proposed.

003.04B Ratepayers of the investor-owned utility or the metropolitan utilities district shall have the right to appear and present testimony before the Commission and shall have such testimony considered by the Commission in arriving at its determination.

003.05 Fees: There shall be charged to applicants a hearing fee if the application for a determination necessitates such a hearing.

003.06 Procedure: Except as herein provided, all proceedings will be governed by the Rules of Commission Procedure as codified by state law and Nebraska Administrative Code, Title 291, Chapter 1.

003.07 Determining Considerations: In determining whether a proposed expansion or enlargement is in the public interest, the Commission shall consider:

003.07A The economic feasibility of the extension or enlargement;

003.07B The impact the enlargement will have on the existing and future natural gas ratepayers of the metropolitan utilities district or the investor-owned natural gas utility;

003.07C Whether the extension or enlargement contributes to the orderly development of natural gas utility infrastructure;

003.07D Whether the extension or enlargement will result in duplicative or redundant natural gas utility infrastructure; and,

003.07E Whether the extension or enlargement is applied in a non-discriminatory manner.

003.07F Any books, records, vouchers, papers, contracts, designs, or other data not made available to the parties shall not be considered by the Commission in making its determination of whether an extension or enlargement of a service area is in the public interest.

003.08 Rebuttable Presumptions: In determining whether an extension or enlargement of a natural gas service area, natural gas mains, or natural gas services is in the public interest, the following rebuttable presumptions shall govern:

003.08A Any enlargement or extension by a metropolitan utilities district within a city of the metropolitan class or its extraterritorial zoning jurisdiction is in the public interest;

003.08B Any enlargement or extension by an investor-owned natural gas utility within a city of the primary, first, or second class or village in which it serves natural gas on a franchise basis or its extraterritorial zoning jurisdiction is in the public interest; and,

003.08C Any enlargement or extension by a metropolitan utilities district within its statutory boundary or within a city of the first or second class or village in which it serves natural gas on a franchise basis or its extraterritorial zoning jurisdiction is in the public interest.

003.09 Commission Orders: Except for good cause shown, the Commission shall enter an order within thirty (30) days after completion of the hearing or after submission of affidavits in non-hearing proceedings.

003.09A All Commission orders shall become operative ten (10) days after the date of mailing a copy of the order to the parties of record unless the Commission prescribes a different effective date.

003.10 Appeals: Any party to a proceeding may appeal to the District Court to reverse, vacate or modify the order of the Commission.

003.11 Enforcement: The Commission is empowered to enforce its order as provided for by law.

003.12 Scope: The provisions of Rule 003 apply only in those geographic areas in Nebraska in which a jurisdictional utility and a metropolitan utilities district each maintain natural gas facilities and compete with each other for natural gas service customers.

## 004 GENERAL RATE FILINGS:

### 004.01 Application:

004.01A Parties filing an application for a general rate increase shall file with the Commission eight copies, plus an electronic copy in PDF format, as well as a copy of all text documents in Microsoft Word and all spreadsheets in Microsoft Excel. Applications must be filed with the Executive Director at the Nebraska Public Service Commission, 1200 "N" Street, Suite 300, Lincoln, Nebraska 68508.

004.01B The application shall include the information and be organized as set forth below in Sections 004.02 through and including Section 004.08. The application shall also be verified by a statement under oath by an officer of the jurisdictional utility.

004.01C Applicant shall provide all workpapers used to prepare the analysis and data submitted in support of application and any source documents referenced in the application, prefiled direct testimony, or exhibits including but not limited to contracts, internal reports, summaries of billing and FERC account data. Such workpapers and source documents should also be made available in electronic format. Applicant is not required to provide in its filing documents cited in curriculum vitae.

004.01D A jurisdictional utility shall, beginning on the date the application is filed, provide the Commission and its designees and Formal Intervenors reasonable and convenient access to electronic copies of any documents detailing calculations in support of the rate filing.

004.01E An application fee as established by the Commission on an annual basis must be included with the application to cover the administrative costs of accepting and processing a filing. In addition, pursuant to § 66-1840, each applicant or other participant in the proceeding will be billed costs and expenses reasonably attributable to certification and dispute resolution, including Commission time, billed on an hourly basis, spent reviewing, analyzing and considering the application.

004.02 Section I - General Information: Section I of a general rate filing shall include:

004.02A A description of the base year and test year;

004.02B A description of the proposed revenue increase; number and classifications of affected rate payers; average per rate payer increase; volumes per classification; and reasons for proposed increase;

004.02C A financial summary showing aggregate amounts for rate base, operating expenses, and rate of return for the base year and test year, plus operating revenue calculated using natural gas rates in effect and natural gas rates as proposed;

004.02D Diagram and description of corporate structure, affiliates, and shared resource affiliates;

004.02E Financial statements for the most recent fiscal year;

004.02F The most recent annual report to stockholders, if any;

004.02G A list of witnesses and subjects on which they are to provide testimony.

004.03 Section II - Rate Base Schedules: Section II of a general rate filing shall include:

004.03A Rate-base schedules showing beginning and ending balances for the base year and test year of:

004.03A1 Utility plant and accumulated depreciation and amortization showing the balances by functional account totals;

004.03A2 Working capital, showing the manner in which it is calculated; and

004.03A3 Other rate-base components.

004.03B Allocated rate-base components showing the manner in which the components are calculated; and

004.03C Construction Work in Progress including a description of the nature and location of the project; budgeted cost; actual expenditures to date; expected completion date and any revenue to be generated from the project.

004.04 Section III - Operating Expense Schedules: Section III of a general rate filing shall include:

004.04A Operating expense schedules for the base year and test year;

004.04B Legislative advocacy expenses sought in the application, whether made directly or indirectly, including but not limited to, legislative advocacy expenses included in professional or trade association dues;

004.04C Funds expended in support of or in opposition to political candidates and sought in the application;

004.04D Funds expended in promotion of or in opposition to political or religious causes and sought in the application;

004.04E Funds expended in support of or membership in social, recreational, fraternal, or religious clubs or organizations;

004.04F Schedules detailing all affiliate transactions;

004.04G Cost allocation manual including description of any changes made since the cost allocation was last approved.

004.05 Section IV - Rate of Return and Cost of Capital Schedules: Section IV of a general rate filing shall include:

004.05A Long-term debt, preferred stock, and common equity amounts, ratios, and percentage cost rates for the base year and test year; and

004.05B Long-term debt, preferred stock, and common equity amounts at the beginning and end of the base year and test year; and

004.06 Section V - Revenue Schedules: Section V of a general rate filing shall include operating revenue schedules showing:

004.06A Number and classification of customers, volume of sales, and operating revenue by customer classes for the base year on an unadjusted basis; and

004.06B Number and classification of customers, volume of sales, and operating revenue by customer classes for the test year on a normalized basis:

004.06B1 Using current rates; and

004.06B2 Using proposed rates.

004.07 Section VI - Cost of Service Study: Section VI of a general rate filing shall include a fully-allocated cost of service study including both allocations of jurisdictional and non-jurisdictional activity and allocations between classes of ratepayers to demonstrate compliance with Section 66-1825(10). A jurisdictional utility shall, beginning on the date the application is filed, provide the Commission and its designees and Formal Intervenors reasonable and convenient access to an electronic copy of the cost of service study model to be used by the jurisdictional utility in the rate case. Such access shall be provided subject to a protective order.

004.08 Section VII - Prefiled Direct Testimony and Exhibits: Prefiled direct testimony and exhibits to be offered at the hearing, except as permitted in Nebraska Administrative Code, Title 291, Chapter 9, Rule 006. Prefiled testimony or exhibits shall not be modified once filed except for typographical errors or mistakes, or where all parties to the proceeding agree to the change or where the Commission permits for good cause shown.

004.09 Alternate Cost of Service Study Models: Any party to the rate case intending to offer evidence on a general rate filing based upon a cost of service study model other than the model utilized by the applicant, shall provide the applicant, the Commission and its designees and other formal intervenors reasonable and convenient access to electronic copies of the cost of the service study model. Such access shall be provided subject to a protective order.

004.10 Use of Discovery in General Rate Filing Proceedings: The Commission may apply, but is not required to apply, the Discovery Rules of the Nebraska Supreme Court in general rate filing proceedings before the Commission. Unless the Commission otherwise orders, the time period for

answering data requests in general rate proceedings is up to ten (10) days. For good cause shown, the time period may be extended by the Commission. All parties to a general rate proceeding may object to requests that are not permissible under the rules and regulations of the Nebraska Supreme Court regarding use of depositions and discovery. A responding party shall respond with objections to any data requests within five (5) days. For good cause shown, the time period may be extended by the Commission.

004.11 Notice of Assessment: Upon the filing of any application, including rate filings, or complaint for which the Commission deems it necessary to investigate a jurisdictional utility or make appraisals of the property of a jurisdictional utility, the Commission shall give the jurisdictional utility notice by United States mail of the applicable assessment for expenses reasonably attributable to such investigation or appraisal, including both direct and indirect expenses incurred pursuant to § 66-1840.

004.12 Filing of Documents: Parties filing testimony and exhibits in response to an application for a general rate increase shall file with the Commission eight copies, plus an electronic copy in PDF format, as well as a copy of all text documents in Microsoft Word and all spreadsheets in Microsoft Excel. Applications must be filed with the Executive Director at the Nebraska Public Service Commission, 1200 "N" Street, Suite 300, Lincoln, Nebraska 68508. Parties shall provide all workpapers used to prepare the analysis and data submitted in response to the application and any source documents referenced in the prefiled direct testimony, or exhibits including but not limited to contracts, internal reports. Such workpapers and source documents should also be made available in electronic format. Parties are not required to provide documents cited in curriculum vitae. Prefiled testimony or exhibits shall not be modified once filed except for typographical errors or mistakes, or where all parties to the proceeding agree to the change or where the Commission permits for good cause shown. Beginning on the date the testimony and exhibits are filed, parties shall provide the Commission and its designees, the applicant, and all Formal Intervenors reasonable and convenient access to electronic copies of any documents detailing calculations in support of the rate filing.

004.13 Exemption from Rules: A Jurisdictional Utility, whose current rates were approved through and following negotiations and agreement with affected cities and who seeks negotiation of a general rate application with affected cities pursuant to Neb. Rev. Stat. § 66-1838, shall be exempt from the requirements of Sections 004.01C and 004.04G. Should negotiations fail to result in an agreement upon new rates, the Jurisdictional Utility shall file with the Commission the information

required in Sections 004.01C and 004.04G within ten (10) days after the date of the expiration of the negotiation period or after the date upon which the jurisdictional utility and the cities file a written agreement that the negotiations have failed, whichever is earlier.

005 RATE PRINCIPLES:

005.01 Rule Provisions: The provisions of Rule 005 apply only to general rate filings governed by § 66-1838. No provision included in Rule 005 shall be construed as prohibiting the Commission from approving a settlement agreement that the Commission finds to be just and reasonable and in the public interest.

005.02 Cost of Service: Except as provided for in any section of the State Natural Gas Regulation Act or these rules dealing with fuel expenses, rates are to be based upon a utility's cost of rendering service to the public during a test year.

005.03 Components of Cost of Service: The two components of cost of service are allowable expenses and return on invested capital.

005.04 Allowable Expenses: Only those expenses which are prudent may be included in allowable expenses. Expenses incurred by a jurisdictional utility or a shared resources affiliate shall be presumed to be prudent, unless the contrary is shown.

005.05 Return on Rate Base: The return on rate base is the rate of return multiplied by rate base.

005.05A Rate of Return: The Commission must allow each utility a reasonable opportunity to earn a reasonable rate of return, which is expressed as a percentage of invested capital, and must fix the rate of return in accordance with Neb. Rev. Stat. §§ 66-1825(3) and (5) including:

005.05A1 The rate of return in one rate case shall not be precedential in future rate cases.

005.05A2 In each case, the Commission must consider the utility's cost of capital, which is the weighted average of the cost of the various classes of capital used by the utility:

005.05A2(a) Debt Capital: The cost of debt capital is the actual cost of debt.

005.05A2(b) Equity Capital: The cost of equity capital must be based upon a fair return on its value. For companies with ownership expressed in terms of shares of stock, equity capital commonly consists of the following classes of stock.

005.05A2(b)(1) Common Stock Capital: The cost of common stock capital must be based upon a fair return on its value.

005.05A2(b)(2) Preferred Stock Capital: The cost of preferred stock capital is its annual dividend requirement, if any, plus an adjustment for premiums, discounts, and cost of issuance.

005.06 Rate Base: The rate of return is applied to the rate base. The rate base includes as a major component the original cost of plant, property, and equipment, less accumulated depreciation, used and useful in rendering service to the public. Components to be included in determining the overall rate base are as follows:

005.06A Original cost, less accumulated depreciation, of utility plant used by and useful to the public utility in providing service except that acquisition adjustments will be examined on a case by case basis.

005.06A1 Original cost must be the actual money value including any consideration paid other than money, of the property at the time it shall have been dedicated to public use, whether by the utility which is the present owner or by a predecessor.

005.06A2 Accumulated depreciation is the accumulation of allocations of original cost, representing recovery of investment, over the estimated useful life of the asset. Depreciation must be computed on a straight-line basis unless the Commission orders otherwise.

005.06A3 Payments to affiliated interests shall not be allowed as a capital cost except as provided in Rule 005.07.

005.06A4 Acquisition adjustments are the difference between the purchase price of an acquired operating unit or system and the depreciated original cost of the acquired property.

005.06B Working capital allowance to be composed of, but not limited to, the following:

005.06B1 Prudent inventories of materials and supplies, held specifically for purposes of permitting efficient operation of the utility in providing normal utility service.

005.06B2 Prudent prepayments for operating expenses.

005.06B3 A prudent allowance for cash working capital.

005.06C Adjustments for certain items, which include, but are not limited to, the following:

005.06C1 Accumulated reserve for deferred federal income taxes;

005.06C2 Unamortized investment tax credit to the extent allowed by the Internal Revenue Code;

005.06C3 Contingency and/or property insurance reserves;

005.06C4 Contributions in aid of construction;

005.06C5 Ratepayer deposits and other sources of cost-free capital;

005.06D Completion and Dedication of Property: The rate base shall ordinarily consist only of those items which are used and useful in providing service to the public. This may include items completed and dedicated to commercial service for which construction will be commenced and completed within one year or less from the end of the test year. The Commission may also determine that property which has not been

completed and dedicated to commercial service may be used and useful and included in the rate base. In determining whether construction work in progress should be included in the rate base, the Commission may consider whether projects under construction are prudent.

005.06E Self Insurance Reserve Accounts: Self-insurance plans may be included in the rate base at the discretion of the Commission.

005.06F Requirements for Post Test Year Adjustments: Post test year adjustments are permitted for known and measurable rate base adjustments to test year where the utility accounts for any related impacts on all aspects of the jurisdictional utility's operations. Related impacts are those that reasonably follow as a consequence of the post test year adjustment being proposed, including a related impact of another post test year adjustment.

005.07 Payments to Affiliates: The jurisdictional utility has the burden to demonstrate that any cost paid to an affiliate for any goods or services are prudent. The jurisdictional utility has the burden to demonstrate all of the following before any amount paid to an affiliate, other than a shared resource affiliate, either, as a capital cost or an expense, is included in rates except as provided in Neb. Rev. Stat. § 66-1825(8):

005.07A Each payment is prudently incurred for each item or class of items at the time incurred.

005.07B The costs charged by an affiliate reasonably approximate the market value of service to it.

006 CONFIDENTIAL INFORMATION:

006.01 Confidential Information Filed with Applications: The party filing documents must indicate any information which is claimed to be confidential and must state the grounds with specificity and cite the legal authority for the claim of confidentiality in a motion for protective order. If the motion for protective order is not filed with the application, any claim of confidentiality of information filed in the application or as prefiled testimony and exhibits shall be deemed waived.

006.01A If an applicant contends any portion of the application, prefiled testimony, or exhibits is confidential, it must file eight copies of the application, prefiled testimony and exhibits without the asserted confidential information, together

with the motion for protective order. The applicant must also file under seal and on yellow paper marked "CONFIDENTIAL" six copies of the complete application, prefiled testimony, and exhibits claimed to be confidential and the subject of a motion for protective order. The motion for protective order must be decided within ten calendar days from the date the application is filed. Parties opposing the motion may file a resistance to the motion within five (5) calendar days. If the motion is granted, a protective order shall be issued.

006.02 Other Confidential Filings: Any jurisdictional utility seeking to prevent disclosure of information filed by the Commission must file such information on yellow paper marked "CONFIDENTIAL." Disclosure of confidential information will be governed by Sec. 29 of LB 790 [2003].

007 RATE AREA MAPS: Each jurisdictional utility shall keep on file with the Commission a map of its rate area(s), showing the boundaries of such areas and intervening and adjacent rural territories served within such rate area (s). Each jurisdictional utility operating in Nebraska as of May 30, 2003, shall file a map showing the rate area(s) it served as of May 30, 2003. Each jurisdictional utility must file revised maps of rate area(s) reflecting changes in boundaries. Such changes shall become effective upon filing with the Commission.

008 TARIFF FILINGS:

008.01 Applicability: This section applies to all jurisdictional utilities.

008.02 Effective Tariff: No utility shall directly or indirectly offer a service, collect any rate or charge, give a compensation or discount to a ratepayer, or impose any classification practice, or regulation different from that which is prescribed in its effective tariff filed with the Commission. The tariff may include mathematical formulas that express the pricing terms for service.

008.03 Tariff Filings: Every jurisdictional utility must publish and file with the Commission copies of a tariff showing all schedules of rates and terms and conditions of jurisdictional service to ratepayers, and must furnish the Commission copies of all terms and conditions of service and contracts between jurisdictional utilities pertaining to any and all jurisdictional services to be rendered by such jurisdictional utilities. The provisions of such tariff must be definite and so worded as to minimize the ambiguity or the possibility of misinterpretation.

008.03A Authority: If a tariff sheet is issued under specific authority or decision of this Commission, each sheet so affected must show the appropriate citation.

008.04 Requirements as to Size, Form, Identification and Filing of Tariffs: All tariff pages must be formatted to be 8 ½ inches by 11 inches. The cover page of the tariff must contain the name of the utility and the location of its principal office. Each rate schedule must clearly state the rate area and city wherein such rate schedule is applicable. Tariff sheets are to be numbered consecutively per schedule. Each sheet must show an effective date, a revision number, section number, sheet number, name of the utility, name of the tariff, and title of the section in a consistent manner.

008.05 Composition of Tariffs: The tariff must contain sections and subsections setting forth:

008.05A A table of contents;

008.05B A list of the cities in which service is provided;

008.05C A map showing the areas in which service is provided;

008.05D A brief description of the utility's operations;

008.05E The rate schedules; and

008.05F The terms of service, including any service agreement forms.

008.06 Revisions to Tariffs: When a change is proposed on a tariff, attention must be directed to the changes contained therein by the utility filing a new tariff sheet(s) incorporating the changes and also tariff sheet(s) in legislative or redline format.

008.07 Number of Copies to be Filed: An original and one paper copy of each tariff, plus an electronic copy in a Commission approved format, must be filed. The paper copy will be stamped and filed and returned to the utility.

008.08 Availability of Tariffs: Each utility shall make available to the public, at each of its business offices or designated sales offices within Nebraska which provide in-person service to ratepayers, all of its tariffs currently on file with the Commission, and its employees shall lend assistance to persons seeking information on its tariffs and afford inquiring persons an opportunity to examine any tariff upon

request. The utility also must provide copies of any portion of its tariffs upon request.

008.09 Rejection of Filings: The Commission may reject any filing under this rule if the jurisdictional utility fails to comply with the provisions as set forth in said rule.

009 SERVICE TO HIGH VOLUME, AGRICULTURAL AND INTERRUPTIBLE RATEPAYERS:

009.01 Written Notice of Any Changes: For purposes of Neb. Rev. Stat. Sec. 66-1810, a written notice of any change shall be sent to the Commission and affected agricultural and interruptible ratepayers and published in a legal newspaper prior to the effective date of the change.

010 CERTIFICATION OF JURISDICTIONAL UTILITIES:

010.01 Certification of Public Convenience: Except as otherwise provided herein, no jurisdictional utility shall transact business in Nebraska until it has obtained a certificate from the Commission that public convenience will be promoted by the transaction of the business and permitting the applicants to transact the business of a jurisdictional utility in the state. By operation of Neb. Rev. Stat. Sec. 66-1853(3), all jurisdictional utilities transacting business in this state as of May 31, 2003 were issued a certificate of public convenience based upon its natural gas service as of that date.

010.01A Every jurisdictional utility shall be required to furnish reasonably adequate and sufficient service and facilities for the use of any and all products or services rendered, furnished, supplied, or produced by such utility.

010.02 Filing Requirements and Application Process: Applications for a certificate of public convenience must contain all of the following information and must include prefiled testimony in support of the application showing:

010.02A The legal name under which the applicant will operate, a description of the business structure of the applicant, evidence of authority to do business in Nebraska, certificates of registration by the Nebraska Secretary of State for all trade names under which the applicant will operate, and the applicant's state of incorporation.

010.02B The names, business addresses and business telephone numbers of the principal officers of the applicant, or its

representatives, who can be contacted regarding its operations in Nebraska and telephone number(s) at which the applicant can be contacted.

010.02C Identification of affiliates, partnerships, political subdivisions, or other joint ventures, including those affiliates, partnerships, political subdivisions or other joint ventures that are certified under this section. In addition to a listing of the names, addresses, and business purpose of affiliates, partnerships, or other joint ventures required herein, the applicant(s) must also provide a listing of the names and addresses of all the applicant's affiliates, partnerships, political subdivisions, or other joint ventures engaged in the provision of competitive natural gas services in any other state.

010.02D A listing of all legal actions and formal complaints pertaining to the provision of natural gas services filed against the applicant or its affiliates at a public utility regulatory body other than the Commission that were filed or pending in the five years prior to the date of the request for certificate, including identification of the title and number of applicable proceedings and a copy of the final orders in such proceedings or the citation to the website where the text of the orders can be found. The applicant will also provide any other names under which it does business.

010.02E Identification of the states and jurisdictions in which the applicant or an affiliate, partnership, or other joint venture has had a license or certificate to supply competitive natural gas services suspended, revoked, or denied, or where the applicant, partnership, or other joint venture has voluntarily withdrawn from providing service due to financial or operational reasons. Applicant must include identification of the title, caption, and docket number of any applicable proceedings and either (i) a copy of any final orders and court appeals in such proceedings or (ii) the citation to the website where the text of the orders can be found.

010.02F A demonstration that the applicant is ready, willing and able to provide service under the State Natural Gas Regulation Act and other applicable laws of the state of Nebraska, and not in violations thereof, and that the public convenience in Nebraska will be promoted by the transaction of the business by allowing the applicants to transact the business of a jurisdictional utility in the state. The applicant will further demon-

strate that it possesses the operational and financial capability to furnish reasonably adequate and sufficient service and facilities for the use of any and all products or services rendered, furnished, supplied, or produced by such utility. The applicant must submit a roster of officers and directors, a description of the professional backgrounds of the applicant's principal managerial and technical personnel, an operational flow chart, and a description of the applicant's facilities and the services it intends to render. A request for confidential treatment for information contained within the application may be filed with the Commission, pursuant to Nebraska Administrative Code, Title 291, Chapter 9, Rule 006.

010.02G Applications must be filed with the executive director at the Nebraska Public Service Commission, 1200 "N" Street, Suite 300, Lincoln, Nebraska 68508. An original and eight (8) copies must be filed. An application fee must be included with the application to cover the administrative costs of accepting and processing a filing. In addition, each applicant will be billed costs and expenses reasonably attributable to certification and dispute resolution to applicants and participants to the proceeding, including Commission time, billed on an hourly basis, spent reviewing, analyzing and considering the application, and any costs incurred by or charges made by the Public Advocate that the Commission may assess with respect to such application.

010.02H An applicant must notify the Commission during the pendency of the certification request of any material change in the representations and commitments required by this subsection within 14 days of such change. Any new legal actions or formal complaints are considered material changes in the request. Once certified, jurisdictional utilities must notify the Commission of any material change in the representations and commitments required for certification within 14 days of such change.

010.03 Assessment for Jurisdictional Utilities: Pursuant to Section 66-1849(3), the Commission shall allocate the costs and expenses reasonably attributable to certification and dispute resolution as authorized in this section to persons identified as parties to such proceeding who are engaged in or who seek to engage in providing natural gas services or other persons identified as participants in such proceeding. The funds received for the costs and expenses of certification and dispute resolution shall be remitted to the State Treasurer for credit to the Public Service Commission Regulation Fund.

011 CERTIFICATION OF COMPETITIVE NATURAL GAS PROVIDERS AND AGGREGATORS:

011.01 General Requirement to Obtain Certificate: A person must not provide competitive natural gas services to a Nebraska retail end-user, including a high volume ratepayer, without a certificate approved by the Commission pursuant to Neb. Rev. Stat. § 66-1849. A certified CNGP shall not be required to obtain a separate certificate as an aggregator in order to perform services as an aggregator.

011.02 Filing Requirements and Application Process: Applications for a certificate to provide competitive natural gas services must contain all of the following information:

011.02A The legal name under which the applicant will operate, a description of the business structure of the applicant, evidence of authority to do business in Nebraska, certificates of registration by the Nebraska Secretary of State for all trade names under which the applicant will operate, and the applicant's state of incorporation.

011.02B The names, business addresses and business telephone numbers of the principal officers of the applicant who can be contacted regarding its operations in Nebraska and telephone number(s) at which the CNGP can be contacted 24 hours a day.

011.02C Identification of affiliates that are certified under this section and a listing of the names and addresses of all the applicant's affiliates engaged in the provision of competitive natural gas services in any other state.

011.02D A listing of all legal actions and formal complaints pertaining to the provision of competitive natural gas services filed against the applicant or its affiliates at a public utility regulatory body other than the Commission that were pending in the 12 months prior to the date of the request for certificate, including identification of the title and number of applicable proceedings and a copy of the final orders in such proceedings or the citation to the website where the text of the orders can be found.

011.02E Identification of the states and jurisdictions in which the applicant or an affiliate has had a license or certificate to supply competitive natural gas services suspended, revoked, or denied, or where the applicant has voluntarily withdrawn from providing service due to financial or operational reasons.

Applicant must include identification of the title and number of any applicable proceedings and a copy of any final orders in such proceedings or the citation to the Website where the text of the orders can be found.

011.02F A demonstration that the applicant has the operational and financial capability to obtain and deliver the services it proposes to offer. At a minimum, applicants are required to submit financial statements. The applicant must submit a balance sheet, statement of income, statement of cash flow, and, if applicable, a statement of shareholders' equity and the applicant's debt structure, including bond rating. As a demonstration of the applicant's operational ability, the applicant must submit a roster of officers and directors, a description of the professional backgrounds of the applicant's principal managerial and technical personnel, an operational flow chart, and a description of the applicant's facilities and the services it intends to render. A request for confidential treatment for this information may be filed with the Commission, pursuant to Nebraska Administrative Code, Title 291, Chapter 9, Rule 006.

011.02G Applications must be filed with the executive director at the Nebraska Public Service Commission, 1200 "N" Street, Suite 300, Lincoln, Nebraska 68508. An original and eight (8) copies must be filed. An application fee must be included with the application to cover the administrative costs of accepting and processing a filing. In addition, each applicant will be billed costs and expenses reasonably attributable to certification and dispute resolution to applicants and participants to the proceeding, including Commission time, billed on an hourly basis, spent reviewing, analyzing and considering the application.

011.02H An applicant must notify the Commission during the pendency of the certification request of any material change in the representations and commitments required by this subsection within 14 days of such change. Any new legal actions or formal complaints are considered material changes in the request. Once certified, CNGPs must notify the Commission of any material change in the representations and commitments required for certification within 14 days of such change.

011.03 Assessment for Certification of Competitive Natural Gas Providers and Aggregators: Pursuant to Section 49(3) of LB 790 [2003], the Commission shall allocate the costs and expenses reasonably attributable to certification and dispute resolution as authorized in this section to

persons identified as parties to such proceeding who are engaged in or who seek to engage in providing natural gas services or other persons identified as participants in such proceeding. The funds received for the costs and expenses of certification and dispute resolution shall be remitted to the State Treasurer for credit to the Public Service Commission Regulation Fund.

011.04 Conditions of Certification: Failure to comply with the following conditions of certification may result in revocation of the certificate:

011.04A Unauthorized Charges: A CNGP must not charge or attempt to collect any charges from end-users for any competitive natural gas services or equipment used in providing competitive natural gas services not contracted for or otherwise agreed to by the end-user.

011.04B Notification of Emergencies: Upon receipt of information from an end-user of the existence of an emergency situation with respect to delivery service, a CNGP must immediately contact the appropriate natural gas public utility whose facilities may be involved. The CNGP must also provide the end-user with the emergency telephone number of the natural gas public utility.

011.04C Bond Requirement: The Commission may require the applicant to file a bond or other demonstration of its financial capability to satisfy claims and expenses that can reasonably be anticipated to occur as part of operations under its certificate, including the failure to honor contractual commitments. The adequacy of the bond or demonstration shall be determined by the Commission and reviewed by the Commission from time to time. In determining the adequacy of the bond or demonstration, the Commission shall consider the extent of the services to be offered, the size of the provider, and the size of the load to be served, with the objective of ensuring that the Commission's financial requirements do not create unreasonable barriers to market entry.

011.04D Yearly Revenue Report Requirement: No later than September 1st of every year, each CNGP shall file with the Commission a report stating the total annual dekatherms delivered and sold to residential customers within each utility rate area in the preceding year beginning July 1 and ending June 30 and the total revenues associated with the sale of natural

gas to all jurisdictional customers within each utility rate area in such year.

011.04D1 All reports required under this section shall be under oath and shall be identified with the name of the CNGP as it appears in the most recent Commission order granting the CNGP certification.

011.04D2 All reports made to the Commission by a CNGP and the contents thereof shall be open to public inpecion, unless otherwise ordered by the Commission.

011.04D3 When any report is erroneous or defective or appears to the Commission to be erroneous or defective, the Commission may notify the CNGP to amend that report within 30 days, and before or after the termination of the period the Commission may examine the officers, agents, or employees, and books, records, accounts, vouchers, plant, equipment and property of the CNGPs, and correct items in the report the Commission finds defective or erroneous.

011.04E Restrictions: The Commission may, pursuant to LB 790, Sec. 49 [2003], establish reasonable conditions or restrictions on a certificate as a competitive natural gas provider at the time of issuance.

011.04F Representations: No representation or warranty made by an applicant shall be false or misleading in any material respect when made or when deemed made.

012 COMPLAINT HANDLING PROCEDURES: Customers' complaints about natural gas service or billing issues should first be made to the jurisdictional utility. The jurisdictional utility must allow complaints to be accepted and processed in a simple manner and form. Every complaint shall be promptly investigated in a fair manner and the results reported to the complainant. If the report of the investigation is made orally, the jurisdictional utility must provide the complainant, upon request, a report in writing. If a jurisdictional utility fails to resolve a complaint to the satisfaction of the complainant, the jurisdictional utility must, upon request, inform same of the availaility of the Commission to review the jurisdictional utility's investigation, including the Commission's address and telephone number.

012.01 Suspension or Termination of Service: A jurisdictional utility must refrain from suspending or terminating service for non-payment during the pendency of a complaint before the jurisdictional utility or

this Commission, unless otherwise provided by the Commission; provided however, that as a condition of continued service during the pendency of such dispute, a customer must pay the undisputed portions of any bill for service.

012.02 Complaints of High-Volume Ratepayers: Subject to Neb. Rev. Stat. § 66-1810, the Commission will take informal complaints and inquiries from high-volume ratepayers, and the jurisdictional utility is required to address the complaint and report to the Commission the form of the resolution applied to the dispute.

013 RESIDENTIAL DISCONNECTION OF SERVICE:

013.01 Notice of Disconnection: A notice of disconnection of service sent by a jurisdictional utility shall comply with the requirements of Neb. Rev. Stat. § 70-1606 (Reissue 1996), and each jurisdictional utility shall have a third-party notice procedure for the notification of a designated third party of any proposed disconnection of service, in accordance with Neb. Rev. Stat. § 70-1607 (1996).

013.02 Conference Between Jurisdictional Utility and Customer: Each jurisdictional utility shall have a procedure to hear and decide any dispute related to a proposed disconnection of service or any other matter affecting the service to a residential customer. A conference will be scheduled and held within 14 days of the residential customer's request and before the jurisdictional utility may disconnect service. The employee of the jurisdictional utility, based on the evidence presented at the conference, may affirm, reverse, or modify any prior decision of the jurisdictional utility. The residential customer may appeal an adverse decision to a management office designated by the jurisdictional utility, with whom a hearing shall be held, or may file a complaint directly with the Commission.

013.03 Payment Plans for Delinquent Bills: If a residential customer asserts inability to pay or extenuating circumstances, the residential customer and the jurisdictional utility serving such customer shall attempt to agree upon reasonable installment payment arrangements for the payment of any account balance and for payment of current charges for utility service. If the residential customer believes that the installment payment arrangements offered by the jurisdictional utility are unreasonable, that residential customer may file a complaint with the Commission, challenging such utility-offered installment payment arrangement terms. A customer may make an informal complaint by contacting the Commission via telephone or correspondence, or may make a formal complaint by completing a form provided by the Commission.

013.04 The Disconnecting Act: No jurisdictional utility shall disconnect natural gas service to a residential customer on any Saturday, Sunday, Nebraska legal holiday, or at any time when the jurisdictional utility's business offices are not open to the public.

013.05 Residential Winter Disconnection: In addition to the notice provisions before disconnection of service to a residential customer in Neb. Rev. Stat. § 70-1605 (Reissue 1996), no jurisdictional utility may disconnect residential customer service from November 1 to March 31 without adding to the time for payment of a bill an additional 30 days before disconnecting that service, and it shall notify the residential customer before the normal disconnection date that the residential customer has such additional 30 days until disconnection.

013.05A Temporary Ban on Disconnections: The Commission shall have the authority to order a temporary ban on any or all disconnections for jurisdictional utilities during periods of extremely severe weather or when circumstances exist such that disconnection could create a situation dangerous to the life or health of customers or to property.

013.05B If a resident who is a ratepayer and has been certified as eligible for low income home energy assistance has communicated such eligibility to the jurisdictional utility and has provided acceptable documentation of such eligibility to the utility within a reasonable time, then no disconnection may take place from November 1 through March 31;

013.05C To have service restored during the cold weather period between November 1 and March 31, the following shall apply:

013.05C1 A ratepayer must make payment of one-fourth (1/4) of the total arrearage plus the bill for consumption during the most recent billing period for which service was provided and enter a payment plan for current and future consumption with the remaining arrearage paid in installments over no less than three (3) months or as agreed between the ratepayer and the jurisdictional utility.

013.05C2 A ratepayer must not default on the payment plan. If a ratepayer defaults on the payment plan, the jurisdictional utility may disconnect service after providing the requisite notice.

013.05C3 Nothing in Section 011.05C shall preclude a ratepayer from paying an arrearage in full or agreeing to an alternate payment schedule.

013.05C4 Nothing in Section 011.05C shall preclude a jurisdictional utility from collecting the applicable reconnection fee in its tariff or requiring a deposit.

013.06 Immediate and Serious Health Hazard: Consistent with Neb. Rev. Stat. § 70-1606(7) (Reissue 1996), a jurisdictional utility shall postpone the disconnection of natural gas service to a residential customer for a period of 30 days from the date of a duly licensed physician's certificate which certifies that an existing illness or handicap of a residential customer or resident within such residential customer's household would cause such person to suffer an immediate and serious health hazard by the disconnection of service to that household. Only one postponement of disconnection shall be allowed under this provision for each incidence of nonpayment of any past-due account.

014 INFORMATION ON ENERGY ASSISTANCE PROGRAMS: Jurisdictional utilities shall compile and make available to customers a list with the names, addresses, and phone numbers of known payment assistance programs, including information regarding any bilingual services offered, that are applicable to each service area within the utility's areas of operation. The list should include but is not limited to: local, state, federal, and other energy assistance programs and public/private charitable organizations offering or known to offer energy payment assistance, which have given prior consent to their inclusion on this list.

014.01 Availability: The jurisdictional utility shall inform any customer who asserts inability to pay his or her bill of the availability of this list and give a copy of this list to any customer who asks for such assistance. The jurisdictional utility shall also provide the Commission with this list.

015 ASSESSMENT-RELATED REPORTING REQUIREMENTS:

015.01 Filings: Each jurisdictional utility must file with the Commission:

015.01A Annual Report: An annual report for the previous year upon issuance of the annual report. Any jurisdictional utility that fails, neglects or refuses to file with the Commission its annual report shall be subject to a civil penalty of not more than five hundred dollars.

015.01B Net Revenues: A statement of the difference between the jurisdictional utility's gross operating jurisdictional revenue less gas cost derived from intrastate natural gas public utility business as reflected in the annual report filed pursuant to Rule 013, together with an explanation of this computation and any supporting documentation of the computation. This statement must be filed with the Commission on or before April 30th each year.

015.01C Meters Served: A statement of the number of meters served by each jurisdictional utility, together with verified documentation to support the statement. This statement must be filed with the Commission on or before April 30th each year.

015.02 Records of Non-Utility Service: Each jurisdictional utility must maintain the following records of non-utility service:

015.02A Separate Records: A jurisdictional utility receiving revenues for providing non-utility service shall maintain and provide to the Commission, upon request, separate records for the non-utility service. The records shall include but not be limited to: documents depicting accounts payable and vouchers; purchase orders; time sheets or other time coding information; journal entries; source and supporting documents for all affiliate transactions; a description of the method(s) used to allocate revenues, expenses, and investments between utility service operations and non-utility service operations, including supporting detail.

015.02B Method of Inspection: The records for non-utility service shall be made available to the Commission at the principal place of business of the jurisdictional utility.

016 MUNICIPAL RATE NEGOTIATIONS REVOLVING LOAN FUND:

016.01 Application for Loan: Only one loan shall be made for each rate filing made by a jurisdictional utility, as set forth in Neb. Rev. Stat. § 66-1839. No loan monies shall be distributed until the Commission has certified a rate case for negotiation pursuant to Neb. Rev. Stat. §66-1838(6). Applications will only be accepted from cities which have adopted a resolution evidencing the intent to negotiate with the jurisdictional utility. The application form attached to these rules must be completed and filed with the Commission.

016.02 Joint Application for Loan: Municipalities may jointly apply for loan funds.

016.03 Fund-use Monitoring and Quarterly Accounting of Fund Use:

016.03A Once a loan has been approved under the Municipal Rate Negotiations Revolving Loan Fund, the following requirements must be followed by the city or cities and the jurisdictional utility:

016.03A1 The loan proceeds may only be used for the costs and expenses incurred to analyze the rate filing and negotiate a settlement that establishes new area-wide rates;

016.03A2 The costs and expenses may include the cost of rate consultants, attorneys, other advisors, and other necessary costs related to the negotiation and preparation of a settlement agreement;

016.03A3 Every thirty days following the Commission certification of the negotiation, the borrowing city or cities must provide a report to the Commission, in a format to be specified by the Commission, which details the funds expended and the uses of such funds;

016.03A4 Within thirty days after a settlement agreement is filed with the Commission, the borrowing city or cities must provide a final report to the Commission which details the funds expended and uses of such funds;

016.03A5 If the borrowing city or cities and the jurisdictional utility fail to reach a settlement, the borrowing city or cities must file with the Commission, within thirty days of notification to the Commission that such settlement could not be reached, a final report which details the funds expended and the uses of such funds;

016.03A6 A city which receives a loan from the fund shall be responsible to provide for the opportunity for all other cities engaged in the same negotiations with the same jurisdictional utility to participate in the negotiations. Such city shall not exclude any other city from the information or benefits accruing from the use of loan funds;

016.03A7 Upon the conclusion of negotiations, regardless of the result, the loan approved by the Commission after audit shall be repaid by the jurisdictional utility to the Commission within thirty days after the date upon which it is billed by the Commission. The jurisdictional utility shall recover the amount paid on the loan by a special surcharge on customers who are or will be affected by the rate increase request. These customers may be billed on their monthly statements for a period not to exceed twelve months, and the surcharge may be shown as a separate item on the statements as a charge for rate negotiation expenses.

016.03B Commission Audit: The Commission will audit each request for payment from the Municipal Rate Negotiations Revolving Loan Fund. In such audit, the Commission shall allow only such fees incurred for professional work reasonably necessary to analyze a utility's rate filing or in the effort to negotiate new area-wide rates for the utility, and such out-of-pocket expenses as are reasonably incurred in the conduct of such activities. Activities that are not subject to financing through a loan include, but are not limited to: activities related to obtaining a loan and disbursements related thereto; activities occurring prior to the utility's rate filing; and activities occurring prior to formal retention of an individual or firm to participate in the negotiation process. The service provider's invoices must detail, at a minimum, a daily description of the work performed by each individual involved in the negotiation process, the hourly rate of such person, and must provide documentation of all expenses included with such invoice.

016.04 Signature of Verification of Loan: Any applicant municipality must sign, under oath, a verification that it will comply with the provisions of the State Natural Gas Regulation Act and applicable rules and regulations. A form affidavit is attached to these rules.

016.05 Travel, Lodging and Meal Expenses: Any travel, lodging or meal expenses reimbursed or paid by the proceeds from a loan from the Municipal Rate Negotiations Revolving Loan Fund must conform to the Nebraska State Accounting Manual published by the Nebraska Department of Administrative Services.

016.06 Multiple Applicants: If more than one loan application is filed on a given rate case, all applicants for funds will be notified of the identity and contact information of other applicants and will be

given a limited number of days to coordinate and determine whether to make a joint application.

016.07 Application Scoring: If all applicants do not reach a mutual agreement, the Commission will evaluate applications based upon a budget statement identifying all costs for which loan funds will be used and a proposed timeline for progression of negotiations. Applications will be scored on the following scale:

016.07A Total points possible: 25.

016.07A1 Budget Statement: 15 points total, allocated as follows:

016.07A1a Thoroughness: 10 points; and

016.07A1b Reasonableness: 5 points.

016.07A2 Timeline: 10 points total, allocated as follows:

016.07A2a Thoroughness: 5 points; and

016.07A2a Reasonableness: 5 points.

017 BILLING:

017.01 Billing Basis: Bills for service may be based on meter readings or estimated usage only as permitted by Rule 015.03. Utility may render bills monthly or on some other regular schedule in accordance with tariffs on file with the Commission.

017.02 Customer Category: If a customer is eligible to receive service under more than one rate schedule, the utility, upon notice of this fact, must advise the customer of applicable, prospective alternatives.

017.03 Meter Readings: A utility may schedule readings of all meters used for determining charges for customers in accordance with its meter reading policies and practices, and shall make all reasonable efforts to read the meters on corresponding dates of each meter reading period established by the utility. The utility may permit the customer to supply the meter reading in a form prescribed by the utility. A utility representative must attempt to read a meter at least once every two months, and any billing between actual readings or when the company is unable to read a meter after a reasonable effort has been made will be calculated in accordance with Rule 015.04. A utility representative

must also read the meter at the commencement or termination of service unless such termination or commencement of service occurs at the same address as another termination or commencement of service within seven (7) days. Under such circumstances, the utility may estimate the meter reading based upon dates of service for the departing and the new ratepayer, and thereafter pro rate the monthly bill for service provided between the two ratepayers. Access to meters by the utility must be granted by a ratepayer.

017.04 Estimated Billing: When access to a meter cannot be gained, or when the ratepayer fails to supply a meter reading form in time for the billing operation, an estimated bill may be rendered. Estimated bills must be based upon prior usage, adjusted for weather conditions, number of days in the applicable billing cycle, and other known and reasonable factors.

017.05 Information on Bills: The bill sent to the ratepayer must include only information related to the ratepayer's account and bill inserts. The bill may include appropriate charges for non-regulated services, e.g. appliance repair. Bills provided to ratepayer for natural gas service must include the following information:

017.05A The meter reading and the date the meter was read;

017.05B The number and kinds of units metered;

017.05C Identification of the applicable rates;

017.05D The amount of the bill;

017.05E The late fee;

017.05F If an estimated bill, clear and conspicuous language identifying the bill as an estimated bill;

017.05G Tax, tax adjustment, state regulatory assessment, or gas supply cost adjustment amounts separately itemized, if applicable;

017.05H A statement that ratepayer information is available upon request and where it can be obtained.

017.05I A conspicuous notice to ratepayers that should the utility fail to satisfactorily resolve a service or billing dispute that they may refer the matter to the Nebraska Public

Service Commission, including current address and telephone number.

017.06 Ratepayer Payment Records: A utility must retain a record showing the data contained on each monthly bill in accordance with its normal record retention policy and practices.

017.07 Meter Testing:

017.07A By Ratepayer Request: Any ratepayer may request its utility to test the ratepayer's natural gas meter. The utility must conduct the test as soon as reasonably possible after receipt of the request. If a particular meter is tested at the request of the same ratepayer more than once in a two-year period, the utility may require a ratepayer to pay a reasonable meter test fee for the cost of testing the meter. The meter test fee must be refunded if the meter is found to have an error of two percent (2%) or more. A ratepayer or a representative of the ratepayer may be present when the meter test is conducted. The utility must supply a report giving the name of the ratepayer requesting the test; the date of the request; the location of the meter; the type, make, size and number of the meter; the date tested; and the result of the test to the ratepayer.

017.07B Random Testing: Each jurisdictional utility must establish a method or plan for verifying the accuracy of meter readings which indicate unusually high or low natural gas usage by a ratepayer in comparison to the ratepayer's past or projected natural gas usage.

017.08 Credit and Deposit Policies:

017.08A Nondiscriminatory Credit Policy Required: Each jurisdictional utility shall fairly, and without discrimination, administer a credit policy which is easily understandable and which extends natural gas service to as many Nebraskans as possible. The credit policy must be based upon the credit risk of the individual as evidenced by the individual's past experiences with residential gas purchases without regard to the collective credit reputation of the area in which the individual lives.

017.08B For purposes of this rule, the following definitions apply:

017.08B1 Satisfactory Credit: Within the last year of service the ratepayer has not had service disconnected

for nonpayment of a bill for services rendered and has received less than three disconnection notices. Unless established otherwise in a jurisdictional utility's tariff or other extraordinary circumstances are present, a jurisdictional utility may not require an applicant for service or an existing ratepayer to establish or re-establish credit if that ratepayer or applicant for service exhibits satisfactory credit for twelve (12) consecutive months;

017.08B2 Unsatisfactory Credit: The ratepayer has had one or more disconnections in the last year of service, three or more disconnection notices in the last year of service, or has an undisputed outstanding debt with that jurisdictional utility. A jurisdictional utility may require that a ratepayer with unsatisfactory credit re-establish credit. If a ratepayer is unable to pay the full amount of a deposit, the jurisdictional utility may accept payment of the deposit in installments at the discretion of the jurisdictional utility;

017.08B3 Unknown Credit: The ratepayer has no known energy purchase experience. A jurisdictional utility can require that the applicant establish credit satisfactory to the jurisdictional utility.

017.08C Establishment or Re-establishment of Satisfactory Credit for Residential Service: To establish or re-establish satisfactory credit for residential service, a jurisdictional utility may require an applicant for service or a ratepayer to comply with the following:

017.08C1 Make a deposit of not more than one-sixth of the estimated annual bill or increase an existing deposit to that level; or

017.08C2 Provide a guarantor who has satisfactory credit.

017.09 Billing Adjustments: For all billing adjustments resulting in a charge to the ratepayer, a jurisdictional utility must offer a reasonable amount of time for payment.

017.09A Adjustments of Bills for Slow or Fast Meter Error: Whenever any meter tested by a jurisdictional utility is found to have an error of two percent fast or more, it must refund or

credit to the ratepayer the overcharge. Whenever any meter tested by the utility is found to have an error of two percent slow or more, it may charge for the natural gas consumed but not included in the bill previously rendered. The refund for a fast meter will result in a credit for the entire time period that the meter was malfunctioning. The charge for a slow meter must be based on the corrected meter reading for a period equal to one-half of the time elapsed since the most recent test, but not to exceed twelve months. If the period of the slow meter exceeds twelve months and can be fixed with reasonable certainty, any uncollected charges may be included in the jurisdictional utility's next general rate filing, or in a gas cost adjustment filing where uncollectible gas costs are permitted by the Commission to be recovered in such filing, as a bad debt expense subject to a rebuttable presumption that said expense was prudently incurred in the provision of natural gas service.

017.09B Adjustments to Bills for Meters Failing to Register: If a meter is found not to register or to register intermittently for any period, subject to statutory limits, a utility may charge for an estimated amount of natural gas used, but not to exceed six months. Bills estimated under this section must be based upon prior usage, adjusted for weather conditions, number of days in the applicable billing cycle, and other known and reasonable factors.

017.09C Adjustments to Bills for Other Meter Errors: If a ratepayer has been overcharged or undercharged as a result of an incorrect reading of the meter, incorrect application of a utility tariff, incorrect connection of the meter, application of an incorrect multiplier or constant or other similar reason, the overcharge must be credited or refunded to the ratepayer or the undercharge may be billed to the ratepayer. Any refund or credit shall cover the entire period that the account was overcharged. Any charge shall not exceed twelve months. If the period for the errors described herein exceeds twelve months and can be fixed with reasonable certainty, any uncollected charges may be included in the jurisdictional utility's next general rate filing, or in a gas cost adjustment filing where uncollectible gas costs are permitted by the Commission to be recovered in such filing, as a bad debt expense subject to a rebuttable presumption that said expense was prudently incurred in the provision of natural gas service.

018 CONSUMER CHOICE PROGRAMS:

018.01 Code of Conduct: Any jurisdictional utility offering consumer choice programs shall in its tariff approved by the Commission, adopt a code of conduct for jurisdictional utilities, suppliers and aggregators participating in the consumer choice programs.

018.01A Jurisdictional Utility Code of Conduct: Any code of conduct for jurisdictional utilities adopted by a jurisdictional utility offering consumer choice programs shall at a minimum include the following principles:

018.01A1 Separate accounting records for revenue and costs.

018.01B No preferential treatment or advantage be given, either overtly or covertly, to any supplier participating in a choice gas program by the jurisdictional utility operating the choice gas program.

018.01C Any information disclosed by a jurisdictional utility operating a choice gas program shall be made available in a reasonable time and manner to all participating suppliers. This provision does not include disclosure of confidential customer information.

018.01D A requirement that any rule, regulation and/or tariff provision applied by a jurisdictional utility in the administration of a choice gas program be done in a non-discriminatory, equal manner.

018.01E A jurisdictional utility offering a consumer choice program(s) shall not by word or action misrepresent the cost, quality, or reliability of a particular gas supplier or aggregator or represent that the regulated gas service would/could be adversely affected by a customer selection of a particular gas supplier or aggregator.

018.01F A jurisdictional utility offering a consumer choice program(s) shall not misrepresent or misquote the commodity price of any supplier or aggregator.

018.01G A jurisdictional utility offering a consumer choice program(s) shall not market or advertise its services in a misleading or deceptive manner;

018.01H A jurisdictional utility offering a consumer choice program(s) shall not engage in any activities under a consumer choice program detrimental to the consumer including, but not limited to, activities such as slamming or cramming;

018.01I A jurisdictional utility offering a consumer choice program(s) shall not unduly discriminate against similarly situated customers.

018.01J In the event the jurisdictional utility also acts as a participant supplier in a choice program shall:

018.01J1 Keep separate accounting records for the activities of the choice gas program and supplier;

018.01J2 Keep separate and distinct all marketing, advertising and other promotional activities. Regulations.

018.02 Supplier/Aggregator Code of Conduct: Any tariff filed by a jurisdictional utility offering a consumer choice program shall include a code of conduct for participating suppliers and aggregators. The supplier/aggregator code of conduct shall at a minimum include the following principles:

018.02A A supplier or aggregator participating in a consumer choice program shall not misrepresent through word or action the quality or reliability of other gas suppliers and/or aggregators.

018.02B A supplier or aggregator participating in a consumer choice program shall not misrepresent or misquote the commodity price of any supplier or aggregator.

018.02C A supplier or aggregator participating in a consumer choice program shall not market or advertise its services in a misleading or deceptive manner.

018.02D A supplier or aggregator participating in a consumer choice program shall not engage in any activities under a consumer choice program detrimental to the consumer including, but not limited to, activities such as slamming or cramming.

018.02E A supplier or aggregator participating in a consumer choice program shall not unduly discriminate against similarly situated customers.

018.02F A supplier participating in a consumer choice program shall report to the Commission no later than thirty (30) days following the close of the consumer choice supplier selection period the highest and lowest price offered by the supplier during the consumer choice supplier selection period and the rate determined for customers who did not make a selection during the consumer choice supplier selection period.

018.03 Annual Report: A jurisdictional utility offering a consumer choice program shall submit a report to the Commission pursuant to this section on an annual basis. The report shall be provided to the Commission no later than thirty (30) days following the close of the consumer choice supplier selection period. The report shall include the following information:

018.03A A list of all suppliers that participated in the choice gas program.

018.03B For each participating supplier the total number of customers that selected that supplier.

018.04 Examination and Audit Requirements: Consistent with Neb. Rev. Stat. § 66-1818, the Commission may require an examination and audit of any jurisdictional utility offering consumer choice programs.

019 AFFILIATES:

019.01 Scope: The following rules must apply to affiliates that sell natural gas purchased from a producer or other seller. A division of a jurisdictional utility that operates as a functional unit within the jurisdictional utility shall also be treated as an affiliate for purposes of the Natural Gas and Pipeline Rules and Regulations. This section does not apply to affiliates conducting non-regulated private enterprise business activity or shared resources affiliates.

019.02 Affiliate Rules: All affiliates must comply with the following:

019.02A The affiliate must either employ separate personnel and not share any personnel with the utility or allocate shared employee time between the utility and the affiliate.

019.02B The affiliate's and jurisdictional utilities' employee incentives must not create a conflict of interest.

019.02C The affiliate must own or lease its own office space that is reasonably separate from the utility. Such office space cannot be acquired from the utility except at market-based rates.

019.02D If the affiliate seeks to provide service over the system of the jurisdictional utility with which it is affiliated, the jurisdictional utility must have adopted a code of conduct approved by the Commission.

019.02E The affiliate must purchase its own ancillary services related to the delivery of natural gas including, but not limited to, natural gas commodity, pipeline transportation, and pipeline storage. Such assets must not be acquired from the utility except at market based rates. An affiliate must not secure transportation, storage, or commodity from the utility on a prearranged, non-posted basis except as otherwise provided in a nondiscriminatory fashion.

019.02F The affiliate must receive no unduly preferential treatment through a tariff provision or otherwise from the utility.

019.02G The affiliate must receive no jurisdictional services from the utility except those that are available per the utility's tariff.

019.02H The affiliate must be responsible for its own bad debt and the collection of such debts.

019.02I The affiliate must not represent itself as the utility.

019.02J The affiliate must keep separate records from that of the utility.

020 EMERGENCY CURTAILMENT PLANS: A jurisdictional utility's tariff shall identify the manner of curtailing or limiting natural gas consumption in the event of an emergency.

021 SEASONAL DISCONNECTIONS:

021.01 Seasonal Disconnection Charges Prohibited: Seasonal disconnection charges shall not be permitted. A jurisdictional utility may charge reconnection fees equal to those charged to any other rate-payer receiving service.

022 PUBLIC ADVOCATE:

022.01 Location of Commission: For purposes of Neb. Rev. Stat. Sec. 66-1832, the location of the Commission means Lincoln, Nebraska.

023 MAJOR OIL PIPELINES:

023.01 Scope: This section applies only to major oil pipelines. Nothing in Section 023 is intended to regulate safety as to the design, installation, inspection, emergency plans and procedures, testing, construction, extension, operation, replacement, and maintenance of major oil pipelines and pipeline facilities.

023.02 Major Oil Pipeline Application: A pipeline carrier proposing to construct a major oil pipeline to be placed in operation in Nebraska and who has submitted a route for an oil pipeline within, through, or across Nebraska but the route is not approved by the Governor pursuant to section 57-1503, shall file an application with the Commission and receive approval prior to beginning construction of the major oil pipeline within Nebraska. A pipeline carrier proposing a substantive change to the route of a major oil pipeline and who has submitted a route for an oil pipeline within, through, or across Nebraska but the route is not approved by the Governor pursuant to section 57-1503, shall file an application for the proposed change with the Commission and receive approval prior to beginning construction relating to the proposed change.

023.02A Content of Application: The application shall be accompanied by written agreement to pay expenses assessed pursuant to subsection 023.12 and written testimony and exhibits in support of the application. The application shall include:

023.02A1 The name and address of the pipeline carrier;

023.02A2 A description of the nature and proposed route of the major oil pipeline including a map of the proposed route and evidence of consideration of alternative routes;

023.02A3 A statement of the reasons for the selection of the proposed route of the major oil pipeline;

023.02A4 A list of the governing bodies of the counties and municipalities through which the proposed route of the major oil pipeline would be located;

023.02A5 A description of the product or material to be transported through the major oil pipeline including identification of the product or material; and for informational purposes only hazard(s) identification; composition/information on ingredients; first-aid measures; fire-fighting measures; accidental release measures; handling and storage; exposure controls/personal protection; physical and chemical properties; stability and reactivity; toxicological information; ecological information; disposal considerations; transport information; regulatory information. The requirement can be satisfied through the filing of a representative Safety Data Sheet;

023.02A6 The person who will own the major oil pipeline;

023.02A7 The person who will manage the major oil pipeline;

023.02A8 A plan to comply with the Oil Pipeline Reclamation Act; and

023.02A9 A list of planned methods to minimize or mitigate the potential impacts of the major oil pipeline to land areas and connected natural resources other than with respect to oil spills.

023.02A10 For informational purposes only, a description of the method for state agencies and emergency response personnel to obtain current Safety Data Sheet(s) for the product(s) or material(s) being transported through the pipeline in the event of an incident.

023.02A11 An applicant must notify the Commission during the pendency of the application of any material change in the representations and commitments required by this subsection within fourteen (14) days of such change.

023.02B Filing and Notice: Applications must be filed with the Executive Director at the Nebraska Public Service Commission. Pipeline carriers shall file an original paper copy of the application in addition to an electronic copy and five (5) paper copies.

023.02B1 Pipeline carriers shall also file a copy of the application with the following agencies:

| | |
|---|---|
| 023.02B1(a) | Department of Environmental Quality |
| 023.02B1(b) | Department of Natural Resources |
| 023.02B1(c) | Department of Revenue |
| 023.02B1(d) | Department of Roads |
| 023.02B1(e) | Game and Parks Commission |
| 023.02B1(f) | Nebraska Oil and Gas Conservation Commission |
| 023.02B1(g) | Nebraska State Historical Society |
| 023.02B1(h) | State Fire Marshal, and |
| 023.02B1(i) | Board of Educational Lands and Funds |

023.02B2 Notice of Application: The applicant shall publish notice of the application in at least one newspaper of general circulation in each county in which the major oil pipeline is to be constructed and forward a copy of such notice to the Commission. The applicant shall serve notice of the application upon the governing bodies of the counties and municipalities specified pursuant to subdivision through which the proposed route of the major oil pipeline would be located. The Commission may provide additional notice to natural resource districts in the area of the proposed pipeline. The Commission may publish a copy of the application on its website.

023.02C Public Review: Any documents or records relating to a major oil pipeline filed with the Commission shall be made available to the public consistent with the Nebraska public records laws, Neb. Rev. Stat. § 84-712 through 84-712.09 and any applicable federal law.

023.03 Procedures After Receipt of an Application: After receipt of an application, the Commission shall:

023.03A Schedule a planning conference to establish a procedural schedule for the application;

023.03B Within sixty (60) days of the date of the filing of the application, schedule a public hearing;

023.03C Notify the pipeline carrier of the time, place, and purpose of the public hearing;

023.03D Publish a notice of the time, place, and purpose of the public hearing in at least one newspaper of general circulation in each county in which the major oil pipeline is to be constructed; and

023.03E Serve notice of the public hearing upon the governing bodies of the counties and municipalities through which the proposed route of the major oil pipeline would be located as specified in subsection 023.02B2.

023.04 Public Meetings: The Commission may hold additional public meetings for the purpose of receiving input from the public at locations as close as practicable to the proposed route of the major oil pipeline. The Commission shall make the public input part of the record.

023.05 Agency Reports: Within thirty (30) days of the filing of the application, the agencies referenced in subsection 023.02B1 shall file with the Commission a list of potential issues and an estimated budget for the completion of a report addressing those issues. If requested by the Commission, the agencies referenced in subsection 023.02B1 shall file a report with the Commission, prior to the hearing on the application, regarding information within the respective agencies' area of expertise relating to the impact of the major oil pipeline on any area within the respective agencies' jurisdiction, including in such report opinions regarding the advisability of approving, denying, or modifying the location of the proposed route of the major oil pipeline.

023.05A The report shall be filed with the Commission at least ten (10) days prior to the hearing or as required by the Hearing Officer.

023.05B The agencies may submit a request for reimbursement of reasonable and necessary expenses incurred for any consultants hired pursuant to subsection 023.12.

023.06 Petitions for Intervention, Protests and Hearing on the Application: The filing of petitions for intervention and protests and the conduct of the hearing shall be governed by the Rules of Commission Procedure.

023.06A Hearing

023.06A1 Although not a party to the application, the Commission staff may provide evidence during the hearing to ensure a complete record, including but not limited to testimony and/or reports of professionals or experts hired pursuant to Neb. Rev. Stat. sec. 57-1412.

023.07 Burden of Proof: An application under the Major Oil Pipeline Siting Act shall be approved if the proposed route of the major oil pipeline is determined by the Nebraska Public Service Commission to be in the public interest. The pipeline carrier shall have the burden to establish that the proposed route of the major oil pipeline would serve the public interest. In determining whether the pipeline carrier has met its burden, the Commission shall not evaluate safety considerations, including the risk or impact of spills or leaks from the major oil pipeline, but the Commission shall evaluate:

023.07A Whether the pipeline carrier has demonstrated compliance with all applicable state statutes, rules, and regulations and local ordinances;

023.07B Evidence of the impact due to intrusion upon natural resources and not due to safety of the proposed route of the major oil pipeline to the natural resources of Nebraska, including evidence regarding the irreversible and irretrievable commitments of land areas and connected natural resources and the depletion of beneficial uses of the natural resources. Such evidence may include but not be limited to the following:

0023.07B1 an environmental impact study;

0023.07B2 a comprehensive soil permeability study;

0023.07B3 a distance-to-groundwater survey;

0023.07B4 evidence regarding the impact of the pipeline on wildlife; and

0023.07B5 evidence regarding the impact of the pipeline on plants located within and surrounding the proposed route.

023.07C Evidence of methods to minimize or mitigate the potential impacts of the major oil pipeline to natural resources;

023.07D Evidence regarding the economic and social impacts of the major oil pipeline. Such evidence may include but not be limited to estimates regarding tax paid by the carrier to local and state government along the route of the proposed pipeline and information regarding impact on employment in Nebraska;

023.07E Whether any other utility corridor exists that could feasibly and beneficially be used for the route of the major oil pipeline;

023.07F The impact of the major oil pipeline on the orderly development of the area around the proposed route of the major oil pipeline;

023.07G The reports of the agencies filed pursuant to subsection 023.05; and

023.07H The views of the governing bodies of the counties and municipalities in the area around the proposed route of the major oil pipeline.

023.08 Commission Order:

023.08A Time to Enter Order: Within seven (7) months after the receipt of the application, the Commission shall enter an order approving the application or denying the application.

023.08A1 The Commission may, for just cause, extend the time for the entry of an order. The extension shall not exceed twelve (12) months after the receipt of the application unless all parties agree to a longer extension, except that no extension shall extend more than eight (8) months after the issuance of a presidential permit authorizing the construction of the major oil pipeline.

023.08A2 For purposes of determining the counting months, one (1) month shall equal thirty (30) days.

023.08B Content of Order: The Commission shall include in the order the findings of the Commission regarding the application and the reasons for approving or denying the application. The order approving the application shall state that the application is in the public interest and shall authorize the pipeline carrier to act under Neb. Rev. Stat. Sec. 57-1101.

023.09 Amendment of Application After Denial: If the Commission denies the application, the pipeline carrier may amend the denied application in accordance with the findings of the Commission and submit the amended application within sixty (60) days after the issuance of the order denying the application. Within sixty (60) days after the receipt of the amended application, the Commission shall enter an order approving or denying the amended application after making new findings under subsection 023.07.

023.10 Appeal: Any party aggrieved by a final order of the Commission regarding an application under the Major Oil Pipeline Siting Act, including, but not limited to, a decision relating to the public interest, may appeal. The appeal shall be in accordance with the Administrative Procedure Act.

023.11 Status Reports: If the Commission approves the application, the pipeline carrier shall file a status report with the Commission regarding the construction of the major oil pipeline every six (6) months until the completion of the major oil pipeline within Nebraska. The pipeline carrier shall notify the Commission of the completion of the major oil pipeline within Nebraska within thirty (30) days after such completion.

023.12 Assessment of Expenses: The Commission shall assess the expenses reasonably attributable to investigation and hearing regarding an application filed under subsection 023.02, including expenses billed by agencies filing reports as required in subsection 023.05 and both direct and indirect expenses incurred by the Commission or its staff or consultants, to the applicant as agreed under subsection 023.02.

023.12A Billing of Expenses: The Commission shall ascertain the expenses of any such investigation and hearing and by order assess such expenses against the applicant and shall render a bill therefor, by United States mail, to the applicant, either at the time the order under subsection 023.08 is issued or from time to time during such application process.

023.12A1 Such bill shall constitute notice of such assessment and demand of payment thereof. Upon a bill rendered to such applicant, within fifteen (15) days after the mailing thereof, such applicant shall pay to the Commission the amount of the assessment for which it is billed.

023.12A2 The Commission shall remit the payment to the State Treasurer for credit to the Public Service

Commission Pipeline Regulation Fund or shall direct the State Treasurer to credit any reimbursement of expenses billed by agencies pursuant to Section 023.05 to the appropriate fund of the appropriate agency.

023.12A3 The Commission may render bills in one fiscal year for costs incurred within a previous fiscal year.

023.12B Failure to Pay Assessment: If any applicant against which an assessment has been made pursuant to this section, within fifteen (15) days after the notice of such assessment, (a) neglects or refuses to pay the same or (b) fails to file objections to the assessment with the Commission as provided in subsection 023.12C, the Commission shall transmit to the State Treasurer a certified copy of the notice of assessment, together with notice of neglect or refusal to pay the assessment, and on the same day the Commission shall mail by registered mail to the applicant against which the assessment has been made a copy of the notice which it has transmitted to the State Treasurer. If any such applicant fails to pay such assessment to the State Treasurer within ten (10) days after receipt of such notice and certified copy of such assessment, the assessment shall bear interest at the rate of fifteen percent (15%) per annum from and after the date on which the copy of the notice was mailed by registered mail to such applicant.

023.12C Objection to Assessment: Within fifteen (15) days after the date of the mailing of any notice of assessment under subsection 023.12A, the applicant against which such assessment has been made may file with the Commission objections setting out in detail the grounds upon which the applicant regards such assessment to be excessive, erroneous, unlawful, or invalid. The Commission shall determine if the assessment or any part of the assessment is excessive, erroneous, unlawful, or invalid and shall render an order upholding, invalidating, or amending the assessment. An amended assessment shall have in all respects the same force and effect as though it were an original assessment.

023.12C1 Payment of Assessment if Objection Overruled: If any assessment against which objections have been filed is not paid within ten (10) days after service of an order finding that such objections have been overruled and disallowed by the Commission, the Commission shall give notice of such delinquency to the State Treasurer and to the applicant in the manner provided



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for in subsection 023.12B. The State Treasurer shall then collect the amount of such assessment. If an amended assessment is not paid within ten (10) days after service of the order of the Commission, the Commission shall notify the State Treasurer and the applicant as in the case of delinquency in the payment of an original assessment. The State Treasurer shall then collect the amount of such assessment as provided in the case of an original assessment.

023.12C2 Appeal of Order Overruling Objection to Assessment: Any party aggrieved by a final order of the Commission regarding an assessment under the Major Oil Pipeline Siting Act may appeal. The appeal shall be in accordance with the Administrative Procedure Act.

FILED
JUL 22 2013
SECRETARY OF STATE
By

APPROVED
JUL 22 2013
Dave Heineman
DAVE HEINEMAN
GOVERNOR

APPROVED
JON BRUNING
ATTORNEY GENERAL
MAY 13 2013
BY
ASSISTANT ATTORNEY GENERAL

Nebraska Public Service Commission
Municipal Rate Negotiations Revolving Loan Fund
Application Form

Date:

Applicant City/Cities:

Primary Contact Person:
Please include: Name, Title, Address, Telephone Number, Fax Number and E-mail address.

Jurisdictional Utility Name and Rate Case Docket Number:

Loan Amount Requested:

Budget Statement:
Please include or attach a budget statement identifying all costs for which loan funds will be used, if the loan application is approved. If any consultants, attorneys or other service providers have been selected, please identify them and describe how they were selected. If the applicant has not yet selected any consultants, attorneys or other service providers, please provide a description of the manner in which a selection would be made.

At minimum, please provide the amounts budgeted for the following categories of costs:

- Attorney Fees
- Consultant Fees
- Travel Expenses
- Other Expenses

Timeline for Negotiations:

Please provide a proposed timeline for negotiations, within the parameters of the State Natural Gas Regulation Act.

NOTE: Only one loan may be made for each rate filing made by a jurisdictional utility, pursuant to Neb. Rev. Stat. § 66-1839. If more than one loan application is filed on a given rate case, all applicants for funds will be notified of the identity and contact information of other applicants and will be given a limited number of days to coordinate and determine whether to make a joint application.

If all applicants do not reach a mutual agreement, the Commission will use the following criteria to determine which application will be granted:

Total points possible: 25

Budget Statement (15 points total):
Thoroughness (10 points)
Reasonableness ( 5 points)
Timeline (10 points total):
Thoroughness ( 5 points)
Reasonableness ( 5 points)

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

AFFIDAVIT OF APPLICANT

_____ being duly sworn deposes and says:

1. Affiant's full name and address is:

_____
Full name of Applicant

_____
Address: Street, P.O. Box, City, State, Zip Code

2. Affiant holds the title of _____

3. Affiant is familiar with and will conform with the Nebraska statutes governing natural gas and with the Commission's rules and regulations there under.

I certify that all statements made and matters set forth in the application are true and correct to the best of my knowledge, information and belief.

_____

SUBSCRIBED AND SWORN to before me this _____ day of _____, 20___.

_____
Notary Public