

Transcript Prepared by Clerk of the Legislature Transcribers Office
Natural Resources Committee February 12, 2026
Rough Draft

BRANDT: Welcome to your Natural Resources Committee. I'm Senator Tom Brandt from Plymouth, representing the 32nd Legislative District, and I serve as Chair of this committee. The committee will take up the bills in the order posted. The public-- this public hearing is your opportunity to be part of the legislative process and to express your position on the proposed legislation before us. If you are planning to testify today, please fill out one of the green testifier sheets that are on the table at the back of the room. Be sure to print clearly and fill it out completely. When it is your turn to come forward to testify, give the testifier sheet to the page or to the committee clerk. If you do not wish to testify but would like to indicate your position on a bill, there are also yellow sign-in sheets back on the table for each bill. These sheets will be included as an exhibit in the official hearing record. When you come up to testify, please speak clearly into the microphone and tell us your name, and spell your first and last name to ensure that we get an accurate record. We will begin each bill hearing today with the introducer's opening statement, followed by proponents of the bill, then opponents, and finally by anyone speaking in the neutral capacity. We will finish with a closing statement by the introducer, if they wish to give one. We will be using a three-minute light system for all testifiers. When you begin your testimony, the light on the table will be green. And when the yellow light comes on, you have one minute remaining. And the red light indicates you need to wrap up your final thought and stop. Questions from the committee may follow. Also, committee members may come and go during the hearing. This has nothing to do with the importance of the bills being heard. It is just part of the process, as senators may have bills to introduce in other committees. A few final items to facilitate today's hearing. If you have handouts or copies of your testimony, please bring up at least 12 copies and give them to the page. Please silence or turn off your cell phones. Verbal outbursts or applause are not permitted in the hearing room. Such behavior may be cause for you to be asked to leave the hearing. Finally, committee procedures for all committees state that written position statements on a bill to be included in the record must be submitted by 8:00 a.m the day of the hearing. The only acceptable method of submission is via the Legislature's website at nebraskalegislature.gov. Written position letters will be included in the official hearing record, but only those testifying in person before the committee will be included on the committee statement. I

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will now have the committee members with us today introduce themselves, starting on my left.

CLOUSE: Good afternoon. Stan Clouse, District 37, which is Kearney, Shelton and Gibbon in Buffalo County.

CONRAD: Hi, my name's Danielle Conrad. I represent north Lincoln in the Legislature. I just wanted to let folks know, because I know that these are hot topics that we have on our agenda today, I do, unfortunately, have two bills up in two different committees. So I will be in and out, but will make sure to review any, any of the transcript that I missed today.

DeKAY: Hi, I'm Barry DeKay, representing District 40, which consists of Holt, Knox, Cedar, Antelope Counties, northern part of Pierce, northern part of Dixon County.

MOSER: Mike Moser, District 22, that's Platte County and most of Stanton County.

RAYBOULD: Jane Raybould, Legislative District 28, which is central Lincoln.

HUGHES: Thank you. Thanks for everyone being-- coming today and, and testifying. I am Jana Hughes, I'm District 24, which is Seward, York, Polk, and a little bit of Butler County.

JUAREZ: Good afternoon, everyone. Senator Margo Juarez, District 5 in Omaha.

BRANDT: Also assisting the committee today to my right is our legal counsel, Cyndi Lamm. And on my far left is our committee clerk, Sally Schultz. And our pages will introduce themselves.

ESTEN HYDE: Hello, my name is Esten Hyde, I'm from Auburn, Nebraska. And I'm studying business law at the University of Nebraska-Lincoln.

TERESA WILSON: My name is Teresa Wilson, I'm an advertising and public relations major at the University of Nebraska-Lincoln. And I'm from Lincoln, Nebraska.

BRANDT: All right, thank you. And with that, we will open our hearing today, LB1111, Senator Machaela Cavanaugh. Welcome.

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M. CAVANAUGH: Good afternoon, Chairman Brandt and members of the Natural Resources Committee. I am Machaela Cavanaugh, M-a-c-h-a-e-l-a C-a-v-a-n-a-u-g-h. I have the privilege of representing District 6, west central Omaha here in the Nebraska Legislature. And I'm here today to introduce LB1111.

BRANDT: Senator Cavanaugh, they're having problems hearing. Can-- you got it turned up?

SALLY SCHULTZ: I'm turning up the volume.

BRANDT: Maybe if you--

M. CAVANAUGH: Do you want me to talk louder? I haven't been told-- I haven't been told--

HUGHES: Have you ever been told that?

M. CAVANAUGH: Not yet today, but yesterday and the day before and the day before. OK. Do I need to respell my name?

BRANDT: No.

M. CAVANAUGH: OK.

BRANDT: Just pick it up.

M. CAVANAUGH: LB1111 is intended to protect the economic interests of Nebraskans from potential adverse impacts of large data centers. "Day-ta" or "dah-ta," how do people say it? I'm going to go with "day-ta" today. There are 21 data centers in the Omaha metro area with 4,889,887 square feet of space that use around 759 megawatts of power. In fact, Omaha is ranked 14th-largest market in the U.S. The largest data center in, in Omaha area is Meta, Sarpy County, using approximately 160 megawatts. There are two data centers in Lincoln and two near Grand Island. More are in process. According to a report found on congress.gov, in 2023, U.S. data center annual energy was used approximately 4.4% of U.S. annual electricity consumption. It is projected to be 12% by 2028. Only two years from now-- which is only two years for now. Other sources we found agreed that-- with that projection. Roughly half of this electricity is used to run computational processes of the data center. All processing creates a great deal of heat, so the remaining energy consumption is largely to

cool the facility. We have all read about the-- how agreements in other states between utilities and data centers have spiked electricity rates, forcing struggling families and small businesses to financially subsidize the largest corporations in the world owned by the wealthiest persons in the world. Nebraskans categorically reject these deals. We expect our publicly-owned utilities to continue to provide affordable electric power to all, and to not use electricity rates as corporate subsidies. The most recent Nebraska electricity sales and rate data from the U.S. Energy Information Agency from 1990 through 2024 shows an unprecedented spike in sales to commercial consumers, including data centers, and an unprecedented drop in commercial electricity rates. Data centers are using more power and paying less for it. At the same time, residential electricity rates have substantially increased. Between 2022 and 2024, commercial electricity rates dropped 5%, while residential rates increased by 7%, and industrial rates increased by 6%. It appears that the state's utilities are in fact shifting electricity costs from data centers to residential and industrial consumers-- customers. The handout is a graphic representation of this. I think, yeah-- OK. LB1111 seeks to protect Nebraskans by mandating that large dan-- data centers do the following. Pay the full cost of providing electric service provided to them, including the cost of new generation and transmission infrastructure. Provide financial assurance that they will pay for stranded electric infrastructure-- stranded, "strandeded," sorry, electric infrastructure in the event a data center closes permanently. Consider building their own electric generation capacity, including, including using renewable energy. Plan and provide funding for the decomiss-- their decommissioning, and enter into community-benefit agreements that minimize site-specific impacts. Public power suppliers would be prohibited from transmitting electricity costs-- transferring electricity costs triggered by large data centers to residential and industrial customers. In addition, LB1111 also requires disclosure of basic information about data centers so that Nebraskans can understand the impact of data centers on their families, businesses, and communities. This is not a partisan issue. Florida, Oklahoma, and other Republican-led states are concerned about issues addressed in this bill. Even the Trump administration reportedly urged the regional grid operator, PJM, Interconnection, to shield residents and businesses from the infrastructure costs from data centers. As of yesterday, there was-- there were 80 proponents of this bill and only 1 opponent to this bill. And the fiscal note is zero. I ask that you

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protect the financial interests of all Nebraskans by supporting this common-sense policy included in LB1111. And I'm happy to answer any questions.

BRANDT: All right, let's see what we've got for questions. Senator Clouse.

CLOUSE: Thank you, Senator Brandt. Thank you, Senator Cavanaugh. On this graph, had you talked with OPPD or the utility companies about aid in contribution of construction and cost-of-service studies?

M. CAVANAUGH: Of-- I'm sorry, can you repeat?

CLOUSE: Aid in contribution of construction and costs-of-service studies, are you familiar with those terms?

M. CAVANAUGH: I am going to have to get you an answer on that or somebody behind me, might be able to--

CLOUSE: Well, I know the answer. But I don't know if you do.

M. CAVANAUGH: Oh, I don't know the answer of that.

CLOUSE: OK, because when I look at the graph, primarily the Nebraska--

M. CAVANAUGH: And I apologize, I don't have-- I do, OK.

DeKAY: I need a copy.

M. CAVANAUGH: Sorry, sorry.

CLOUSE: Because typically, what the utilities will do, they'll look-- when they establish their rates, they'll look at what the actual cost to serve those customer classes are. And then they associate the rates with the actual costs. So when I look at the residential chart, I'm thinking, OK, in Nebraska, you know, when we look at expansion of, of utilities in subdivisions, and a lot of that's all residential, so I would expect those costs to be a little higher. And then when you get into aid in contribution of construction, that's where when a big user comes in, they look at what the infrastructure is in place, and then what's the cost. And then they project what the revenues are going to be, and that delta is what the customer pays for that. So in other words, it's based on an economic analysis of the benefits of that customer versus what the cost is. So they, they do look at a lot of

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those things. So the graph, especially the lower one, it doesn't really surprise me too much because I think that's fairly typical of what I would expect in areas that have a lot residential growth. Does that make sense?

M. CAVANAUGH: I think so. I feel, I feel--

CLOUSE: That's OK.

M. CAVANAUGH: --a little schooled right now, Senator Clouse,--

CLOUSE: No, that's, that's OK.

M. CAVANAUGH: -- on, on this. But as a, as a mayor, former mayor, I feel like you probably are more well-positioned to explain this to me.

CLOUSE: And I don't know what's driving the costs, so.

M. CAVANAUGH: Yeah. That makes sense. It is hard. It is, it's not as clear as a graph to determine what is driving cost is--

CLOUSE: OK.

M. CAVANAUGH: --essentially what I think you're saying. And yes, I agree with that. Which is also part of the data collection and report part of this legislation is that, in addition to protecting consumers, our current consumers, residential consumers, we also want to track what the impacts are of data centers. And not that we don't want data centers, obviously, they're a great economic driver. Omaha has a lot of them. And it's just a matter of they're new, and we don't really have any regulations around them at this point in time.

CLOUSE: OK. Thank you.

M. CAVANAUGH: Yeah, thank you.

BRANDT: OK, other questions? Senator--

RAYBOULD: Raybould.

BRANDT: Raybould. Why do I always do that?

RAYBOULD: I don't know.

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HUGHES: I hope that was a joke.

RAYBOULD: I don't know. Thanks, Senator Cavanaugh. Are you seeing other states adopt these type of standards and goals for the data centers to provide this information?

M. CAVANAUGH: So I believe-- I think there's a handout that has some of that information. But yes, other states are starting to look at how to regulate. If I don't have that handout, I'll get-- I can get that information for the committee. But other states are starting to look at regulating data centers, and consumer protections primarily. But then also environmental impact as well. And I think that's also, again, to the reporting pieces. We don't necessarily know what the environmental impact is at this point, so collecting data around the, data around the data centers. But so I think that there's some people, some places are rushing to regulate based on the assumption of an environmental impact. And, and this more seeks to first kind of investigate what that is and see what regulatory means we need moving forward. I also imagine that a lot of the regulatory part of the data centers will ultimately fall to the Public Service Commission, but it's so new that we have to start somewhere. I don't know, did I answer your question?

RAYBOULD: Yeah, you did. Are these da-- data centers being required to have renewables as a big part of their power generation? What are other communities doing to--

M. CAVANAUGH: In other states?

RAYBOULD: Yeah.

M. CAVANAUGH: It really, it truly depends on the state, as to what they're doing. When Mark Daly was here visiting us from Ireland, from the Irish Parliament, I talked to them about it, because Google's European headquarters is in Dublin, Ireland. And so obviously they have a large data center there. And I said, how are you dealing with that, with the resources. And he said renewables. It's, it's a big-- and it's serving them well. Obviously, renewables are different for different locations and what that looks like, but it will be paying a large-- playing a large part for a lot of these data centers. The one big issue is that they need a lot of water to cool, and I think we're going to want to start looking as a state and a nation at creative

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ways of, of using that cooling power of water, but there are opportunities to recapture that evaporated water and cycle it back in. And, and I believe we have a power facility in Nebraska that does something similar, that recaptures underground, the steam, and puts it back and then it comes back around. So it's kind of a closed system. So I think there's opportunities for a lot of ingenuity.

RAYBOULD: OK, but, but your bill is just focusing on--

M. CAVANAUGH: So yeah--

RAYBOULD: --getting information on the actual electrical loads they need and--

M. CAVANAUGH: So it's--

RAYBOULD: --power usage?

M. CAVANAUGH: It's on power use-- so the data collection piece, yes. But then it's also ensuring that they're paying the, the full price of their electrical service so that that's not being passed on to consumers. And then that they aren't creating an infrastructure and then oversaturating it and not having like an end-of-life. They have to have an end-of-life plan, and then they have to consider building their own electrical generation capacity, including renewables. It's not requiring-- at least I don't think it is requiring. If it is, I'm certainly open to discussions about how to make that more workable.

RAYBOULD: And then-- but your bill doesn't talk about water reclamation, because they use such a tremendous amount of water in cooling all the--

M. CAVANAUGH: No.

RAYBOULD: OK.

M. CAVANAUGH: I think this is more-- that's a, that's a more long-term conversation. This is more of the let's, let's start the conversation and start somewhere.

RAYBOULD: OK. All right. Thank you.

BRANDT: Other questions? Yeah, Senator Conrad.

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CONRAD: Thank you, Chair. Thank you, Senator, for being here. And I think your bill is timely because there's a growing chorus of voices across the United States and across Nebraska, including a lot of friends on the right, who are worried about the extractive nature of data centers. And particularly, and rightly so, skeptical about Big Tech. And what I'm looking at from a Nebraska perspective is that of course it makes sense for the largest corporations in the world to have the most wealth, like Google and Meta, to locate here. We have abundant land. We have a super low corporate tax rate. We have corporate welfare programs to incentivize these data centers to come. And we have abundant, reliable, affordable public power that was supposed to preserve our power resources for the people. And that has been turned upside down on its head for the largest corporations that are taking advantage of this legal and natural landscape. So rather than calling for a pause or a moratorium or even any additional restriction or pullback of favorable tax treatment or otherwise, you're asking for a report and equity in regards to rates. Is that at the heart of your measure?

M. CAVANAUGH: That is the heart of it, and everything-- I agree with everything that you just said about the landscape. And, and our public power was created for the people of Nebraska. And this seeks to, at the very base, protect the consumers, the people of Nebraska, as we have an increased electrical consumption from corporations which, whether you agree or disagree with that, is the reality. So if we're going to have that, we need to still protect the consumers, the people that live here. And we do have many things that are enticing these corporations to move here that you mentioned, and subsidizing their utilities on the backs of the ratepayers does, to me, it doesn't seem like good governance. And so, yes, that is the heart of this bill. That is-- that and starting that data collection so that we can, again, see the long-term impacts and make better policy decisions moving forward when I'm not here anymore in 34 days.

CONRAD: No, I, I think that's a great response. And I'm really quite deeply worried about kind of the, the, the position that we find ourselves in in Nebraska, wherein officials in this body, leaders in public power, those in the executive branch and otherwise seem to think the sole point of the privilege of service is to make things easier for big corporations and could care less about everyday Nebraska families who are struggling. And one of the things that they're struggling with is the affordability and increasing rates of

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utilities. And this is a primary driver in that regard. So I appreciate you trying to at least instill some information or balance in that current inequity.

M. CAVANAUGH: I'd also like to-- I'm not trying to hide the ball here. I didn't bring this because of Omaha, but certainly this means a lot to me because of OPPD and the actions taken by the OPPD board in regards to the north Omaha coal plant and the political influence of the Attorney General and the Governor's Office on maintaining that coal plant. And the, the concept and notion that we must have it because we need to have low rates for our ratepayers, yet we have no regulation or, or thought to that these large, like I said, 14th in the nation in data centers in Omaha, we have no regulation around that power usage. And so now we have a coal plant. We, we have broken a promise twice to a community that is disproportionately impacted by decisions made by this body in a negative way. And now we have an additional broken promise of health as regards to the coal plant remaining open. And the idea is because we can't afford to lose that power source. So it's time, it's time for us to step up and do something.

CONRAD: Right. And these users are really big users. It's not like--

M. CAVANAUGH: Yes, right.

CONRAD: --a normal homegrown corporation.

M. CAVANAUGH: It's Meta. Yeah.

CONRAD: It's like on par with like an entire city's usage in some instances, just generally speaking--

M. CAVANAUGH: Yes.

CONRAD: --from things that I've read. So it's not--

M. CAVANAUGH: Or some countries.

CONRAD: Right. OK, very good. Thank you.

M. CAVANAUGH: Yeah.

BRANDT: Senator Clouse.

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CLOUSE: Yeah, thank you, Senator Brandt. Senator Cavanaugh, one point that I'm-- is on page 3, and it's Section 2, where you're talking about crypto. Crypto mining is-- crypto currency is something that was huge for [INAUDIBLE] and Kearney and out in some rural areas. And the-- it states in here "exceeding 20 megawatts in size." Well, the one in Kearney is 100, and some of the little ones around the state are 25. So can we take a look at that number to see what that--

M. CAVANAUGH: I think we can. I did work with advocates on this language. So I would love to talk to-- bring them into that conversation But I do think that that's something that we can absolutely revisit.

CLOUSE: OK, thank you.

BRANDT: Senator DeKay.

DeKAY: Thank you. Thank you for being here today. Going back to your introduction a little bit, you referenced a little about possibly on the generation for these data centers being put on the, on the shoulders of those data centers to provide them-- or and with that being able to keep the financial burden off the ratepayers by doing that, right?

M. CAVANAUGH: Yes, that could be an option.

DeKAY: OK, thank you very much.

M. CAVANAUGH: Yeah.

BRANDT: I see no other questions. Will you stay around to close?

M. CAVANAUGH: I will. I-- is everybody here for me, or are they here for something else?

BRANDT: They might be here for something else.

CLOUSE: We might have a different one.

M. CAVANAUGH: Great, then yes. Yes, I will.

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BRANDT: OK, LB1111 proponents, are there any proponents? Seeing-- OK, I know we're crowded in here, but as you sense somebody is winding down, please be in line to testify next.

KEN WINSTON: Sorry, Chairman Brandt. I was-- I wasn't expecting you to jump up in-- quite this quickly. Thank you. Chairman Brandt and members of the, of the Natural Resources Committee, my name is Ken Winston, and I'm appearing on behalf of the Nebraska Sierra Club. And we're in support of LB1111 because, as Senator Cavanaugh indicated, we believe that there is a need for some basic guardrails for data centers. I guess I say "dah-ta," I don't know. Anyway. At the present time, there's almost no regulatory standards, and we believe that the state needs to develop standards because they use huge amounts of electricity and water and have the potential to have negative impacts on the price of electricity and natural gas, which would have impacts on-- negative impact on the lives of Nebraskans. So we support the provisions of LB1111. We support requiring annual reports to the Power Review Board that disclose the impacts of the data centers on the public. We support requiring the data centers to pay the full cost of receiving elect-- electric service, requiring that the cost of electric service not be borne by other retail customers. Provisions protecting the public if the data center goes out of business or changes business model, including decommissioning requirements. And requiring data centers to enter into community-ben-- benefit agreements and allowing public power districts to impose add-- additional conditions that would be in the public interest. And we support all those provisions. We also think that there should be additional provisions, particularly disclosure of the amount of water that the data center would use, the source of that water, and whether the necessary permits have been obtained from the NRD or DWEE. And then disclosure of the fuel type for generation resources, whether the amount of fuel that will be required, whether infrastructure improvements such as pipelines are needed, whether they obtain the necessary permit to obtain or transport such fuel, and whether their need for fuel will impact local energy consumers, including residential, commercial, and agricultural consumers and power districts. Disclosure of the amount of greenhouse gas emissions and other discharges into the environment. And associated generation facilities' disclosure of other impacts on the surrounding environment, including impacts on agricultural land, wildlife habitat, habitat and migration routes, and disclosure of any efforts to

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mitigate the environmental impacts of the data center, including investments in renewable energy and battery storage and efforts to reduce water usage. And we would ask the committee to advance the LB1111. Thank you.

BRANDT: Let's see if we have any questions. I don't see any. Thank you for your testimony.

KEN WINSTON: Thank, thank you, Senator.

BRANDT: Next proponent. Welcome.

JANE KLEEB: Hello, senators. Thank you, Chair Brandt and senators of the committee. It's good to be with you talking about something other than pipelines, which is usually the only reason why I'm in the building. My name is Jane Kleeb. I'm the founder and director of Bold. I live--

BRANDT: Could you spell your name for the record?

JANE KLEEB: Yes, J-a-n-e and then K-l-e-e-b. It's not "Klee-b," it's "Kleh-b."

BRANDT: OK.

JANE KLEEB: I live in Hastings, and today I stand in support of LB1111. Right from the beginning, I want to be clear that Bold is not advocating that data centers cannot be built or that there needs to be a moratorium. We are simply here to say that we need some guardrails on data centers. We also believe that eminent domain for private gain should not be used for data centers. That is a value that we have held for the past now 16 years on big projects that are facing our state. We believe that guardrails are necessary on an industry that is growing fast, using resources, has very little transparency, and is leaving very little money behind for those that live near these massive projects, let alone leaving little money behind for our counties and for our state. Especially at a time when we are facing massive, massive deficits, this could be an area where we could see economic growth. We can lead the nation in providing a clear path, which I believe LB1111 does, on basic steps that a data center can take, including community-benefit agreements and dividends, which is what the handout that you have that's glossy, that is-- that Bold has done with big infrastruc-- infrastructure projects, like the Tallgrass

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Pipeline in our state and a big Flickertail Wind project in North Dakota. Bold is deeply, deeply concerned about the electricity sales and rate data, which shows the skyrocketing demand for electricity by commercial customers, including data centers. Over the past three years, commercial electricity sales have increased by astonishing 34%, for the first time exceeding both residential and industrial sales. During the same period, electricity rates for commercial customers decreased by 5%. That's a 12% spread. Since 1990, when the federal government began collecting this data, there's never been that large of an increase in demand in any sector, and there's been that large of a divergent between those rates. Something big is happening, and we believe that something big is data centers. While the state's public utilities might have an explanation for jacking up residential rates while leaving commercial rates low, it seems likely that these remarkable changes are the results of data center construction and operation. Operating in Nebraska substantially reduces data center electricity bills because we are public power and our electricity rates are low, which is one of the reasons why data centers want to come to our state, and we welcome them. But we believe that if this current trends continue, the legacy of affordable public power could be squandered to serve the interests of data centers. They will demand construction of expensive new generation and transmission infrastructure, and seek to load the cost of these facilities on the backs of hard-working Nebraskans. The rest of my comments are in the testimony, and so I urge you to pass LB1111.

BRANDT: All right, let's see if we have some questions. I see none. Thank you.

JANE KLEEB: Great. Thank you, Senators.

BRANDT: Yeah. Next proponent. Welcome.

JOHN HANSEN: Mr. Chairman, good afternoon. For the record, my name is John Hansen, J-o-h-n, Hansen, H-a-n-s-e-n. I am the president of Nebraska Farmers Union, also our lobbyist. We are the second-oldest, second-largest general farm organization in the state, representing 4,000 farm and ranch families across the state. We're also one of the folks that spent a lot of our organization's history organizing co-ops and public power. And so we look at what goes on public power very carefully as we do in cooperatives. And so as a former public official myself, but also following our Farmers Union policy, there's no

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question that in our recent convention, the issue of data centers and these new big kids on the block has gotten our attention. And they do want some guardrails and they do want to know what's going on. And so I would associate my comments with the last two testifiers, and also say that the old saws I think still apply, and that is that you can't manage what you can measure. And so if there's a doubt to be had about what it is that gets reported, in the case of public power, we're not only just users of public power, we are the owners of the public power system. And so our organization always historically errs on the side of transparency and keeping the owners apprised and involved in thinking like owners of the system. And when, as we know in co-op world, when the customers of the co-ops start thinking of themselves as just customers instead of customers and owners, that co-op is likely headed for trouble. And so we want to make sure that the owners of our public power system have every opportunity to know what this new big demand for power is all about, and what's the, the particulars of it. The ramifications of it are substantial. And so having done what I'm doing for a long time, that what we're looking at right now in additional new load growth is absolutely unprecedented. And so that's what our public power partners tell us and that's what it looks like to us, so we would encourage you to look favorably on LB1111. And with that, I'd end my comments and answer any questions if I could.

BRANDT: All right, questions? I see none. Thank you.

JOHN HANSEN: Thank you, and I also started up here first, I--

BRANDT: OK, yeah, it just takes a while.

JOHN HANSEN: Thank you.

BRANDT: Any more proponents?

_____: I'm not a proponent, I'm going to use the phone.

BRANDT: Oh, OK. Are there any more proponents? Seeing none, opponents on LB1111? Any opponents? Seeing none, anyone in the neutral capacity?

MARYLEE MOULTON: Good afternoon, Chairman Brandt and members of the Natural Resources Committee. My name is MaryLee Moulton, M-a-r-y-L-e-e M-o-u-l-t-o-n. The League of Women Voters has been advocating on energy-related issues since the 1970s. In an age of artificial intelligence and cryptocurrency, electricity generation policy is no

longer just about cost or climate. It's about reliability, fairness, and whether public power systems can absorb massive new loads without shifting risk onto ordinary ratepayers. Eleven bills were introduced during the 109th session of the Legislature tackling various energy-related issues, including LB1111. We provided a list of these bills in the letter that you've received. We applaud the attention LB1111 brings to this very important issue. The reason we're testifying in a neutral capacity is because we'd like to advocate for a study of these issues so the Legislature can take an informed, comprehensive approach to this important subject. We believe the Legislature should be looking at the following issues: the scale and shape of electricity demand, the trade-off between differing generation options when dispatchability or power on demand is a major issue, the future importance of battery storage, the mismatch between the speed of AI development in relation to power plant construction, the need for grid reliability, regulatory requirements required by the Southwest Power Pool and the federal Regulatory Energy Commission, cost-allocation fairness, on-site generation and microgrids and their regulation, and environmental and water impacts. This is a unique situation where a leap in technology has outrun regulation. We believe the best way to address this challenge is to institute a concentrated and expedited study that will hopefully lead to a comprehensive plan that can be presented in the next session. Thanks for your time and attention.

BRANDT: You bet. Thank you. Let's see if there's any questions.
Senator Hughes.

HUGHES: Thank you. Thank you, Chairman Brandt. Thanks for coming in, Ms. Moulton. I guess I don't want to necessarily ask you a question, but I think you bring up just a, a really smart way to address this. And you're not wrong, all these issues to try to study. Here's the, the problem with this, it's, it's changing every month. You hear, you know, we need so much generation for AI and then some things I'm reading that some of the proposed amounts that AI need are coming back, that it might not be that much. And we're in such a weird time of needing more energy, we think, but nobody can really say how much. Who's gonna pay for it, how we don't-- our, our transmission grid is not ready for this kind-- I mean, so many things. So yeah, this is an energy policy is an interesting world ahead in the next few years and, and you're not wrong. It's just I feel like you could do a study in August, and by November you might need a new study because everything

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has changed again. That's kind of where we're living right now. So thank you. Thank you for bringing that up.

MARYLEE MOULTON: Well, sure, it's moving very rapidly--

HUGHES: Yeah.

MARYLEE MOULTON: --but to do nothing is going to be catastrophic.

HUGHES: Right. Right.

MARYLEE MOULTON: So I think that's why you need to have this study so that you can look at what it is you actually can do within those constraints. And you have some really good people on here who have great background.

HUGHES: Yes.

MARYLEE MOULTON: And I think really key is taking some time to find a way to move forward in the most expedient way you can, living in the reality in which we're living.

HUGHES: Thank you, so.

BRANDT: Any other questions? I see none.

MARYLEE MOULTON: OK.

BRANDT: Thank you for your testimony.

MARYLEE MOULTON: Thanks very much.

BRANDT: Anyone else to testify in the neutral capacity? Welcome.

TIM TEXEL: Chairman Brandt, members of the committee, my name is Tim Texel, T-i-m, last name's T-e-x-e-l. I'm the executive director and general counsel for the Nebraska Power Review Board. As you know, the board is the state agency with primary jurisdiction over electric suppliers in the state of Nebraska. The board is responsible for approving generation and transmission facilities in the state. And in this bill, one of the parts of that bill would be to have the representative organization that prepares certain reports for us submit an annual data center load report to the board. That representative organization is currently the Nebraska Power

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Association, has been for many, many years. The board's neutral on whether the report is required, but we do have some technical comments on the bill. On page 3, line 1, it says the report shall compile information on, quote, proposed and existing data centers, close quote. So the term "proposed" is very broad and vague, and we're concerned because we've, like in our annual load and capability report, when we've had plans studied in committed types of facilities, if you ask ten utilities, you might get eight answers to what that means exactly. I think this term is the same type of thing. What's proposed? Is it a contract? Is it they've put money down? It's a pretty broad range, so it would help us out so that we could tell the NPA what they have to put in the report and address if that, that term is defined more than it is in here. That, that "proposed" data center is also used on page 6, line 15. It's not the PRB statute anymore, but it is in that part of the bill. On page 5, lines 5 through 8, it allows proposals for large data centers to meet all or part of their load demand through an agreement with a private electric supplier or self-generation. Self-generation, the board is very familiar with. It's allowed under Nebraska law. I think it's a, I would say, a fairly common practice. We know that term. But allowing a third-party private entities to apply a data center with a retail electric service would directly conflict with the service area protections the board enforces under Nebraska Revised Statute, Sect-- Section 70-1011. So that creates a direct conflict in the bill with current law, and that would need to be addressed. Lastly, on page 5, line 21, it says the public power supplier involved create terms that require a large data center to enter into a community-benefit agreement. It doesn't clarify who the agreement would be with, and we-- the board thinks it would be helpful to say is that with a city, a municipality, private group, it doesn't really say who the agreement has to be with. So just a little more clarity would probably be helpful in that part of the bill. And my, my time is about up, and I'm done, so I'd be, I'd like to answer any questions.

BRANDT: Let's see if there's any questions. Senator Raybould.

RAYBOULD: Thank you, Mr. Trexel [SIC], for being here on a lot of the issues that we've been hearing. We've heard the issue of water brought up a lot. And does the Power Review Board actually take that into consideration, the water consumption when you do your review? Is that something that you also investigate?

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TIM TEXEL: Not specifically, the utilities will sometimes, at our hearings on generation anyway, when they're bringing it up, will talk about why they placed it at a certain location, and water usage would certainly come up. Certain, certain like a coal facility, a nuclear facility, they need water for cooling, the gas too, obviously the renewables tend not to. But they will say we put it here because here's the water usage we need, and this has a supply of it next to the river, what have you. So it's not directly something we look at as part of our criteria, but it's something that comes into the total package of why they cited it where they do.

RAYBOULD: OK, thank you.

BRANDT: Senator Juarez.

JUAREZ: Thank you, Senator Brandt. I just had a quick question. I wanted to know if the Power Review Board, have you guys been discussing your own ideas on guardrails for these data centers?

TIM TEXEL: We haven't really discussed guardrails. We kind of leave that up to the legislatures because we normally don't set policy. We're happy to help, but we normally don't set it, and we wait for the legislation that we implement. If, if you'd like us to be in meetings on, on what to do with this, we'd be happy to participate. But we only have our parameters of what we're allowed to do under state law, and we don't really have any authority to step in on setting those types of guardrails. But we're always happy to help any senator on bills or anything else if you'd like.

JUAREZ: Well, you know, I mean, in my opinion, I think it's important to hear from you guys and have your opinion, you know, about an important issue like this. Because believe me, I've gotten plenty of emails of citizens in our state who are very concerned about these data centers. So I would prefer that you guys not sit back.

TIM TEXEL: OK.

JUAREZ: But that's just my opinion.

TIM TEXEL: Well, we do have internal discussions about the data centers and the usage. We don't have technical experts on staff, I'm an attorney, but I'm not an engineer. I do have two engineers on my board. So when we need something that's more technical, we nor--

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normally have to turn to the Nebraska Power Association or a utility to speak with them about technical aspects of the industry, because that's-- we're kind of there more to review it and be a referee between utilities and things like that. So we don't have an engineer on staff per se to help us with some of that. But certainly I'll bring that up with the board that you'd like them to be more proactive on some of this.

JUAREZ: Thank you.

BRANDT: Senator Moser.

MOSER: You're kind of a frequent flyer here, and so I was wondering if in this bill you see things that haven't been mentioned in some of the other bills. I know you've been watching a lot of the bills regarding the explosion of power usage and, and outside forces coming in and using our natural resources. So do you see things in this bill that we should note, that even if this bill doesn't move forward itself? Or are there other things in the bill that should? Or how, how do you--

TIM TEXEL: I don't know that I'd pick out any individual parts of the bill. I mean, certainly it's more monitoring, I think like Senator Cavanaugh mentioned, it's more for gathering information and deciding than necessarily stepping in and--

MOSER: Not regulating, but--

TIM TEXEL: --fixing itself. Right, it's not really an enforcement bill. It's a information-gathering bill, somewhat like the other testifier said an LR would do, a legislative resolution. When you gather the information then, you decide what exactly to do with that information. So my impression of this bill is it's more along those lines. It does have some of the provisions like the community agreements to protect the community that I brought up, and who would that agreement be with. It does has some guardrails that are built in. I think the second part of the bill deals more with the utilities, making sure in their interconnection agreement certain things happen. The first half of the bills that my board's more-- that deals with more is just a report that's information-gathering. And we can certainly do that if the Legislature believes it's helpful. We're used to doing that, and we work with the NPA to gather that information. So does that answer-- hope it's responsive to your question.

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MOSER: Yeah. Yeah, thank you.

BRANDT: OK, any other questions? Senator DeKay.

DeKAY: Thank you. So when it comes to the permitting process, do you guy-- does-- do you have any input on the permitting process where these data centers would be placed, or would that basically be up to county commissioners or city councils and then you work with them off of that?

TIM TEXEL: We don't actually cite in the way that a regulatory body normally, when you say they handle citing. Supreme Court of Nebraska is very clear, we don't do that. And we don't do it in the sense that other states, when they say that. We do have to approve a facility, like a generating facility. And certainly with generation or transmission, where it's placed can affect our criteria. Does it duplicate existing facilities? Obviously, that matters where it's at, and where the public convenience necessity might matter, too. So there's certain things that come into play, but we don't actually tell them you have to put it here or you can't put it there. We could find that where you're putting it duplicates, so you can't. They have to, the applicant, has to then come back to us later and try again and say we've moved it, we addressed the previous problem you brought up. But unlike some regulatory bodies, we can't tell them where they need to put it. We have had where Game and Parks told NPPD, Nebraska Public Power District, in one instance, they had to move a line because of whooping crane concerns, and we had some people that were upset about that. And essentially my board said, well, Game and Parks told them they had too. They didn't want to, and they're doing that to accommodate them, so we approved it at the new location. So we take that into account, but it's technically not a siting authority.

DeKAY: So if, if an entity, a data center, comes in, applies, goes through the permitting process, and approved, at that point, in your opinion, is public power obligated to serve that load?

TIM TEXEL: Yes. And their-- any legal load that comes into a service territory, there's a universal service obligation. In fact, my board is the entity that makes sure that any customer gets service. Now, sometimes there may be a reason why they can't get it immediately. Currently, with-- there's issues with sufficient power. Many years past, there were irrigation loads, and some of the utilities in the

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rural areas couldn't handle the immediate impact of everybody switching at the same time from whatever they were using to electric service. So they had to delay some of the implementation of it and tell some farmers that, you know, it's first come, first serve and the infrastructure had to be built out. They can't do it. But yes, the answer is they have to serve every customer that comes to them. They may not be able to serve them immediately, but they have a good reason, if they don't, why they're not doing it, and what their plan is to get it done. Does that answer your question?

DeKAY: And then if there was a need for additional generation, that's where you come in and approve?

TIM TEXEL: We would approve the new generation, we do, for whatever reason it's put in, yes, we would approve it. I mean, generally that's for load growth with the utility, but we would approve it. If it was for a renewable portfolio standard, we'd approve it for that purpose too. Whatever the reason is behind it, you know. Might make it easier to approve something if it's required like a portfolio standard. Certainly if a new customer comes in and they have to put in more generation for that customer because it's so large, it makes it an easier call on the public community's necessity because they need to handle that additional load.

DeKAY: OK. Appreciate your time.

BRANDT: OK, I see no other questions. Thank you for your testimony.

TIM TEXEL: Thank you.

BRANDT: Anyone else to testify in the neutral capacity? Senator Cavanaugh, you're welcome to close.

M. CAVANAUGH: Thank you, Chair Brandt. And to our testifiers who came out today, thank you. So just to touch on some points here, I think the last testifier's comments about some definitions certainly can be worked on. And then the part about private power probably needs to be taken out. I'm actually, you know, things get in drafting-- looks like a drafting error on my part. Not the drafters, they're wonderful. I would never say that they didn't do their job. But and then so there were two different things I think that he mentioned that were a little too vague, and I'm happy to follow up and work on definitions. I'm also happy to fall off the Senator Clouse to talk about the megawatts

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and the size. As far as the comment about a study, I think that that's certainly something that could be looked at, having a study, even an interim study. But as I am, and you are, wrapping up our time-- and you, wrapping up our time with this fine body of the Legislature, I don't think that I will be inter-- bringing forward an interim study. However, if the committee wants to take a deeper look at this, I'm happy to have those with all of you moving forward. So with that, I will take any questions you might still--

BRANDT: Let's see what we've got. Senator Clouse.

CLOUSE: Thank you, Senator Brandt. OK, Senator, I've come across a few more things.

M. CAVANAUGH: OK. I've got my pen ready.

CLOUSE: And, and again, I'd be willing to work with you on this. Did the power districts look at this? Did they have a chance to review this? I'm primarily interested on page 6. And last year we had the bill with Senator Jacobson on crypto where it said each power supplier should make available to the public the number of cryptocurrency mining operations and the annual energy usage. OK, some of this has been stricken. Now, we've got a lot of customer information that is generally confidential information. And so I think we need to take a look at, and because it says it would public-- made public on the supplier's website. So you would be taking each customer and putting infor-- confidential information on there. So I'm not-- I don't know, that probably needs to be taken a look at, if they haven't. And then you go on further down to line 23 or 24, where it talks about the transmission and distribution facilities. Those-- that's highly confidential. I mean, you can drive around and tell where it's coming from, but the district, I mean, you just don't publish that stuff. That's a, that's a threat to the system. So I think we need to take a look at that--

M. CAVANAUGH: Yeah.

CLOUSE: --if they haven't looked at it. If they've looked at it already and are OK with it, I'm like, OK, but I don't think they will be.

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M. CAVANAUGH: I have not gotten that feedback from them that it needs to be changed, but that doesn't mean that it, it's not worth having further--

CLOUSE: Yeah, both of these are kind of big deals from the power districts--

M. CAVANAUGH: Yeah, I will make sure--

CLOUSE: --and customers.

M. CAVANAUGH: --that we have further conversations, and then we will bring forward an amendment, perhaps, to see if there's something in here workable for the committee.

CLOUSE: OK. And I'll work with you on that, too.

M. CAVANAUGH: Thank you. I appreciate it.

BRANDT: Other questions? I'd like to compliment you on this packet. How did you-- where did you get all the information?

M. CAVANAUGH: Really good staff. Margaret Buck--

BRANDT: Yes.

M. CAVANAUGH: --who has been in this legislature longer than all of us elected officials, probably not longer than your wonderful staff at the table here-- or maybe around the same. You have. But I believe Research, Legislative Research Office helped with that.

BRANDT: OK.

M. CAVANAUGH: A great resource if you don't already know, use the Legislative Research Office.

BRANDT: Senator Moser.

MOSER: How come it took you seven years to get here?

M. CAVANAUGH: I don't know. I brought a bill once in front of Natural Resources. I did, and Senator Bostelman was here, and he didn't like it.

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MOSER: Thank you. Welcome, anyway.

BRANDT: OK, I don't see any other questions. And online we had 99 proponents, 2 opponents, no one in the neutral, and no ADA testimony.

M. CAVANAUGH: OK.

BRANDT: And that will close our hearing on LB1111.

M. CAVANAUGH: I'll take a look at those opponent testify-- monies, because they might have some of that information.

BRANDT: OK.

M. CAVANAUGH: Thank you very much.

BRANDT: So if you were just here for LB1111, maybe you can make room for somebody on one of the following bills. So now we are going to go to LB1064. We'll give them a minute to clear out.

BOSTAR: Mr. Chairman, you have a very interesting hearing room.

BRANDT: You have no idea. OK. Senator Bostar, you are welcome to open on LB1064.

BOSTAR: Thank you, and good afternoon, Chairman Brandt and members of the Natural Resources Committee. For the record, my name is Eliot Bostar, that's E-l-i-o-t B-o-s-t-a-r, representing Legislative District 29. I'm here today to introduce LB1064, legislation to establish guardrails to protect affordability and reliability for Nebraska's energy ratepayers from the impacts of large-load customers such as data centers. Reliable, affordable energy supply is critical to power our communities, support economic growth, and ensure the safety and well-being of our families. The energy industry is going through a period of intense transformation. The energy needs of growing industries like artificial intelligence are straining our electric grid while at the same time repairs and modernization upgrades are needed on our aging infrastructure. Here in Nebraska, many residential customers and small businesses are already experiencing the financial impacts of the significant investments public power has had to make to build new electrical generation to supply large-load customers that have chosen to locate in Nebraska. Nebraska Public Power District is planning to build over 1,400

megawatts in new natural gas facilities, an investment projected to cost more than \$2.5 billion. In recent years, Omaha Public Power District has built 600 megawatts of new natural gas with an additional 900 megawatts in the pipeline. According to the Nebraska Public Media, OPPD declined to say how much it's spending specifically on new gas turbines, but in 2023, it announced plans to spend more than \$2 billion to increase its generation capacity through 2030. OPPD has approved residential rate hikes of 8.4% and 6% for the last two years and has publicly stated they could be looking at an increase of 5-9% each year until end of the decade. These rate increases are required to fund new generation, which has been driven by the significant load growth already experienced and that is currently projected in OPPD service territory, primarily from the development of large data centers. In fact, a recent analysis by Goldman Sachs found that the Omaha area makes up 2% of the world's power supply dedicated to data centers, the same amount as Chicago, Phoenix and London, even though it's a fraction of the size of those cities. Nebraska is not alone in the challenges that large-load customers are presenting to our electric-- electricity supply. Across the nation, power providers and the entities that regulate them are experiencing these challenges and working to put guardrails in place to protect affordability for everyday people. This is what LB1064 is about. Not closing the door to economic growth, but ensuring that it happens without sacrificing affordability and reliability for Nebraskans. LB1064 is modeled off legislation passed last year in Texas, which established new requirements to better allocate costs to data centers and ramp down their power use if ordered by the state. While LB1064 is modeled off of legislation passed in Texas, important modifications were made in consultation with public power to better fit Nebraska's 100% public power structure. This legislation requires public power suppliers to establish standards for interconnecting large-load customers in a manner designed to support business development in the state while maintaining system reliability, reducing the potential for stranded infrastructure costs and minimizing rate impacts to Nebraskans. This bill does not overly prescribe what the standards should be. It establishes baseline requirements and outlines what the standards should address, but in keeping with Nebraska's long-held commitment to local control, it gives public power the authority to determine the specific standards that will best fit their service territory. Interconnection shopping, where developers apply in multiple places for projects that may not materialize, has also been addressed. This

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practice has negative-- has a negative impact on our public power providers because it makes it more difficult for them to develop accurate load forecasts, which undergirds much of their decision making around investments and generation. This legislation addresses the issue by requiring large-load developers to pay an upfront study fee of \$100,000 and to provide public power with more transparency about whether their project will materialize. LB1064 also sets rules for data centers that bring their own power generation. Legislation requires disclosure of the customer's backup generation, and requires public power suppliers to establish standards for demand response and load flexibility for large-load customers. This bill also contains a provision which allows public power supplies to order large-load customers to curtail their load or switch to backup generation during a great emergency. These provisions are designed to address concerns with reliability that these large power users bring, and ensures that their power needs do not supersede the needs of Nebraskans. LB1064 works to improve energy affordability for Nebraskans by allowing public power to establish rates, charges and operating standards without the constraints established in Nebraska Statute 70-655, the requirements for non-discriminatory rates and equal distribution of costs across all ratepayers. With this provision, LB1064 responds to an issue that public power has identified as a reason why residential customers end up footing the bill for large investments that were driven by large-load customers. LB1064 is about affordability, reliability, and economic development. Many of its provisions are modeled off legislation passed in Texas last year, which was one of the first states to pass guardrails in response to growth in large-load consumers. Additionally, I want to note that you'll be receiving amendment language from me as we're working on just some clarifying language with some of the public power providers in the state. And again, we'll have that to you shortly. And with that, I would urge your support of LB859 [SIC]. I thank you for your time and attention. Be happy to answer any initial questions.

BRANDT: LB what?

HUGHES: LB1064.

BOSTAR: Oh, LB1064, sorry.

BRANDT: Let's see if there's any questions. Senator Clouse.

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CLOUSE: Thank you, Senator Brandt. Senator Bostar, you're a really sharp guy, but where did you get all this information?

BOSTAR: Which information?

CLOUSE: All of this. It is pretty detailed as far as interconnections and things with utilities I thought were already doing.

BOSTAR: Well, as much as I would just like to say that, as you pointed out, I'm a sharp guy and that's where it all came from, as I mentioned, actually a lot of this was done in Texas. And so this is simply looking at what Texas has passed into law and trying, and, and for the most part, that's what you're seeing here. Again, there's some tweaks because our systems just look a little different. And I will say that since Texas adopted these provisions, some of the largest data center projects in the nation have been announced for development in Texas. The reason I point that out is to say that this won't hinder development. This is simply putting in guardrails to protect Nebraskans, protect ratepayers.

CLOUSE: So, so when you say you've got amendments coming, meeting with our utilities, you're going to clarify some of this stuff they may already be doing?

BOSTAR: Yes, yes.

CLOUSE: And then the non-discriminatory pricing, that's a big deal. We're willing to work on that to clarify that, because really that's what that does. And we had another bill sitting in committee--

BOSTAR: Yep.

CLOUSE: --addressing discriminatory pricing for our [INAUDIBLE].

BOSTAR: Absolutely happy to work with the committee on all of it, any of it. Whatever you'd like.

CLOUSE: Thank you.

BRANDT: Other questions? Senator Moser.

MOSER: An idea that occurred to me a while-- and maybe it's already been tried or anticipated in the development. When these data centers or large-load customers come calling, maybe we should have a-- require

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them to have a purchase agreement with somebody to provide the power that they want to use, so that we don't get, you know, extended with a lot of new infrastructure that might not long-term succeed.

BOSTAR: I see. Yeah, I mean as far as changing sort of when some of those things happen, look, I think anything that helps sort of nail down what is real development and what is sort of phantom development would be an enormous asset to the state, because it's, it's really difficult when, you know, you have development taking multiple queue positions, you've got applications for interconnection all over the place. And they're just, you know, there could be five sites in Nebraska looking at, as well as another 25 sites around the country, and who knows where something's going to end up. And at the same time, our utilities are planning and investing to try to meet projected needs that, in some cases, will never come.

MOSER: So are there redeeming social values for having load centers in Nebraska? I mean, is there-- or data centers or crypto mining or, I mean, other than using electricity, they don't hire a lot of people, right?

BOSTAR: I mean, I think for the, for the amount of capital investment that these types of facilities cost, it, it, it's a pretty reduced ratio of direct employment, certainly. Certainly a lot of construction jobs that come with them. You know, and, and, and how, how, they should be treated, how they be incentivized, all of those kind of things are sort of policy questions that I, I think we should contemplate outside of this. This is simply about--

MOSER: This isn't about value judgments.

BOSTAR: It's not. It's about how do we just-- how do we protect our ratepayers in, in a manner that can kind of work for everybody.

MOSER: OK, thank you.

BRANDT: Senator Raybould.

RAYBOULD: Thank you, Senator Bostar, for being here. I know we've heard a lot of talk about water in the, the previous hearing. I don't know if you had a chance to catch that as well. We know that data centers use a tremendous amount of water. Even one of your proponents was talking about water. She said, I would like to see water usage

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added to the report requirements in-- and I know you're focused pretty much exclusively on generation and what it would impact on ratepayers. But, you know, water is pretty essential too, and we're, we're seeing that around the country as well. Is that something you'd be open to including in this bill?

BOSTAR: Well, I certainly agree that--

RAYBOULD: Requesting like a closed-loop system, making sure they have water reclamation.

BOSTAR: I'm, I'm not opposed to anything, right? I think I'm happy to work with the committee on, on whatever they find value in, and whatever you and the other members of the committee find value in. And I agree with you, water's extremely important. And, you know, we know that the technology exists to, to use a minimal amount of water, right, with, as you mentioned, closed-loop systems. And I, I think we should be encouraging developers to opt for those systems, because the significant variance in natural resources consumed is, is, is, I think, worth it.

RAYBOULD: OK, thanks.

BRANDT: Any other questions? Senator Juarez.

JUAREZ: I just have a really quick question. I couldn't write fast enough. You cited a statute I wanted you to repeat, please. It was 70-, was it 655?

BOSTAR: Yeah, 655.

JUAREZ: OK, thank you.

BRANDT: Seeing no other questions, will you be around to close?

BOSTAR: I will.

BRANDT: OK. We will go to our first proponent. Welcome.

MATT ANDERSEN: Thank you. Good afternoon, Chair Brandt and members of the Natural Resources Committee. My name is Matt Andersen, that's M-a-t-t A-n-d-e-r-s-e-n, here representing Lincoln Electric System, and we appreciate the opportunity to testify in support of LB1064 with a few practical refinements. As Senator Bostar, mentioned LES is a

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municipal electric utility serving the city of Lincoln and surrounding areas. Nationwide, electric utilities are experiencing an increase in new very large electric loads, projects that are no longer just 5 or 10 megawatts, but 50, 100, or several hundreds of megawatts. These projects offer meaningful opportunities for economic growth, and they also introduce significant financial and reliability risks if they are not planned, priced, and operated correctly. LB1064 reinforces much of our existing authority to address operating and financial risks, particularly enhancing authority to negotiate specific rates and operating standards for these uniquely-large loads where traditional rate classes may not sufficiently and fairly allocate cost to these large-load customers to avoid shifting cost or market risk to other customer owners. It sets consistent expectations for disclosures and study processes, reducing speculation and improving planning transparency for all parties. LES supports the bill's clarification that large loads should not be subsidized by other customers. LB1064 makes clear that study costs should be paid by the requesting customer, that infrastructure investments driven by a specific project should not be stranded on existing ratepayers, and that meaningful financial commitments are appropriate when large projects drive new transmission and generation needs. These provisions align with LES's long-standing commitment to cost-based rates and to protecting customer owners from cross-subsidization. Finally, the bill respects local control, a foundational principle of the public power model. LB1064 allows utilities to establish their own standards, preserves the ability to impose additional local requirements and affirms negotiated utility-specific rates rather than imposing statewide one-size-fits-all mandates. In our view, the bill sets reasonable statewide guardrails for extraordinary loads while preserving local authority over how those guardrails are applied. For these reasons, LES supports LB1064. We appreciate the committee's consideration of our comments, and LES stands ready to work with Senator Bostar, the committee, and stakeholders to ensure the bill continues to protect customer owners, preserve Nebraska's strong reliability record, and support reasonable, responsible economic development. Thank you for your time, and I'd be happy to answer any questions.

BRANDT: All right. Senator Hughes.

HUGHES: Thank you, Chairman Brandt. Thanks for coming in, Mr. Andersen. Yeah, in this bill, it says a study fee of at least \$100,000

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to be paid for that, you know, to look at that interconnection with public power. Correct me if I'm wrong, but couldn't LES, if, if a big company comes in and wants a study, do you not charge them for that study? Or, I mean, you can now, right?

MATT ANDERSEN: Yeah, thank you for the clarification. Yeah, when a new large load comes in, SPP requires a study to be done, they do charge. And so we, we require that when a large customer comes in currently.

HUGHES: So I guess, why is that necessary in statute? I mean, I would assume if you do that, you're going to charge what it costs. I don't want to pay for that on my rates.

MATT ANDERSEN: Right.

HUGHES: So I would have assumed whatever that cost is, LES is going to require.

MATT ANDERSEN: Sure, yeah. And good question. Thank you for asking. So again, SPP requires a study to be done in a large load comes into our system. Somebody's got to pay for that. And so when, when that customer is coming in, you know, normally a contract is negotiated, and so this just puts the statutory saying, hey, yeah, this is going to be--

HUGHES: It cements it, yeah.

MATT ANDERSEN: Yeah, it's already happening. And this is part of the process. But I think that's what that's getting at.

HUGHES: OK, thank you.

MATT ANDERSEN: Yeah.

BRANDT: Other questions? I see none. Thank you for your testimony.

MATT ANDERSEN: Thank you.

BRANDT: Next proponent. Is there another proponent on LB1064? Seeing none, opponent. Are there any opponents on LB1064? Seeing none, neutral.

JOHN McNALLY: Good afternoon, Senator Brandt, members of the Natural Resources Committee. My name is John McNally, J-o-h-n M-c-N-a-l-l-y,

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I'm a government relations manager for NPPD, also a registered lobbyist here in a neutral capacity on LB1064. There was a lot of points brought up by the previous testifier which we think are, are valid points. I do want mention that I'm here in a neutral capacity because we are still working on some language with Senator Bostar's office. The language is highly technical in nature, so it's, it's not something that, that we feel would necessarily hold up the bill. We do expect to get that to his office very shortly, and then we'd be happy to work with the, the committee. Also this type of bill is helpful, and so there-- we believe that with the proper changes there should be a path forward this year. I do want to speak specifically to sort of the theory behind large loads. In the 70s, there was large-load issues very similar to today other than the size, and that was irrigation. And so there was a lot of conversation about how do you handle this new type of, of load coming in as folks shifted away from gas power to electric irrigation. Then in the 2000s, we had a similar situation with ethanol. And so in response to that, we built generation down in Beatrice. And so today, it's similar situation, but the sizes of these loads coming in are, are rather big. And so as we have guidelines offered in sort of uncharted waters, we think that it is helpful. Again, there's some technical pieces in that bill which our, our engineers really think that we should try to get as close to right as we can, even though there's a lot of uncertainties. But we are building more generation down at Hallam. I did want to mention specifically, we have added 265 megawatts of new load since 2023. So we are still adding load onto the system and we expect another 303 megawatts through 2029. So we are still adding things on as long as it fits within our load capacity. I just want to make that clear. But we do need to address sort of how we're handling these new loads. We do have a process at NPPD. This would fit rather nicely within LB1064.

BRANDT: All right, let's see if we have questions. Senator Raybould.

RAYBOULD: Thank you, Mr. McNally, and for your work on, on a lot of these electrical issues. Now, you can tell me if I'm out of our lane, but I know some of the concerns that have been raised with the data centers, not only making sure that the burden is on-- isn't on ratepayers, and residential ratepayers especially, but, you know, I'm going to start talking about water again. So when you look and work with the data centers, are you hearing the same concerns about water? And is that in your purview as like NPPD or any of the other power

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utilities, public power utilities, to be mindful of that and request guardrails on that element as well?

JOHN McNALLY: I think as Nebraskans, we're all mindful of our natural resources. Specific to electricity, we don't get into that sort of lane. We're more concer-- concerned about rates, reliability, making sure that we have the right equipment in the right spot on our grid. So I would defer that, that question to somebody that maybe has more of a role in, in the water issue.

RAYBOULD: So just to keep following up on it, not to belabor it--

JOHN McNALLY: Yeah.

RAYBOULD: --but who should be a partner that is brought in on this discussion? Is it more like the local government's responsibility when they give a construction permit to make sure that they have adequate resources and that they don't impact, you know, a lot of the irrigation that maybe further upstream--

JOHN McNALLY: Yeah, absolutely.

RAYBOULD: --that river, which would be a primary water source for you, so?

JOHN McNALLY: Yeah. I believe the water in Nebraska is a jurisdictional issue, so perhaps we look at the jurisdictions that monitor or, or have permits for that water, perhaps.

RAYBOULD: All right, thank you.

BRANDT: Any other questions? Thank you for your testimony.

JOHN McNALLY: OK, thank you very much.

BRANDT: Anyone else in the neutral capacity? Senator Bostar, you're welcome to close.

BOSTAR: Thank you, Chairman Brandt. To those of you who were hoping for a lot of testifiers, I am sorry for disappointing you. I-- we're going to get, like I, like I said before, and as the other testifiers said, we're going to have final language to the committee that really does a lot of these technical tweaks to make sure that what we're talking about is done right. The objective here is to provide the

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committee with legislation that everyone can live with that will offer a level of protection for Nebraskans and do some good. And when we get that to you, I just hope that the committee can help us try to find a way to, to, to make that happen. And with that, I'm happy to answer any final questions.

BRANDT: OK, I see none. That will close our hearing on LB1064.

BOSTAR: Thank you.

BRANDT: Before he leaves, online we had 6 proponents, 1 opponent, no neutral, and no ADA testimony. Is anybody here for LB1204? Senator Clouse.

CLOUSE: OK. Are you ready?

BRANDT: Yep, welcome to start.

CLOUSE: Thank you. Good afternoon, colleagues. My name is Stan Clouse, S-t-a-n C-l-o-u-s-e. I represent District 37. I'm here to introduce LB1204, which intends to establish uniform standards for renewable energy sources and increase nameplate capacity tax revenue where the facilities are located. So before I explain the bill, I would like those in attendance to know that we've been working with county officials and other stakeholders. And this is a big bill, and to get the amendments through, there's a lot in here. And so we-- I don't have an amendment prepared for you simply because with all the activity going on, all the numbers of bills we had, this is going to take a lot of work. So this is really a work in progress, and that's, that's where we're at. So there was a lot things in the bill that need corrected. I acknowledge that from the very beginning, and so the testimony today will certainly help point out some of the things. Hopefully, the things that are being pointed out are things that we already knew and things that we're planning to address. But these discussions that we are going to have today as I read through this test-- testimony or testifying really discuss on maintaining the bill's core framework. And the bill is called the Nameplate Capacity Tax Facility Standards Act and it deals with updated tax rates, dramatically-increased county revenue, statewide standards and ensuring proper-- appropriate flexibility through tailored exemptions and local control. And when I mentioned local control, that was an area that wasn't clearly defined in this bill, and it's very important

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to me. Local control has always been an important item for me, and it was not expressed well enough in the bill in its present form. And so this act, as I said, it's stated the Nameplate Capacity Tax Facility Standards Act, it is-- when it's amended and we get it cleaned up, counties will always have the ability to choose whether they want to participate in this act or not. This act is just simply intended as an incentive, not a mandate. And I want to-- I'll emphasize that again. The purpose of this is to incentivize those counties that are interested in participating. It's certainly not a mandate. Property tax relief is a pressing concern across rural Nebraska. Property taxes on agricultural land have been significantly higher than on the national average for decades. And over the last 10 years, property taxes at the county level have increased by more than 50% cumulatively. Recent proposed tax-- state tax cuts, including inheritance tax reductions, are projected to significantly impact rural counties, and so counties face a difficult choice: cut services, raise property tax rate, or expand the tax base. And this bill expands the tax base through private investment, and it does not require any state appropriations. The bill has three, three main sections. First, the bill updates on how we tax renewable energy. Currently, wind and solar facilities share a single nameplate capacity tax of \$3,518 per megawatt. This bill updates the nameplate capacity by creating separate rates for wind and solar, and adds battery storage. And while I mentioned battery storage, Senator Brandt, your bill, LB1010, that we discussed yesterday, that will be a key part in how this is amended as we work through what battery storage looks like and the rules and regulations behind battery storage. So it kind of ties in with that. When the Legislature established this rate in 2010, it was calculated to replace property taxes these facilities would otherwise pay. The bill maintains the current \$3,518 rate for wind, and adds solar and battery storage. The original policy purpose of replacing personal property tax hasn't changed, and maintaining the current rate provides stability and predictability. Importantly, this new rate structure applies only to new projects going forward. Existing facilities continue under the current, the current arrangements. Second, the bill reforms revenue distribution to properly, properly compensate counties for the responsibility they bear. Under current law, counties hosting renewable facilities receive only about 22% of the nameplate capacity tax revenue. This bill changes the formula for new projects to 90% to the county making a siting decision, 5% to community college, and 5% of school districts in the county. This

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ensures all local entities benefit while directing the primary revenue to the county bearing political responsibility for the decision. So I want to consider an example. Currently a county hosting a 400-megawatt facility currently receives approximately \$310,000 annually out of the \$1.4 million, or around 21%, as mentioned. Under this bill's formula, the county would now receive \$1.3 million annually. That's over \$1 million more in new revenue that doesn't come from taxing ag land or residential property. For county considering a new 200-megawatt project, the difference will be between receiving about \$155,000 annually versus \$665,00 annually. This compensation matters when county boards face difficult siting decisions. The bill reforms revenue distribution to properly compensate counties for the responsibility that they bear. County boards make the siting decision for these projects, so they hold the public hearings, review the applications. Face both support and opposition from local residents, and ultimately cast votes to determine whether projects proceed. These are not easy. They are difficult, politically-consequential decisions that affect county communities for decades. And just as a farmer's lease land for grazing cattle or growing corn, they should be able to lease it for generating renewable energy. The land remains productive. But when commodity prices drop, when drought hits, when input costs spike, lease payments continue. This provides economic stability and helps keep land in the family ownership for the next generation. But overly-restrictive county reg-- regulations undermine these property rights and impose hidden costs on entire communities. When counties adopt standards that are so broad they effectively prohibit development, they override their property rights of willing landowners who seek to benefit economically from their land. Prospective leasees are denied substantial annual lease payments, typically \$5,000, \$8,000 per megawatt that would otherwise-- otherwise flow directly into rural Nebraska families and agricultural operations. These last opportunities extend beyond lease payments. During a typical 2 to 10-year development period, landowners receive option payments ranging from \$1,000 to \$30,000 annually, while projects secure financing and permits. Overly-restrictive regulations deny landowners these development-phase payments as well. These restrictions also harm non-participating landowners throughout the county. When your renewable energy projects are blocked by unworkable standards, counties forgo millions in nameplate capacity tax revenue. That lost revenue forces all property owners, including those with no involvement in projects, to shoulder higher tax burdens to fund county

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services, schools, and community colleges. Beyond individual landowner income, this development creates broader economic opportunities. The Nebraska Chamber Foundation identified energy development as Nebraska's second-most important economic issue in 2024. Nebraska's bioeconomy is enhanced by renewable energy, allowing for value-added agriculture through low-emission bioplastics and biofuels to qualify for federal tax credits to meet buyer standards. Nebraska's ability to provide it determines, determines whether we compete for billions in private investment or lose it to Iowa, Kansas, or South Dakota. And third, the bill establishes statewide maximum permitting standards. This framework balances multiple interests through a straightforward approach. Counties making difficult siting decisions receive substantial revenue to justify that political responsibility. Participating landowners gain economic opportunity to use their property productively, and neighboring property owners receive consistent science-based protections through statewide standards. These are maximum standards, ceilings that counties cannot exceed. Counties can also adopt less-restrictive standards within those limits. The maximums cover setbacks from occupied structures, noise limits on sound engineering, data commissioning security to ensure developers pay removal costs, and clear approval timelines. Renewable energy development will happen in our region. The question is whether Nebraska captures the property tax benefits, the landowner income, the construction jobs, and the long-term economic opportunities, or whether these go elsewhere. 69 counties in Nebraska lost population between 1980 and 2020. Property taxes on ag land continue rising while the tax base shrinks. Rural Nebraska needs economic development tools. This bill provides them through private investment that expands the tax base, reduces property tax burdens, respects landowner rights, and positions Nebraska to compete for value-added agriculture facilities. And as I mentioned, we are in active discussions with county officials, agriculture organizations, renewable energy developers around refinements of this framework. The core elements that I've outlined, separate tax rates for each technology, dramatically increase county revenue from 22% to 90%, and statewide permitting standards with tailored exemptions will remain. We're working to identify appropriate opt-outs for specific circumstances, such as environmental protection through Game and Parks, while maintaining the regulatory predictability that makes Nebraska competitive for investment and respecting participating landowners' property rights. And again, this is meant as an incentive, not as a mandate. And as

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I've shared with many people, what this bill does is establishes that act in counties if they wish to participate, if they're on the bubble, and they would like to participate, then they opt into the act. And what the act does is sets the, the zoning, the criteria, the setbacks, noise, those types of things. If they don't want to participate, that's fine. It's not a mandate. It's to incentivize them to-- through their development of renewable energy. So again, it's meant as an incentive, not a mandate. I would never go to the point telling the counties what they have to do on these types of things. So with that, I'll answer any questions you may have.

BRANDT: Let's see if we have questions. Senator Hughes.

HUGHES: Thank you, Chairman Brandt. Thanks for bringing this bill, Senator Clouse. I appreciate you just right off the front saying this is an incent-- as written, didn't state that, but it's an incentive. We do hear a lot about property tax, and this is a way to generate more funds that are not on individuals for their property to pay for things. I'm just-- we had had this discussion before, you and I, and I'm just curious if that's kind of still where you're thinking. This bill, I didn't think, was maybe probably ready for prime time this year. I'm assuming-- you had mentioned just doing a lot more work in the interim on it and perhaps bringing--

CLOUSE: If, if--

HUGHES: --something new next year that would, that would engulf all the things you're--

CLOUSE: If that's what it takes.

HUGHES: Yeah.

CLOUSE: And we're getting-- still getting a lot of feedback. As Senator Bostar mentioned, you know, there's work to do on some of these bills when we come to committee and hear the testimony from those that get in front of us. I would anticipate the biggest issue that, that we will hear, that I've heard, has to deal with a local control. And as I said, that's very important to me but it wasn't specifically spelled out in the bill like I would like to see it. So that is one change--

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HUGHES: Right.

CLOUSE: --that than I can state that will be in there. Then we also talk about, you know, things environmentally. You know, in Buffalo County and Kearney County and, you know, we have the Central Flyway, so that's an important issue. So you just can't go putting wind and, and solar anywhere you want. There are other restrictions that keep that from happening, so that is addressed. And if not clarified well enough, it will be those types of environmental impacts. So those are some of the issues, and then we also talk about the FAA. And I had someone reached out to that, you know, about the impact next to the airports. And in Kearney, when we put that small solar array in Kearny, we had to meet with the FAA. We talked about, well, what's the reflection off the solar panels on, on air strips and things like that. So there are a lot of things that, that take place that we need to be cognizant of. Also, a lot these counties and individuals and property owners have spent a lot time in their counties with this over the years. And so if those counties are set that they're not interested, they've been through this, they're not interested, that's fine. They don't have to be. But if there are some counties that look for an incentive or look to maybe change where they're at, then that's what this should help them with.

HUGHES: And if I-- I have one more, if that's OK. In the previous bill, there was this tool kit thing handed out. But something that kind of struck out to me that was interesting, in the traditional model of like a renewable energy situation, those-- the land leases and stuff go to that actual landowner pretty much only. Then the property tax goes to the county/schools, whatever. In this American energy dividend model, again, I'm just like this is the first time I've seen this, but money goes to not just potentially the landowner but those that are in the view shed and anyone else in the community decides. So is this a part-- this might not be a part of your bill, or is it something--

CLOUSE: Yeah, I've never seen that until Ms. Clayton--

HUGHES: Yeah, it's just an interesting concept, because it's like, well, instead of just the landowner themselves getting that lease payment, maybe it can be, I don't know, things to think about. It's interesting.

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CLOUSE: It is interesting and, and it sounds like I'm a big proponent of renewables and, you know, being a long-time employee of the Nebraska Public Power District, I always joke that I'm a coal guy. Well, that's almost as bad anymore, but I, I think this is just an option, and that's why this bill was presented. The industry--

HUGHES: I think it's worth discussion.

CLOUSE: The industry brought it because they're willing to make some concessions, and they're willing to, to incentivize it to help develop renewables in the state. So--

HUGHES: OK, thank you.

CLOUSE: --that's the purpose behind it.

BRANDT: Senator Raybould.

RAYBOULD: Senator Clouse, I want to thank you, because I know some of us have attended LEHI Energy Institute both on the West Coast and East Coast to help legislators understand how can we deliver on this tremendous energy demand we're, we're seeing. And one of the things that was universal across all the states in the United States is how do we work with all local communities. And I appreciate your effort at trying to take a stab at coming up with some uniformity of standards being suggested to local authorities on this is what seems to be working in other counties and communities, how they were able to effectively balance the need for getting additional energy up and running quickly. And what we learned is renewables are the fastest and the cheapest to get up and running to help in the short term. But the long term, you know, looking at batteries, looking at small modular reactors, those have huge price tags on the small modular reactors. So I guess the comment is, thank you for taking this on. I think it is a project that really, we need more input from the local communities on are these guidelines a prototype that they can work with and work, work around with? And how does the communities come up with waivers to make it acceptable? And like, I like what you said before, it's an incentive. It incentivizes you. And I know that in our previous hearings, I don't know if it was this week or last week, it seems like a lot, we see what Lincoln Electric System is, is doing and, and the revenue it can bring to community that is, is most beneficial. So I'm trying to think what was my question after all this rambling. I don't

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quite remember. But it sounds like to me that you're committed to continuing to, to work with all the local authorities on how to get it right.

CLOUSE: Thank you. And that, that really, that really is true. And I feel badly that people are so concerned and shown up for the local control-- loss of local control because that was never my intent. That was first and foremost. And I don't know, how many-- what's the record of opponents? This could be the one for the session.

BRANDT: Maybe the session, might win session.

CLOUSE: Yeah. And that's OK, because it's important to everybody, and everybody has their reasons. And I'm, I'm interested to hear the feedback. We do have proponents, and we do have opponents. So I'll be interested to listen to the comments.

BRANDT: Senator Moser.

MOSER: So the impression that I think a lot of people got from your bill is that it kind of tilted the negotiations toward the developers and away from the local control.

CLOUSE: Yeah, that is, that is not, not the intent. But the way the bill reads, they were right. I mean, I can see how you can get that impression.

MOSER: We weren't misinterpreting your bill.

CLOUSE: No, but that was not the intent, I can tell you that. And so it's a work in progress to correct that. To get the incentives, get that right, talk about some of the issues that we need to be talking about, and then get that clarified that it is the local control and is an incentive, not a mandate.

MOSER: OK, thank you.

BRANDT: Any other questions? Senator DeKay.

DeKAY: Thank you. Thank you for being here, taking time out of your busy afternoon. So local-- when we're talking about permitting and stuff like that, basically a lot of that still would fall back on county, county zoning boards and things like that. And as far as

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generation being in that world for as many years as you were, basically generation types and the need and the structure of what comes on, and the timing of it all from gas power to basically somewhere in the hopefully not-too-distant future, small nuclear reactors, would you say that most of that authority should still be weighted by the public power--

CLOUSE: Yeah.

DeKAY: --utility to know their demands? They're the experts?

CLOUSE: You still have to have the purchase-power agreement, because you can't have those facilities and no place for it to go, and so you have to work with your power districts, with purchase-power agreements. And as I said, in LB1010, how does batteries play a role in that, especially solar, you know, battery storage, and what does that do to the system, and what does that do to their system planning, their integrated resource planning, how they fit all that in there? But, but I want to go back to one of your comments. The trade-off is, we talk about county zoning, is that if they participate, then we'll have a state standards for setbacks in the zon-- in the zoning. So that's one of the trade-offs you get. So if you, you get into this, then that's where we start taking a look at so we have standardized setbacks and things like that across the state for those who participate for double the, the revenue stream. So some of the things as I looked at this that, well, we probably have discussion on what is the right setback, what is-- how far for the decibels on wind turbines. In my mind, that was probably some of discussion that would be negotiated and what do those look like, and so that you don't have a five-mile setback just to keep it out. What is a good reasonable, and what are those numbers look like? But, but that's how this would work, and that's why it's a work in progress to see where we're at.

DeKAY: All right, thank you.

BRANDT: Any other questions? You will stick around to close?

CLOUSE: I will stick around.

BRANDT: OK.

CLOUSE: Thank you.

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BRANDT: Here we go. First proponent. Welcome.

DAVID BRACHT: Welcome. Thank you for allowing me to speak, Chairman Brandt, members of the committee. My name is David Bracht, spelled D-a-v-i-d, last name spelled B-r-a-c-h-t. I'm a registered lobbyist with Catalyst Public Affairs, and here today to testify as a proponent of LB1204. As I've said in previous times before this committee, I've spent my entire career in economic development, first as an ag banker and then over the last 25 years as a lawyer and also working within government, all focused on the economic development that happens in greater Nebraska. During my career, and an area that I'm quite proud of, in fact, I'd worked on over 30 ethanol plants and was directly involved in the construction of over 500 plants that have an annual capacity of over 500 million gallons per year. I also worked both before then as a banker and all the way through my legal career in the livestock industry. I grew up on a livestock farm. I was a dairy farmer when I was kid and my family was in the cattle-feeding business. I've worked with producers, with processors, with those involved all the across the end. And then for the last 15 years I've also worked with wind and solar developers. And it was in part in connection with that that I ultimately served as state energy director and director of the Nebraska Energy Office for nearly four years during the administrations of, of Governor Pete Ricketts. I mentioned those three areas on purpose, because all three of those have some several things in common. First of all, they all take advantage of our natural resources. I think we obviously think about how our agriculture industry takes care of-- takes advantage of our natural resources, and certainly our ethanol fits in that same way as well. But our wind and solar does as well, that is one of the natural resources that we have. It's an opportunity for us as a state. Another one where it's an advantage is the local land use, and then the third is that they all face opposition at times. Senator Clouse went through some of the changes that we're going through. But the purpose of LB1204 is to reduce uncertainty. I can tell you that during my time as energy director, we saw a significant increase in development of renewable energy that was beneficial to the state. Over, over \$40 million last year in lease payments, probably \$20 million in total taxes, \$12 million, \$13 million in nameplate capacity tax by itself. That's what those counties are benefiting. That is slowed and almost stopped, in many places, because of the uncertainty. And we're asking our planning and zoning officials, we're really giving them an

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impossible task because they're being asked to do things without any standards. And that's what LB1204 is about: giving a way-- a county an opportunity to either opt in or not and, when they opt in, taking those standards. So with that, I would welcome any questions that you would have.

BRANDT: OK, let's see what we've got. Senator Raybould.

RAYBOULD: Thank you for your testimony, Mr. Bracht. So with your years of experience, what are you seeing is working out in the communities?

DAVID BRACHT: So what I think is working is, and what we've seen, particularly our most successful wind projects thus far have been in north, north central Nebraska and northeast Nebraska. We have, as a state, we have really high-quality wind. Recognized being a top, among the top two or three states in the country, really across the state. But those counties have really early on-- one has to remember it seems new, particularly in those parts of the states that we-- that has had projects. But our first wind project was built in 1998 in this state. The majority of the projects that are operating now were built between 2010 and 2020, so we do have history with that. And those counties and those communities that looked at what does this bring to the community and what's the real impact, I think, is what's worked.

BRANDT: Yes?

RAYBOULD: So, so how have these projects overcome any impediments or misinformation or, I mean, that has to be part of the success to have the communities say we're interested in this type of economic development?

DAVID BRACHT: So one of the challenges, and this is true of economic development in general. And frankly, we use that word economic development. I think it kind of rolls off my tongue. I know it sounds that way. I like to think about it as economic future, because that's what the planning and zoning and the county board is looking at. Where are those challenges? And I think that's the change in perspective over the last, particularly the last 5 to 10 years, as compared to the first wind project I worked on in 2007. There is a lot of data. Data is not the same thing as information, and it is definitely not the same thing is understanding. And that's the challenge that planning and zoning commissions and county boards have today, and where, for

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those counties that are looking for that economic future, having some statewide standards would help. Because you have all this data, and we come into a hearing and we ask a planning and zoning commission who's part-time-- not even part-time, they're doing it at night, usually, and being presented with a lot of data, sometimes information, but, but not very much understanding. And it's become more and more difficult. And that's where being able to give them standards and also an understanding of all the other agencies. A wind project has between, depending on where it's at, 40 to 50 different permits that it has to have. And, and that doesn't even get to water, as you've been bringing up.

RAYBOULD: [INAUDIBLE]

DAVID BRACHT: So I-- that's the one thing a wind project doesn't have to do, it doesn't to go to our natural resource districts. So setting that aside though, you have all these permit things. And I would say that very often opponents are raising concerns about things that are regulated outside of county governments and, again, creating more of a standard policy. And frankly, that's what happened in the livestock industry. About 25 years ago, we started a process that then ultimately led to a livestock matrix that really has an impact on how-- used to be DEQ, now the Nebraska Department of Water Energy and Environment deals with permits for livestock facilities based on a livestock matrix. And it was to give counties at that time the ability to, to have a solid source of information.

RAYBOULD: OK, great. Thank you.

BRANDT: Senator DeKay.

DeKAY: Thank you. You said you were involved with your first wind project in 2007?

DAVID BRACHT: Yeah, it was 2007 or 2008, right in there.

DeKAY: What's the general life cycle of a wind generation or a wind tower?

DAVID BRACHT: So, there's actually two answers to that. The one answer would be is, is, and what my understanding, having advised clients on balanced a project and, and turbine contracts, things like that, is you generally are going to think about in a 20-year life cycle for a

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wind turbine. Solar is, is different, and I'll maybe set that aside. But the second aspect of that is technology. So one of the things, and it has an impact, frankly it's very similar to ag that I'm familiar with, technology has improved a great deal. That first wind project that I worked on, a wind project built today will capture more than double, almost 2.5 times the amount of energy that that first one did because of improved technology. So what we've seen already in a couple of wind projects in Nebraska, where they've been essentially taking the old equipment out and put new equipment in. And that could happen in a shorter period of time, even 10 years.

DeKAY: So you would replace, if the turbine is shot, whatever, you would resurrect the project or resurrect the turbine by possibly keeping the towers in place and just putting new turbines on?

DAVID BRACHT: It's--

DeKAY: Or is there an exit process to eliminate that particular wind farm?

DAVID BRACHT: So I'm going to split that into two questions because I think you're really headed that-- the-- so I think to the first question is how does that work if, if a company is going to come in and say I want to use new equipment? And it'll vary and it will depend on a whole variety of things that I won't go through the details right now. It could be as simple as just as you suggested, taking the nacelle and the, and the turbine blades, replacing them with new. And I should say, even during the operating process, they're under constant maintenance. And so if something breaks down and breaks down enough that they have to replace it, well then that's what they do. The-- in other situations, they might remove the project all the way to the ground. I think in one of the repowering, that would be the term here, a lot of times you're limited by your interconnection amount, so I can't put more electricity into the system than I had originally, but I believe that what they ended up doing is reducing the number of turbines then because they had more effect. The second part of your question really went to decommissioning, and that is an overall standard that we have in the state under state law right now. Under current law, if a county does not have specific requirements for decommissioning then the state requires that there's a decommissioning plan in place. And virtually, every developer that-- not virtually, in fact, every developer that I work with, that's part of our standard.

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Because otherwise you're just asking for trouble. I've never worked on one that didn't have a decommissioning plan. And very often there's a decommissioning security bond that goes behind that. So that, because the county understandably, and I've never heard of a county where they in fact were, at least in the four or five states I worked, been responsible for taking down a wind project. So I'm unaware of any of those, at least in our area, but that's what the decommissioning plan that I think you were kind of referring to come in.

DeKAY: A little bit, in the early days when wind first started coming in the generation, plants were springing up and there, there's probably developers out there that are probably no longer in business now. Assuming that's the case, who-- are all the same liability factors still in place from the original contract? Or how, you know, with a new person coming in and buying out, who would be in charge of--

DAVID BRACHT: So, so those obligations will transfer from that original developer all the way through. The one thing I'd like to say, just to your point, I think the same picture of the same defunct abandoned wind project that was on federal Bureau of Land Management property, it's either in western Nevada or eastern California, I'm uncertain which, is the picture that you always see. Again, I am unaware of, and have never seen within the four or five states that I work, a project that's been, quote, abandoned like that. But that's why they hire lawyers. And one of the things, these are expensive projects in the hundreds of millions of dollars. And so what's worse than a lawyer and worse than a banker? A banker's lawyer. And so those, those obligations will flow through, through the entire process.

DeKAY: OK. Any other questions? Seeing none, thank you. Next proponent.

DAVID LEVY: Thank you. Good afternoon, Vice Chair DeKay, members of the committee, David Levy, D-a-v-i-d L-e-v-y, Baird Holm law firm, here today as registered lobbyist on behalf of PHE Renewables in support of LB1204. We appreciate Senator Clouse bringing this bill. In addition to being here before you today, we also represent in the permitting space most of the wind and solar developers who are active in the state. So I've spent many, many, many hours standing at podiums in county board hearings, city council hearings, those kinds of things

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on utility-scale wind and solar projects. My role here today, however, is to testify on the tax part of LB1204. I've handed out to you a couple of things. One is a report that my firm did about three years ago now on the benefits of the nameplate capacity tax revenue and renewable energy landowner revenue to rural Nebraska. We need to update that report because projects are still happening. These revenues are growing. Today, nameplate capacity tax revenue in the state of Nebraska is approaching \$20 million dollars annually. LB1204 as to taxes proposes to do four things. The nameplate capacity tax would be paid to the county treasurers instead of the Department of Revenue. It would redist-- redistribute future nameplate capacity tax revenue in the bill as introduced, 95% to the host county itself and 5% to the local community college districts, instead of the situation today where the nameplate capacity tax revenue is distributed to the taxing entities in the same proportion that real property tax revenue is. So if the schools get 60% today, they would get-- of real property tax revenue, they would get the same percentage of nameplate capacity tax revenue. As was mentioned, the bill also would add energy storage resources to the nameplate capacity tax, which is good in our view for the counties. It provides a predictable revenue stream, and for the developer in the same vein. It keeps the current tax rate for all technologies. The other thing I handed out to you is the result of this committee's interim study, LR159 from last year. After that, the Advanced Power Alliance engaged the University of Nebraska-Lincoln to do a new study of rates on the nameplate capacity tax, like they did in 2010, that got us the \$3,518 rate, which was then really for wind and has been applied to solar. That study concludes that wind should be now at \$3,788 per megawatt per year, solar between \$2,466 and \$3,051 per megawatt per year. And storage between \$2,952 and \$4,422 per megawatt per year. So as you can see there, that \$3,518 that's been around for 15, 16 years now is actually pretty accurate, and is pretty accurate for wind, solar, and storage. With that, I'm out of time, and I do respectfully urge the committee to advance LB1204 to General File. I thank you for your time, and I'm happy to answer any questions or try to answer any questions you may have.

BRANDT: Let's see. I guess I've got a, a quick question. I know you do a lot of work all around the country. What do other states do? And I don't need a litany of all the other states, but are they facing the same issues in our surrounding states as Nebraska is? Or does somebody have a better program that makes it all work?

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DAVID LEVY: I don't know that anybody has totally figured it out yet and every state, of course, is different. There are a few states now that have gone to completely a state siting regime, so that the siting and the zoning really and what we're talking about today in large part with LB1204 is done at the state level. There are other states that have done things like set a statewide sound limit. So they'll pick one particularly important criteria like sound and say, OK, the statewide sound limit is 50 decibels, and nobody can be above-- at a, you know, nearby non-participating residence. No county can adopt a standard that is more restrictive than that, for example. And then there are many states where they essentially do it like we do it in Nebraska, where every county sort of has discretion within the bounds of, of private property rights and the public health safety and welfare to adopt zoning regulations and apply those zoning regulations to a project that might come forward. In that vein, you know, I think a lot of the people behind me who will testify in opposition will say that LB1204 takes away local control and we should leave this up to the county boards. And I think Mr. Bracht alluded to the fact that these county boards have a really hard job. I really respect what they're doing and, and when we show up and we bring a complex project and there's a lot of controversy and opposition, they're put in a very tough spot. They've got people they've grown up with, you know, saying this is terrible, don't do this, don't do this. Something like LB1204 actually provides, I think, a benefit to those elected officials because it gives them a concrete set of standards that, that they have to apply, that the Legislature has said you have to apply. And so I think it's a protection, in some respect, for county board members, gives them very clear guidance. But yet they retain some discretion as well, which I think is an important balance.

BRANDT: Any other questions? Senator DeKay.

DeKAY: Real quick, are there any different setback struc-- regulations, say, pertaining to next-door residents or something that, as opposed to public road right of ways and stuff like that? Or are they-- or are the setbacks all the same?

DAVID LEVY: No, typically what you see in a, in a set of zoning regulations is you'll have a setback for a public road right of way. You'll have a setback from a participating resident, so somebody who's got a contract with the project. That's usually smaller. You'll have a bigger setback for a non-participating residence, right? That's

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somebody who doesn't have a contract and maybe they don't like the project. Sometimes you'll have property line-- usually you have property line setbacks. Those are more for physical intrusion. If a turbine, for example, were to fall over, right? You don't want it to fall onto the, the neighboring property. So you'll have a property line setback for that kind of physical intrusion. You'll have a participating resident setback for that kinda physical intrusion and, and safety. And then you'll a non-participating resident setback, which is usually the biggest for more of that sort of quality-of-life-type thing. You always almost have sound regulations as well. And if you think about it, a sound regulation is a setback, right? To get to the sound, below the sound level, a turbine's gonna be X far away. That's not a perfect relationship and, and companies engage in very sophisticated modeling to figure out what the sound results are at the various receptors, the non-participating residences. So it's a little bit of a long answer to your question, but in short, there are different setbacks, usually four or five or six or seven different setbacks in a set of zoning regulations pertaining to different things that they're set back from.

DeKAY: Right now, the setback standards, are they set [INAUDIBLE]--

DAVID LEVY: Yes.

BRANDT: OK, I see no other questions. Thank you for your testimony.

DAVID LEVY: Very good. Thank you.

BRANDT: Next proponent.

MADDIE MILAM: Thank you, Chairman Brandt, members of the committee. Maddie Milam, M-a-d-d-i-e M-i-l-a-m, here on behalf of the Consumer Energy Alliance and the families, farmers, small businesses, distributors, and manufacturers and producers that we represent in Nebraska, as well as across the United States. CEA's mission is really simple: work to ensure that consumers have a voice in energy policymaking so they can access affordable, reliable, and cleaner energy. Across the country, we are seeing a clear connection between energy affordability, infrastructure development, and economic competitiveness. States that create predictable, balanced permitting frameworks are better positioned to attract investment, manage growing electricity demand, and protect consumers against rising energy costs

and reliability risk. When policies delay or block energy projects through inconsistent local rules, they prolong approvals. And the result is higher prices, constrained supply, and fewer economic opportunities for consumers. LB1204 takes an important step toward addressing these challenges in Nebraska by establishing uniform statewide standards for permitting renewable energy facilities and energy storage resources by creating reasonable setbacks, sound limits, clear decommissioning requirements, and a defined permitting timeline. The bill offers certainty for developers while maintaining appropriate safeguards for landowners and neighboring communities. Just as importantly, the bill prevents a patchwork of overly-restrictive local regulations that can stall projects for years and prevent investment in the communities. The bill's approach to reallocating the nameplate capacity tax-- tax directs more revenue to county governments while protecting schools through grandfathering provisions. It strengthens local services and ensures communities hosting energy projects share directly in the benefits. From a consumer perspective, this is about energy realism. Nebraska's growing economy, agricultural sector, and increasing electricity demand requires thoughtful planning and timely infrastructure development. At CEA we believe that in a practical policy, an energy addition approach rather than restrictive measures, and we believe LB1204 positions Nebraska to remain competitive, reliable and affordable as energy demand grows. We look forward to working with you all and local leaders as these conversations continue. Thank you so much.

BRANDT: You bet. Let's see what we've got for questions. Where are you out of?

MADDIE MILAM: Nashville, Tennessee.

BRANDT: So you came in just for this hearing?

MADDIE MILAM: I did. We go across the country to talk about permitting. We've worked closely with a lot of different states. You heard how states are all dealing with this. I've actually met Senator Raybould at the Legislative Energy Horizon Institute. Every single state is trying to grapple with getting projects built. For example, my state in Tennessee, we had a gas peaker plant canceled because of one very strong opponent to the project. So we go out all of the above, every single energy source, gas, natural gas, coal, et cetera.

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BRANDT: OK. Senator DeKay.

DeKAY: You don't remember meeting me at the same--

MADDIE MILAM: I did. I'm so sorry. She had mentioned LEHI. I apologize, Senator DeKay. Absolutely. Wow, that was so bad. I am going to give up now.

BRANDT: All right, I think that's all we've got. Thank you for your testimony.

MADDIE MILAM: Thank you so much.

BRANDT: Next proponent. Welcome.

KEVIN CONNOT: Good afternoon, Chairman Brandt and members of the Natural Resources Committee. My name is Kevin Connot, K-e-v-i-n C-o-n-n-o-t. I'm a former school board member. I work in economic development in the rural areas, and I live in the area of the Rattlesnake Wind Project in Dixon County. I've seen the tax and other economic benefits of these types of projects. We need new options in the rural economies. I'm here today in support of LB1204. In reality, this bill allows the most local control, that is, at the landowner level. Energy agreements are voluntary, so one land-- landowner can choose to participate, and the guy across the fence can choose not to participate. There's a lot at stake right now. We are facing an incredible increase in demand for electric energy, and our rural communities need new forms of economic development. If things do not happen soon enough, we will face devastation with a shortage of power as a worst-case and missed opportunities as a best-case scenario. I was here last week sharing information about the tax relief experience at the Allen public schools directly resulting from their share of the \$1.5 million of taxes our county receives annually from this single project. The general fund levy at the school decreased 40% from 92 cents per \$100 of valuation to just over 50 cents. I again have a copy showing this tax relief over several years. This is in addition to \$2.5 million in annual landowner payments and 15 good jobs. Some opponents will likely want to talk about how renewable energy infrastructure changes the landscape, and they don't like how they look. The reality is, that's what we do. We changed the way things look, going back to the tallgrass prairie of 200 years ago. Nebraska has 49 million total land acres, 9 million of that is irrigated. Much

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of that with approximately 15,000 center pivot irrigation systems. We don't need to apologize for any of this. We just can't call one kind of development right and the other wrong. The business case for renewable is strong. I recommend that you look at a recent publication from Columbia Law School entitled Rebutting Fifteen-- "Rebutting 33 False Claims About Solar, Wind and Electric Vehicles." This recent publication addresses the common misconceptions with solid science. It's easy to read, as it starts by listing the notions that we've all heard and then has links in the footnote sections to peer-reviewed academic studies and government statistics. As someone in economic development, we are open to other ideas if anyone wants to have a conversation. However, renewable energy makes the biggest impact quickly. I urge your support of LB1204.

BRANDT: Thank you, Mr. Connot. Let's see if we've got questions. I don't see any. Thank you for your testimony. Next proponent.

JOSH MOENNING: Good afternoon.

BRANDT: Welcome.

JOSH MOENNING: Chairman Brandt, members of the committee, my name is Josh Moenning, J-o-s-h, Moenning, M-o-e-n-n-i-n-g. I'm director of New Power Nebraska, a state affiliate of the American Clean Power Association. I'm also testifying today on behalf of the Advanced Power Alliance. As you're well aware, energy demand is surging. Needs for new electricity are already impacting our state's ability to grow new jobs. Without a clear path to new generation, we are unable to strengthen our comparative advantages in value-added agriculture and specialized manufacturing. LB1204 is a state policy reform that seeks to address this present and looming shortage. Energy generation from a variety of sources will no doubt be required to meet this challenge. Nebraska just happens to be a state with an abundance of renewable energy potential, ranking third in the nation in wind energy potential and in the top 10 in solar. Using our own resources to make electricity has already proven to be fruitful economic development in its own right. To date, renewable capital investments total \$7 billion in Nebraska. This investment means new jobs, 7,000 altogether, new tax revenues for local entities, \$21.5 million annually, and new income for farmers via, via energy leases, now \$46 million per year. But a widely divergent set of zoning regulations county to county make renewable energy planning difficult and costly. What's more is that

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many developers after making plans for large capital projects based on the rules on the books are seeing some counties change those rules in the middle of the game. The goalposts get shifted leaving projects adrift, landowners' plans stifled, and investment in rural places left on the table. LB1204 seeks to remedy this problem by creating state guidance to counties on reasonable zoning regulations for renewable generation and storage. It also moves more of the local tax benefits to counties in which the projects lie, supporting county infrastructure needs that now fall heavily on property tax taxpayers. LB1204 provides energy planning certainty makes our state more friendly to business investment and individual property rights, and positions Nebraska to be a national leader in renewable energy production at a time new energy is in high demand everywhere. For these reasons, we encourage your support of the bill. Thank you.

BRANDT: You bet. Are there questions? I don't see any. Thank you for your testimony.

JOSH MOENNING: Thank you much.

BRANDT: Next proponent. How many more proponents are there? OK. Welcome.

CHRIS PETERSON: Good afternoon. Chairman Brandt and members of the Natural Resources Committee, my name is Chris Peterson, C-h-r-i-s P-e-t-e-r-s-o-n, and I'm a registered lobbyist appearing here today on behalf of the Conservative Energy Network in support of LB1204. Founded in, in 2016, the Conservative Energy Network is a national organization that works to champion secure, reliable, affordable American energy. CEN works to advance conservative free-market principles and ultimately strengthen America's position as an energy leader by fostering open dialogue about the importance of diversified, all-the-above energy solutions. Nebraska's energy future is at a crossroads. The state is grappling with realizing the economic advantages of energy growth while also maintaining the things that make this state great, our Nebraska way of life. Our state holds untapped potential to grow, to drive new investment and create family and community-supporting jobs. Yet a confusing patchwork of local regulations discourages investors, developers, and entrepreneurs from bringing their projects, their capital, and their job opportunities to Nebraska communities. LB1204 recognizes the essential role that private property owners play in making our the state's energy future

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work. By establishing consistent standards for the siting, operation and decommissioning of renewable energy facilities, the bill protects the rights of landowners to use their property as they see fit. This respect for property rights honors Nebraska values and provides the regulatory certainty necessary to spark new investment, lower development costs, and make Nebraska far more competitive. This bill embodies the-- those same key principles that CEN champions, fostering free market competition, securing our power grid, defending private property rights, driving local economic development, and enhancing communities by providing new and much-needed revenue streams. We understand and appreciate the concerns that this bill has re-- that this bill-- with this bill regarding local control. We feel maintaining local control is important. However, we also feel ensuring regulatory certainty is equally important. This bill serves as a critical starting point for this conversation and ultimately finding a solution in coordination with all relevant stakeholders. Thank you for your time and consideration. I'd be happy to answer any questions.

BRANDT: Let's see if we've got questions. I don't see any. Thank you for your testimony. Any more proponents? Proponents? Seeing none, first opponent. Welcome.

SCOTT SAULTS: Thank you. Scott Saults, S-c-o-t-t S-a-u-l-t-s. From what I understood about the LB1204, Senator Clouse talked about being able to-- counties could opt in. Well, I, I was led to believe that it was-- the bill would, if it would pass, it would just be across the state, the setbacks would be set. If that's true, I don't know if there's very many senators on this board that would like to live 550 feet from a 500-foot wind tower. I mean, that's just, in my personal opinion, that's irresponsible. I know you talked about decommissioning earlier, Senator DeKay brought it up. There is a person in western Nebraska that has 200 blades sitting on her property. Now, I don't-- that was several months ago. They had still never been taken care of from maybe three or four years ago from the wind project in Colorado. There's extenuating circumstances. I'd be happy to explain it. Like I said, I don't know if they've been taken care of in the last few months, but they've be there for years. So that's a, that's definitely a problem. I'll say one more thing. There's a reason that, I mean, if you, if you take away the county's rights to make their own setbacks, you take away the voice of the local people. You go to our-- we're, we're obviously in the fight of our lives, quite frankly, there's most of the three counties that I'm near, we don't really want a wind farm.

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Now you go to meetings, the zoning and planning, the county commissioner meetings, there'll be two or three people that are proponents for this, and usually they're on the payroll of that company. There'll be anywhere from 15 to 50 people that do not want them. And so I just-- I'm against this bill. I think it-- that, that-- those decisions need to be left up to the counties. I mean, it's just, it needs to be the county's decisions. You'd be taken away 18 months to 24 months that our local county, Garden County, been working on our planning and zoning rules that we're getting ready to take to the commissioners, and that would be just thrown out-- 18 months of their work just gone.

BRANDT: OK, let's see if we've got questions. Senator DeKay.

DeKAY: Thank you. Thank you for being here. You drove a long ways to be here today. So out in Oshkosh area there's a lot of geese.

SCOTT SAULTS: Yes, sir.

DeKAY: What are the stipulations with the Zoning Commission to-- in regard--

SCOTT SAULTS: I think, I'm not exactly sure what we did. Was it 10 miles?

BRANDT: All right, guys, you can't turn around and ask--

SCOTT SAULTS: 10 miles, 10 miles--

BRANDT: It's one of--

SCOTT SAULTS: --is the setback from the river. I live 10 miles from the river. I have hundreds of thousands of geese and ducks fly past my house to land in the field south of me, and so in, in between the river and me they land and past me. So in my personal opinion, 10 miles wouldn't be far enough. It'll change, in my opinion, it'll probably change the flights of the migratory waterfowl. I mean, we have the Garden County Refuge that's been there since the, I don't know, 50s or 60s. And there's hundreds of thousands of ducks and geese there. So, yeah, that's my opinion.

DeKAY: All right, thank you.

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SCOTT SAULTS: Yes.

BRANDT: Senator Raybould.

RAYBOULD: Thank you, Mr. Saults, for coming as far away as you did. But isn't it true that some of these areas that have an established migratory pattern, wouldn't they automatically be disqualified for being considered for a wind turbine to be there?

SCOTT SAULTS: Well, it's just a certain distance from the river, from the Wildlife Refuge. So there's not like a certain pathway. It's just so many miles from the river.

RAYBOULD: Well, but I don't, I don't think I understand. Who sets that 10 mile--

SCOTT SAULTS: Well, that was what the zoning and planning commission, those are some of the set-- some of the setbacks that they put together.

RAYBOULD: OK, and do they put these setbacks together based on, you know, working with the environmental impact study on, on migratory patterns, or how did they come to that conclusion?

SCOTT SAULTS: I can't totally answer that.

RAYBOULD: OK.

SCOTT SAULTS: I think they just did it from most of them are residents and they watched the waterfowl there their whole life.

RAYBOULD: OK. All right, thank you.

BRANDT: Well, maybe somebody after you will know the answer to that question on federal wildlife rules. But thank you for your testimony. Thank you for the drive. OK, next opponent. Welcome.

SETH VOYLES: Thank you. Good afternoon, Senator Brandt and Natural Resource Committee. My name is Seth Voyles, S-e-t-h V-o-y-l-e-s, and I am a registered lobbyist for the Omaha Public Power District, and I'm testifying on behalf of OPPD and the Nebraska Power Association. OPPD has concerns with the bill as drafted. Public power's business model is based on the tenets of local control. And as written, this bill limits that, which Senator Clouse already talked about. His answer to

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Senator Hughes' question was basically what I was going to say for all of this. We've already talked to Senator Clouse about this, and we've talked to the bill proponents, the advocates. We're gonna do whatever we can to help on this. We think incentives to get reasonable zoning is, is a better way to go instead of restricting the local control of the areas that, that are, that are handling these things. So with that, I'll try to answer any questions you may have.

BRANDT: All right, questions So what kind of incentives-- have you been successful doing this in other places, and what kind of incentives would OPPD deploy?

SETH VOYLES: Well, for ours, we don't-- since we're not doing a lot of the zoning regulations for the counties, the big way that we try to influence that is by communication, getting down there before we're cold-calling people, getting to know the local county officials, the landowners, all of that, to make sure that they're getting the best information they can from us, the power provider, to ensure they see what it is. And sometimes we're successful, sometimes we're not. But we want to make sure we're maintaining that local control, because that's what OPPD is based off of. But we're also trying to, to influence, to have different reasonable zoning units, certain setbacks or any of those kind of things. We're trying to get-- we're trying to work with the locals to make sure we can get that to where the project could be successful. And if it isn't, you know, sometimes we come to an impasse and that's where we are.

BRANDT: OK. Senator DeKay.

DeKAY: Thank you. So how much involvement does OPPD have with private developers that are [INAUDIBLE] a wind farm or whatever? How involved are you in that zoning regulations, or do you leave it up to the private developers to do that with their local county zoning commissions?

SETH VOYLES: Thanks for the, the question. We have a whole local government affairs team and I think, in my opinion, they're the best in the business when they do this. We have our planning, our planning folks in there as well, and we are working with a lot of the people on, on the other side. We've worked with NextEra, Invenergy and a lot other people on trying to get these things done. We try to work hand in hand on trying make sure that the zoning is, is good for what we're

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doing. We had a lot of discussions out in York County with Senator Hughes's district and by Senator Brandt's district. We've been working on that for a while. But we do want to work with everybody when it comes down to this to see if there's something we can get to an agreement to where we can build these things faster as well.

BRANDT: Any other questions? I see none. Thank you for your testimony.

SETH VOYLES: Thank you very much.

BRANDT: Next opponent. Welcome.

DREW TOPP: Thank you. My name is Drew Topp, D-r-e-w T-o-p-p. Me and a bunch of people sitting behind me have been doing this for over a year and a half with NextEra putting-- trying to put in a whole bunch of solar panels all around our community. I know David Levy back here. I'm guessing he wrote most of this bill because he wrote one last year that didn't go to committee, or go to the floor. It really feels like a way for them to-- for NextEra or any big solar company to come in and just get what they need without the local input or fight in the court system like we're in right now. They say all these things that, you know, it's supposed to be this, there's regulations on this, all this jazz, but they started construction months and months before they ever got a building permit. If any residential person did that, we'd be fined. We'd have major legal issues. But they just do it anyway. Everybody's here is talking about local control, and that's great, local control. But local control doesn't do anything for the locals that live around it when the zoning board doesn't even listen to us when we go to committee hearings. When we get up and talk, they're all looking at their phone, nobody's paying attention, so local control, even if it is a zoning board or a, a county board or whatever, doesn't mean a lot when nobody listens. Getting ahead of myself, what I want to stay here. It's just, it impacts the community that lives around it a whole lot more than people realize. And I know everybody's want-- wants the economy to boom and all that jazz. But everybody working on this 2,400 acre solar farm down here where we live is from Minnesota and Illinois and Texas. There's no local people working there getting the money. It's outside states getting paid to do all of this. I don't know. It's just, it seems like a way to get around local people's opposition, is what it seems like. And the-- correct me if I'm wrong, I think there's something in there where if the committee that has to make the decision on it, on the permit, doesn't respond with 45 or 90

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days of whenever it was proposed, then it's just automatically approved. So that, I mean, no offense, but government doesn't always work real quick. So if that timeline expires, then opposition is just kind of hosed.

BRANDT: OK. My clerk was giving me a high sign about halfway through your testimony. You must have submitted an online testimony.

DREW TOPP: Yeah.

BRANDT: OK, and let me remind everybody if you submitted an online testimony, that's what's going to show up on the record. And, and so we went ahead and let you, let you finish because you've already started. But if you've submitted an online testimony, you cannot testify in person. But I think this will show up-- will not show up. I'm not sure. So I didn't want to stop you halfway through. So, but thank you for, for testifying today.

DREW TOPP: OK.

BRANDT: All right, next opponent.

RAYMOND SOTO: So first of all, thank you for letting me speak in front of the Natural Resource Committee. My name is Raymond Soto, R-a-y-m-o-n-d, last name is S-o-t-o. First of all Senator Moser, I am not a frequent flyer, it's my first time here, a little nervous. So I just want to go through a few things here. But I'd like to start off by saying I am opposed to LB1204. I believe it is unconstitutional because it takes away a lot of the power of the local supervisors and commissioners, people we have elected to do-- after our, our care of our local interest in our, our counties. Senator Conrad said earlier in LB1111 something like-- I wish you would have been here-- something like our natural-- Nebraska's natural landscape. So I'd like you to just think for a little bit, maybe even close your eyes, and think about you sitting there watching a sunset or a, a sunrise with your, with your spouse or your grandkids or your friends over by a fire or something. When you're seeing that, do you see any windmills in that picture? I don't. I don't see any windmills in that picture. In fact, I know just east of-- or west of Crete at night, I can see the lights going on and on over from my house by Firth. That's a long ways away. And so it's just a, it's just a bad deal. And for me, I just don't want that. Our state is one of the more diversified states in America.

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We believe that our forefathers had the right, government should it begin at a local level, in county boards and supervisors, and then move to the state government and finally the federal government. I have a couple of questions which I know I can't ask, so I'll just think about it just a little bit here. Lincoln County has already made it difficult for their county for people to get in. I think that's what they should be able to do as a county. I also have wondered why and what happened to the two wind turbines that were on the north hill of Lincoln. Just wonder what happened with those. And then also I was thinking the proponents here of this room, if they, you know, if they could raise their hand and just, you know, who all got paid to come in here? And that's part of their salary to be a proponent to this, this bill. Then I'd also like to ask the people that are, are opposed to it if they got paid to come here. You know, so after hearing-- this all has to be a problem, deciding that this bill is, is wrong on so many levels. But if you still believe the wind turbines and the solar panels are good for this great state of Nebraska, you know, why don't we have the decency to put them by the places that people want them in the Douglas County, Sarbis [PHONETIC] County, 550 feet away from their homes? Because this is just a bill that I really feel like you guys got a tough job. And you think about we've elected officials in our local governments that have a tough job as well, but they should be doing what we ask them to do instead of what they're getting paid maybe from somebody else. I wasn't part of the thing by Hallam. OK, sorry. Thank you.

BRANDT: OK. Let's see if we've got any questions, Mr. Soto.

RAYMOND SOTO: I hope not, because I'm not really good at questions.

BRANDT: Senator Moser.

MOSER: Well, the comment I made to an earlier testifier about being a frequent flyer is because that gentleman is here quite often, and he knows the lay of the land. And generally I feel like he has good answers when I ask him. So-- and I'm not in any way trying to discount the neighbors who come with you that don't want the whir in the background when they're sitting on their patio of some data center or crypto mining container making noise. I'm, I'm, I'm not promoting that at all. And I, I don't know where this is going to go. Or if it's going to go anywhere, but there's a lot of steps and hoops it has to

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jump through to move forward. So I'd encourage you to contact your state senator or whoever represents your area--

RAYMOND SOTO: Yeah.

MOSER: --and have a conversation with them and explain how you feel.

RAYMOND SOTO: Thank you.

MOSER: Go from there. Thank you.

BRANDT: Senator Hughes

HUGHES: Thanks for coming in today. We are nice, so don't be nervous.

RAYMOND SOTO: No, no, I'm nervous. I'm just letting you know.

HUGHES: Really super intimidating.

RAYMOND SOTO: My Apple Watch told me my, my heart rate was going way too fast here.

HUGHES: You're lined up and we're all looking at you. Two things. You heard Senator Clouse say at the beginning that the intent, as written, how it's, it's not written what he intended. He's going to work on it this summer or whatever. That it would be a voluntary thing by county. Does that make a difference in where you're at, or so a county could go in, they could not. Up to them.

RAYMOND SOTO: I am not good at government, I don't know a lot about it.

HUGHES: Yeah.

RAYMOND SOTO: But I would say this, I wasn't part of the solar down there, but I know people that were. And I'll tell you, my understanding is, is four of the people that were on that board got money from that company, and i just don't think that's, if you're gonna be able--

HUGHES: So that's a conflict of interest, I would say.

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RAYMOND SOTO: --to vote for something, you should not be able accept any money.

HUGHES: And then I'm just gonna be devil's advocate.

RAYMOND SOTO: Yeah.

HUGHES: I'm smiling, I'm being devil's advocate. Back in the 30s when we put up power lines everywhere, don't you think also, I'm just saying, it ruined the view, right? Power structures going up behind your house and I-- I'm just-- sometimes things happen. We don't like them at first and then right like now you, you don't even see them when they're there. But I'm just, I'm just kind of, you know, that had to happen, and we needed it, right? Rural el-- electrification was super important, so.

RAYMOND SOTO: I appreciate that.

HUGHES: Yeah.

RAYMOND SOTO: I would say in my neighborhood where I lived in Lincoln, they had it all buried, which looked really nice that way. You know, when you have power lines up in the air, you know, you got ice that gets on them. That's where you, you know, have issues with electricity.

HUGHES: We wouldn't have electricity if we buried them all because it's way too expensive.

RAYMOND SOTO: Well, I'll tell you, we have a great-- just a-- we live in a great state that I really still feel like we, we have common sense. And I really feel like the people that are here, most of them weren't even from Nebraska. So I'm thinking, you know, why did they come all this way? Did they just have an afternoon off or a couple days off, or are they getting paid?

HUGHES: That's a good point.

RAYMOND SOTO: I think you guys all know the answer to that.

HUGHES: Anyway, thank you for coming in.

RAYMOND SOTO: Hey, thank you.

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HUGHES: Absolutely.

BRANDT: Any other questions? You got off easy.

RAYMOND SOTO: Thank you very much. Have a good day.

BRANDT: Next opponent. And I'd like to remind everybody also, you cannot ask the panel questions. You can bring up suggestions, and probably somebody will, will ask a question. So you can't ask the senators directly. Welcome.

JUDY DAUGHERTY: Hello. My name is Judy Daugherty, J-u-d-y D-a-u-g-h-e-r-t-y, and I live at 1333 West Gage Road in Hallam, Nebraska. My home is right on the Lancaster and Gage County line. Due to the location of my home, I have been heavily involved in establishing wind and solar regulations in both counties. I have fighting wind and solar farms that would affect my home since 2014. That's 12 years. So I definitely know a thing or two about wind and solar rigs. I'm here to tell you that LB1204 was absolutely written by a lawyer for the energy companies. The regulations written in this bill are complete outrage. For example, the setback for a wind turbine is one and one-tenth the height from my home, not even my property line. That means for a 300-foot wind turbine, the setback is 330 feet. Do you know that the hard hat zone for a 300-foot wind turbine is 1,300 feet? That means I would have to put on a hard hat to even leave my house. Do any of you think that that is OK? That's what's in this bill. They also want to change the noise decibels on the wind turbine to 50. Do you have any idea how long Lancaster County alone debated on this? We had all kinds of experts on noise and health department weigh in on the decision, and it was set at 35. So not only do they want to place a wind turbine closer to my home, they want it noisier. The list goes on and on, and I don't have the time to tell you about each one. Each regulation written in this bill is a complete outrage to the good people of this state. Back in 2010, when Nebraska passed bill LB1048, they cleared the way for wind and solar farms to be built to export power to out of state. At that time, the state mandated that each county set their own wind and solar rigs. And they did. Nebraska is not a one-size-fits-all kind of state, and this bill is trying to make it that. Some counties have more cows than people, and those counties have more wind farms in them, but that was decided by the people that live in those counties. Lancaster and Gage Counties are heavily populated with more people and people wanting to live rurally, so we

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have stricter regulations. The last thing we need is the state telling each county what the regulations should be, especially ones written by energy companies themselves. Then at the back of the bill, they want to dictate to the county board how long they can take to make a decision on their special permits. If they take too long, the bill passes by default. Wow. I mean, that really takes the cake. This bill screams abuse to the good people in Nebraska, and it screams arrogance. You absolutely have to vote no on this bill. The counties in Nebraska don't need the state interfering with what they want in their own counties. Please vote no. Nebraska deserves better than this.

BRANDT: OK, let's see what we've got for questions. Can you tell me what the set-- you're in Lancaster?

JUDY DAUGHERTY: I'm act-- my home is actually in Gage County, but I'm right on the Gage and Lancaster County line.

BRANDT: And do you know what your setback is for your county?

JUDY DAUGHERTY: For Gage, it's 3 miles.

BRANDT: On a windmill?

JUDY DAUGHERTY: Yes.

BRANDT: Do you know what Lancaster is?

JUDY DAUGHERTY: I want to say it's a thousand feet.

BRANDT: OK, OK. Thank you for your testimony. Next opponent.

ROBERT BERNT: My name is Robert Bernt from Spalding, Nebraska. It's R-o-b-e-r-t B-e-r-n-t, and I'm here today representing my 12 children and my wife that sits behind me at a small family farm and rancher from Nebraska. The thing is, this is a wolf in sheep's clothing. I'm not strictly worried about the wind and solar. And I am also worried about other permits that will be qualified under this, not just wind and solar. There will be other ones that will come into play. One shoe does not fit all. This standard was established when the counties were trying to zone in the last 10, 15, 20 years. They followed a template from our state. Those counties are now re-zoning, as ours is, to try to catch up with what's more "applicable" to our county. So the state

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template did not work at that time. What does concern me about that one-size-shoe-fits-all size also is that the influence from the wind and solar companies are going to set those standards. These ranchers and farmers do not have time to come down here in front of you to help you develop those standards. Those are going to be done by the paid lobbyists that are sitting behind me, not us. That does concern me. That means it's taken away that voice from the local people that can drive into the local town and can talk to their zoning regs and get that change. We talk about our natural resources, the one that I think we ought to all be concerned about, especially with Senator DeKay, because I'm from Wheeler County, just south of you, is our Ogallala water system. When you plant one of these systems, in that Ogallala, we have water that's on the surface in the spring. It dries up later in the summer, as we know. It's there. These holes under these towers are 20 to 30 foot deep. They contain 50 cement loads of cement. They have one-inch rebar every six inches apart, and it remains even after it is removed, that stays. Now, do you want your water contaminated with decaying cement and metal? Cause that's where it's gonna be. Nebraska public power was started by my grandfather who helped put those power lines in at that time. And it was a reliable source of energy, that was the whole dictation of it. It was reliable. This is not reliable. It will never be reliable. So once again, in our local counties, what we did to help offset some of the issues, when we talk about the bond, we, we had them put up a cache in the local bank as decommissioning and damage to roads. On a 40-tower system in our county we asked-- we had the county zoning was able to establish in a \$17 million cache in a local bank to be used at the discretion of the county. That generated more income, if you're talking about revenue, than what they're talking about their nameplate. Thank you, senators, for listening to me. I really appreciate your time.

BRANDT: OK, let's see what we've got for questions. Senator DeKay.

DeKAY: Thank you. Real quick, you talked about other permitting that might follow this. Can you elaborate a little bit on that, and is this your opinion of what permitting might be or is this what you've seen happen before?

ROBERT BERNT: What I've seen happening before is the way they "interpretate"-- interpret this, and it leaves the door open for not functionally having a legitimate time to have zoning meetings and bring the public to the table to discuss those. This-- these issues or

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other permits will also encompass livestock permitting issues and so on, it's not just tied to this. So in the past in our county when this issue arose, people were uninformed. They don't look at the poster on the, on the local restaurant. They don't go on Facebook. You know, they rely on a cup of coffee at the local cafe or after mass on Sunday, Sunday afternoon. So the word of mouth does more for carrying that out there. So at our zoning meeting, when the first permit was allowed, they were understaffed. They had five members present. One of them excused himself because he had leased land to the wind company. So that left less than a quorum to vote. But they were advised by the wind company's representative to go ahead and vote because they could skirt this issue, and they did. This was not the first time in that course that they did that. It happened again later, and we were able to stop the vote at that one because they did not follow the proper protocol to advertise to bring people to that meeting to have their voices heard. So that's my biggest concern here is not just the wind and solar, it is other livestock sources that might be coming into the county. The water is a huge issue for me, and it should be for everyone, because that is our most important and most valuable resource in this state, and it supplies more than we can imagine anywhere. Thank you.

BRANDT: Other questions? So your county, you did escrow. You made them put the cash in the bank, not a bond. Is that correct?

ROBERT BERNT: That is what they've asked for, they have not met those demands yet.

BRANDT: OK. And then I guess the second question is, and this goes back a couple years, did you have a locker and come in and testify on my bill that time?

ROBERT BERNT: Yes, sir. I did. Thank you.

BRANDT: Did, did that work out?

ROBERT BERNT: I did it for other people, not for me.

BRANDT: OK.

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ROBERT BERNT: I wanted that money to be going where I thought it could do more good than it did me. I wish now I would have took it, but I didn't.

BRANDT: OK. Well, thank you for, for driving all the way down here to testify.

ROBERT BERNT: Thank you, Senator.

BRANDT: OK. Next opponent.

JOE MCGINLEY: Good afternoon, senators. My name is Joe McGinley, J-o-e M-c-G-i-n-l-e-y. The Constitution and the Bill of Rights of the United States of America guarantee a government that is a voice of the people. LB204-- LB1204 is an attempt to silence that voice. In renewables energy attempt to increase its footprint within the state of Nebraska, they have encountered increasing resistance from county planning and zoning and county boards of commissioners. These boards are entrusted to pro-- protect the health, safety and welfare of their respective counties. These boards are local voice of the people. This bill is intent to strip the board of that power. Grassroot, salt-of-the-earth people are able to take a few hours of their day and attend a local meeting and be heard. Whereas this bill takes that privilege away. Setbacks and placements of renewables are very one-size-fits-all within this proposed bill. It takes in no consideration for special locations or sites within this county or the state. In particular, Garden County has a Crescent Lake National Wildlife Refuge and the North Platte River Wildlife Refuge. Yes, Game and Parks and U.S. Fish and Wildlife will protect those, but outlying feeding areas for migratory waterfowl need to protect it as well. Game and Parks and Fish and Wildlife seem to be complacent about that. Local control recognizes that and wants to protect those areas to preserve the county, both environmentally and economically. I am certain that every county within this state has that one thing that makes it special. And the cookie-cutter regulations of this bill would not protect those. As for health, most recent studies conducted throughout the world, including studies by the World Health Organization, have proven that proposed setbacks outlined in this bill are inadequate to protect the health of residents within the proximity of commercial wind energy conversion system. This bill is a step in the wrong direction in protecting the health, safety, and welfare of

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the people of the great state of Nebraska. Thank you for allowing me the voice in a government of the people in opposing LB1204.

BRANDT: OK, let's see if we've got questions.

JOE MCGINLEY: If I might, can I make some clarifications about the previous testimony about--

BRANDT: Hold on a second. Mr.--

JOE MCGINLEY: McGinley.

BRANDT: --McGinley, can you make some clarification about some previous testimony?

JOE MCGINLEY: Senator Raybould, Raybould asked the previous test-- testimony about U.S. Fish and Wildlife and protecting. Yes, they will protect. In 2017, there was a proposed project in Garden County. Olson Associates, a company from here in Lincoln, came out and did a three-month wildlife study. Their people said countless numbers of birds in the area, ducks and geese, bald eagles, golden eagles. I personally called the regional office of the U.S. Fish and Wildlife in Alda, just west of Grand Island. They said, we have to take the testimony of that company. That company is hired by the Wind energy company. They're not going to get another bid, they're not gonna get another job if they don't make a statement in favorable of the company they're working for.

BRANDT: OK.

JOE MCGINLEY: If that can clarify your--

BRANDT: OK. I see-- Senator DeKay, did you have a question?

DeKAY: Are you-- did you travel from Garden County today?

JOE MCGINLEY: Yes, sir.

DeKAY: Thank you for being here and driving that far. Cookie-cutter question for you, is there still geese trying to land at the end of Main Street in Oshkosh, Nebraska?

JOE MCGINLEY: There sure is.

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DeKAY: That's all I have.

JOE MCGINLEY: Thank you.

BRANDT: OK, thank you. Next opponent.

SCOTT RYAN GROPP: Thank you.

BRANDT: Yep.

SCOTT RYAN GROPP: My name is Scott Ryan Gropp, S-c-o-t-t R-y-a-n G-r-o-p-p. Good afternoon Chairperson Brandt and other committee members. My Name is again Scott Gropp, I'm with Gropp Law and Mediation. I speak today in opposition of LB1204. I've represented many communities in Nebraska in my practice, providing them legal advice. More recently, I've advised property owners and county officials in more than a dozen counties in Nebraska dealing with the imposition of commercial wind energy conversion systems. Many of my clients are here in the room today. Originally when I had this speech written, it was based on my reading of the law. And I think you're going to find a lot of people came here today because, with all due respect to Senator Clouse, if it walks like a duck and talks like a duck, I think everybody knew what the intent of this was. And notwithstanding the intent clarification today, I think that's what you're going to find that to be a hard sell with the people that have read the law-- or read the bill and are here today. So I'll move on a little bit. I think when you look at some of the restrictions that are put in this, you'll find that most of the counties in the state of Nebraska that have thoughtfully reviewed their own county's needs, you're going to find that the restrictions imposed in this bill as a base that a, that a county could just accept haven't been, I think with the exception of one that I testified in, I don't think they have been adopted. Far more restrictive for each county has been adopted. And those took months and years and were part of their comprehensive plan. So to just have this boilerplate that other people would have to take, I don't think would fit their needs. One of the problems that I always run into is that at the hearings, we hear the wind companies say, you know, all land use is local. I mean, you, you-- it's at every hearing. And they, they tell the counties that if you don't follow our recommendations, there's probably going to be a lawsuit. And so what it always comes down to is I tell the commissioners to ask the question of any of the land developers, the wind energy companies, is

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that if we impose restrictions that protect the health, safety and well-being of our constituents, can you still build the project or does it completely take it out? And not once in any of the counties I've been in have they been unable to build it because of the restrictions. It just costs more money. And when you start wondering why, you, you look at, if you search Google data centers, they don't have wind turbines right beside them. They don't any solar on top of them. If we're so concerned about powering those places, why do we want the rural areas of Nebraska to be the dumpsters for what the cities and the data centers don't want to do themselves?

BRANDT: OK, let's see if we've got questions. I've made that very point when I sat next to a Google VP here about three years ago.

SCOTT RYAN GROPP: It is frustrating to look, to just Google-- or search, I will say search, data centers or any of that and you see parking lots with just asphalt. And they could have solar panels all they want on top of them.

BRANDT: Have you asked that question of those companies about changing city statute to allow that? Have you ever pursued that?

SCOTT RYAN GROPP: I have not.

BRANDT: OK. I have-- Senator DeKay, did you have a question?

DeKAY: Yeah.

BRANDT: OK.

DeKAY: With that, we're, we're going to be talking a lot about energy in the next few days. Number one, that would have to be subject to what we're gonna be talking about in the near future, about behind-the-meter generation. So I guess that would be a first place to start with be, which are public power utilities, and then work off of that to provide power within that structure. So thank you.

BRANDT: OK, thank you. Next opponent. Wait a second. Senator Moser's got a question.

SCOTT RYAN GROPP: Sorry, Senator.

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MOSER: I was just going to-- it's fine. Is this your handout, this fact sheet?

SCOTT RYAN GROPP: Nope.

MOSER: OK.

SALLY SCHULTZ: It was Mr. McGinley's.

MOSER: OK, we got a handout from somebody [INAUDIBLE].

BRANDT: It was the one before, Senator Moser. Mr. McGinley.

MOSER: All right. Thank you.

BRANDT: OK, you're off the hook.

SCOTT RYAN GROPP: Thank you.

BRANDT: OK. Next opponent, come on up. Welcome.

GENE JACKSON: Chairman Brandt, Natural Resources Committee, Gene Jackson, G-e-n-e J-a-c-k-s-o-n, 216 Road K, McCool Junction representing Our Voices Count, Hayes Township in York County. Senators of the Natural Resources Committee, thank you for the opportunity to speak today. Today I'm here to testify in opposition to LB1204 because it removes meaningful local control and replaces it with zoning standards that are not only unrealistic for rural communities, but in some cases downright inadequate. Nebraska's tradition of local control isn't just a talking point. It's the backbone of how rural communities protect their land, their safety, and their way of life. Counties understand their own geography, their roads, their emergency response limits, and the people, the needs of the people that live there. Decisions about where to place large-scale energy projects have always been made locally because these decisions directly affect property owners, farmers, and families. LB1204 breaks from that long-standing practice by removing county authority and replacing it with single state-side-- statewide standards that do not reflect the univers-- the diversity of Nebraska's rural landscapes. Instead of empowering local officials in other communities, a bill shifts comm-- control to the state and to developers who may never set foot in the areas the projects impact. LB1204 states that political subdivisions shall not impose any zoning or permitting requirements more restricted than the

state's new standards. In practice, this means counties lose the ability to set setbacks, require conditional-use permits, or adopt stronger noise or decommissioning rules. Even longstanding ordinances become void and unpredictable. This is a direct loss of local control. The very authority counties have relied on for decades to protect their residents, manage responsible developments. Another concerning part of LB1204 is extremely small zoning distances it forces counties to accept. Some of these standards in this bill allow industrial-scale energy infrastructure to be placed as close as 200 feet from a resident and as little as 25 feet from a property line. A 200-foot setback puts industrial equipment closer to the home than many farm machinery turning radius. A 25-foot property line setback is smaller than the radius of the farm equipment. This distance ignores noise, shadow flicker, drainage impact, snow shedding, emergency access. They also fail to account for the risks associated with battery energy storage systems which involve high-heat chemical reactions, fire hazards, and require specialized firefighting equipment for many rural departments that still do not have the equipment. In closing, amen to the fellow who proc-- preceded me about putting the solar panels on the parking lots and the buildings. If the cities want the energy, they should have solar panels.

BRANDT: Better yet, windmills. Let's see if we've got any questions. I guess not.

GENE JACKSON: Thank you.

BRANDT: Thank you for coming in today. Come on up, next opponent. Welcome, Senator Bostelman.

BRUCE BOSTELMAN: Chairman Brandt and committee members, my name is Bruce Bostelman, B-r-u-c-e B-o-s-t-e-l-m-a-n. As a previous Chair, and Vice Chair of this Committee for eight years, this bill strikes at least ten years of legislation by this committee, the Government and Military Affairs and Revenue Committees. For instance, reading-- repealing LB901, 2018, which protects a National Guard low-level helicopter flight training areas. In 2024, LB1120, LB1301, LB120, all address foreign-owned adversarial-- adversaries near military installations, LB569, providing transparency to county boards, to name a few. In searching area states, I found state utility commissions or PUCs have approval authority. Natural resource commissions require environmental studies, and counties or townships have setback

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authority. Yes, every state has local control. The only regulatory function we have is at the county level, and this bill strikes that and sends a chilling effect by making it very difficult for counties to deny applications. And if they do, it mandates them to pay all court attorney fees if and when they lose in court. NPA's annual load and capability report is ongoing resource planning by Nebraska Utilities. This bill would allow foreign companies to build and operate outside of this processing-- planning process. How will that affect Nebraska utilities and planning? Straining assets and grid stability is a significant concern and cost to the ratepayer. The 2014 Brattle Report warned a large influx of renewable generation will cause brownouts, stating significant upgrade requirements to the grid paid for by the ratepayers. This committee conducted 11 hours of hearings after winter storm Uri, focus-- focusing on cause and cost of rolling blackouts costing over a billion dollars to Nebraskans. The demand and need for thermal generation is now. Bring reliable, clean generation with high-paying jobs and significant tax dollars to the state. Intermittent renewables should have-- should be required to pay commercial property taxes. A million Sandhill cranes and endangered whooping cranes are coming to Nebraska. This bill would allow wind turbines to be placed next to and within their resting and feeding grounds, killing unknown numbers. There is no one-size-fits-all. We have different topography, environmental concerns, soil, water profiles, and population density that needs to be considered. Local boards are the only way to make sure that happens. The bill eliminating local authority, the Power Review Board, and Nebraska Utilities' involvement is very troubling. This unprece-- unprecedented move is to remove all authority in permitting, regulations, setbacks, bonding, commissioning, public disclosure, discussion, taxes and more. Finally, renewables are being built and there is no need for this bill. There are no amendments that can fix this bill. Wind and solar have fought every bill that raised their taxes and, and ensured oversight. Why this bill and now? Simply to illuminate and or catch counties without established setbacks, eliminating local control to the benefit of the vendors. The bill crosses jurisdictional authority of three committees, and I would ask you-- that you IPP the bill. It was talked about reliability earlier, and I think--

BRANDT: Let's see if we've got any questions. Senator Raybould.

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RAYBOULD: Senator Bostelman, we were talking about renewable, reliable energy. What do you know about that?

BRUCE BOSTELMAN: About what?

RAYBOULD: Renewable, reliable energy.

BRUCE BOSTELMAN: So great question. Reliability is only means that, that the power companies can transmit the generation down the lines. It has nothing to do with generation. Wind and solar, one of the about-- they're able to, to produce about 30 to 35% of what their capacity is. So if they say they're a 100-megawatt facility, they're only going to be able to about 30 or 35 megawatts. Physics. A couple weeks ago or last week when we had below, below zero outside, there's no wind, there's not sun, it's below zero. We had to have thermal. We had have coal, nuclear, you know, natural gas. That's what put power onto the line. So when we talk about, it has been my fight with public power, quite frankly, for years. When they talk about reliability, it isn't about generation. Reliability is about being able to move power down the power lines and give it to the customer. Does that answer your question?

RAYBOULD: Yes, you did. Thank you.

BRUCE BOSTELMAN: Yep.

BRANDT: Senator DeKay.

DeKAY: Thank you. Thank you for being here today. You've been involved with this for a lot of years.

BRUCE BOSTELMAN: Yes.

DeKAY: Probably since before I was born, but--

BRUCE BOSTELMAN: Do I look that bad?

DeKAY: Number one, let's take data centers and that generation needs off the table here. With the low demand coming forward in the next few years, how can-- in your estimation, how can we build to the needs without over-building and impact negative pricing?

BRUCE BOSTELMAN: So, I think you have a loaded capability report that addresses that, that comes from the NPA. That loaded capability report

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will talk about natural gas. And I would say SMRs, advanced nuclear, or micro-reactors are two things that they could do right away. I believe there are some natural gas facilities being on the books, projected to be built. And I think the advanced nuclear will bring in not only high-paying jobs, a lot of jobs, but consistent energy, 24/7, 365. That's what we want, and quite frankly, if you go back to the AI, AI, the Bitcoin, the mining, all that, that's what they're demanding. They're demanding generation 24/7, 365, all the time. That's what they want. So that's, that's what I see. And then what you could do is, if you're going to-- say you're gonna retire a coal plant, you can take an SMR and you can put it at the site of that coal plant. What you do is you transition those jobs from the coal plant to the SMR, and you-- off you go. All the transmission, everything sets right there. It's a perfect fit, it can happen real easy. Clean, reliable, high-paying jobs. Fort Calhoun had 700 employees, average pay was \$80,000. That's huge for a community. The Advanced Nuclear Commission has gone around to the sites that NPPD, that we-- they've done the feasibility study on. Every one of those committees, every one of those communities: Kearney, Grand Island, Hastings, I think that's North Platte, south down by the Cooper sites. There's 16 sites. All those cities said, come build them. Build them. Are there-- are they being built? 2028, two years is probably gonna be the first one that's gonna be built. Kansas has it. Wyoming has it. Idaho, Tennessee, Georgia, Nebraska is part of a coalition now of states to build them. So it's gonna happen, I think, and we need them to meet the needs.

BRANDT: You said.

BRANDT: You have another question? Go ahead.

DeKAY: Please. 2028 you said it would be the first time SMRs will be in production in the United States.

BRUCE BOSTELMAN: Yeah, there's a-- I just read an article the other day online through nuclear news and said in '28 was expected the first one to come online.

DeKAY: How far do you do think Nebraska is behind?

BRUCE BOSTELMAN: Sorry?

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DeKAY: How far do you think Nebraska is behind that model? How many years?

BRUCE BOSTELMAN: You gonna have to, you have to talk to NPPD or them, I don't know. To me, Nebraska needs to get it in gear because there's multiple states, many states already contracting with a vendor, already out there preparing for it, and Nebraska's sitting doing nothing, and we need to get in gear. Because if we're gonna meet the demand of the future, we need to, we need to get it done, and we need to put ourself in place. The other thing that I've said that we should do-- sorry, taking time--

BRANDT: No, you're fine.

BRUCE BOSTELMAN: --but is that SMRs are built in manufacturers, OK? They're built in a, in a facility somewhere. Why don't we bring that manufacturing to Nebraska? North Omaha is a great spot. We have, we-- this body created a commercial area there. You could build these things and then you ship them to wherever the site is. Then they put the fuel there, then they, then they start them up there. You're just building the components. So it's a huge economic opportunity for, for the state.

BRANDT: OK, Senator Raybould.

RAYBOULD: You know, I 100% agree with you, Senator Bostleman, that small modular reactors are the way to go. But the problem is the Nuclear Regulatory Commission has not yet approved one of the models. There's like three or four competitive models out there. And in Nebraska, we're public power. And so it's reliable, affordable. And with the SMRs, they're just so cost-prohibitive for our model of delivering public power, and the affordability commitment that we've made, you know? And you mentioned like the lead times on some of the components and the parts, you know, they're, they're, you know, five to ten years out just for the parts on something that has not yet been approved. And the, the only nuclear reactor or nuclear facility coming online is the one in Wyoming, and that should come online in about 2028. That was taking over an old coal plant and, and doing that. So I know that is the cleanest way to go, but there are so many other prohibitive factors and we need more energy now. That's, that's the tough part. That's not cost-prohibitive.

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BRUCE BOSTELMAN: So actually there's two approved SMRs right now licensed to be built, Nuscale has it and Westinghouse both have them. they can build them today. Today. Nuscale had, I just read Nuscale has a project, I don't remember where it was, that they're licensed to build. They're licensed by NRC to build today. NRC right now is going through a streamline process. So they have two different ways which they can go through licensing the, the reactors, the generation portion of it. That is going to significantly reduce the time of which they have to get them approved and that, for the safety portion of that. There's a lot of them in the queue that are already a long ways along. The one in, in Wyoming is TerraPower, that has already have construction. That's where they broke, broken ground, they're already building there. They expect that the licensing for the reactor side island of it to be done in the next two years. You know, the problem is, is, is public powers went and shut down Fort Calhoun, some of the best gen for power that we had, and now we don't have any that we need. So it's been bad planning that's got us to this point. I think we need to get back on track with public power planning and building this new generation and get it going. Because you could, you could meet the potentially need with a coal plant or with a natural gas plant for the time you need now and then build your nuclear later, so.

BRANDT: Any other questions? Senator Moser had one, but he wanted me to ask it. Is there life after the Legislature?

BRUCE BOSTELMAN: Only, only for those who have a band and sing.

BRANDT: Thank you. Thank you for your testimony.

BRUCE BOSTELMAN: Thank you. Good to see you.

BRANDT: OK, next-- how many people are left to testify? Raise your hand. Not too bad. About seven or eight. Please come up. Next, next opponent, come on up. Oh, sorry. Welcome.

JON LARGE: Thank you, Mr. Chairman, Senators, my name is Jon Large, J-o-n L-a-r-g-e. I live in Lincoln, Nebraska. I'm the past president of the Nebraska Association of Airport Officials, an organization representing all public use airports in the state, and I'm here to oppose LB1204. Senators, since 1945 and as recently as 2013, the state of Nebraska in Nebraska Revised Statutes 3-301 to 3-339 has established the Airport Zoning Act. This act recognizes that airport

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hazards endanger the lives and property of the users of an airport and occupants of land in its vicinity, as well as reducing the area available for the landing, takeoff, and maneuvering of aircraft, thus tending to destroy or impair the utility of the airport and the public investment made in that airport. In order to prevent the creation or establishment of airport hazards, these state statutes provide clear, defined standards for height restriction zoning around an airport and are required by statute to be adopted by every political subdivision that has an airport hazard area within the area of its zoning jurisdiction. It appears that this bill would want to supersede established state law concerning the zoning and protection of the airspace surrounding our public use airports. Specific challenges for the airport community are, in Section 2(9), defining the total height of a wind turbine, measurements of the turbine appear to be made at the location of the turbine. However, for our purposes, heights must be measured from the elevation of the airport as defined in statute. In Section 3(2), this proposal states that inconsistent and overly restricted local regulations have created substantial barriers. In our situation, the Airport Zoning Act clearly defines a standard for local political subdivisions to adopt, and so provides very consistent regulations from subdivision to subdivision. In Section 3(4), the proposal says that uniform statewide maximum standards are necessary. We would agree and in fact have established a set of uniform statewide maximum standards. Concerning 4(6), we would advise the FAA has no standards or requirements save lighting and marking to be imposed. The FAA is always considered zoning to be a local issue and makes it the responsibility of the airport sponsor through very specific grant assurances. These grant assurances, including the assurance to adopt local zoning to protect the airspace, and so the federal investment in the airports are commitments made by the sponsor as a condition of the receipt of federal funds. In Section 6(1), again, there is a reference to federal regulations superseding any height restriction imposed. Unfortunately, there no federal regulation. In my nearly--

DeKAY: Sorry, that's your time.

JON LARGE: Thank you.

DeKAY: Thank you, how's-- are there any questions? Can you wrap up in just a sentence or two what you were going to say?

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JON LARGE: Sure. The FAA, the state, and our local airport sponsors have made significant investment in a, a critical public transportation infrastructure for this state. Aviation is a 3.4 billion-- has a \$3.4 billion economic impact in this state. And to do anything that would degrade the continued, the continued safe use of our airports and negatively impact the investment that we've made in that public infrastructure would be opposed by us.

DeKAY: OK. Thank you. Next opponent.

PAUL KINNEY: Hello, Senators. My name is Paul Kinney, P-a-u-l K-i-n-n-e-y. I'm a retired CPA, and my wife and I also own and run a small ranch in western Keith County. I am both a numbers-cruncher and a steward of Nebraska's deep roots in agriculture and individualism. I'm here today to ask-- to voice my strong opposition to LB1204 and ask you to do two things. First, preserve the right of all Nebraskans to manage local affairs, and two, not to allow out-of-state energy corporations to ruin our beautiful heritage and landscapes. You can do that simply by opposing this bill or killing it here in committee. Every Nebraskan in my, in my view ought to be up in arms with this bill. It's laced with right-stripping measures that mandate statewide standards and disallow local zoning. This law frankly spits on the work and the wisdom of most Nebraskan counties. Currently, 66% or 71% of Nebraska's 93 counties already have zoning regulations for alternative energy. Many of have undertaken setbacks and other regulations that are very contrary to the statewide maximum standards that are part of this, this potential bill. One county, Knox County, has even already proceeded with a full ban. It's clear to me that the true authors of this bill are wind development companies. They're headquartered in other states and are principally owned by multi-trillion-dollar investment firms like Black Rock Capital. They don't give a hoot about our landscape. They don't give a hoot about our way of life. They certainly don't care about our people. They come swooping in with glossy pamphlets and unfounded big promises. For example, in my county, I'm in Keith County, they came in and said, if we get to develop this project, Keith County will get between \$800,000 and \$1 million a year in property taxes. Folks, that's only 2.6% of the total budget of Keith County for the year. I got that data from the Nebraska State Auditor. I can-- I really don't see that amount of money to be a windfall given what we might give up. The real argument in all of this, in, in both sides of the equation, is setbacks. Because there are clearly-known and very indisputable issues related

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to health and wellness and the safety of our, of our people. In fact, the wind operator recognizes these risks. I've looked at every single recorded lease in our three counties, Keith, Garden, and Deuel, and in every single one of these leases, the operator requires the leasee to sign the rights away by granting, and I'm going to quote this, an "irrevocable, non-exclusive easement for sound, noise, visual, light flicker, shadow, and any other effects attributed to the wind farm." They know there's problems, right? It's not a matter of if, it's a matter that it is in existence. The question is, how far away from a house must it be to preserve that? The other thing I'm concerned about among many things, but recent studies show there's one fire per turbine per year-- per 2,000 turbines per year. Fact is, you all probably know right here in Nebraska, in Wayne County, just about a year ago, two volunteers were called to a wind tower that failed. Two people died on that wind tower. All of our three counties are staffed.

BRANDT: Mr. Kenny, can you go ahead and wrap up your thought?

PAUL KINNEY: Yes, sir.

BRANDT: We'll see what questions we got.

PAUL KINNEY: Absolutely. Our three counties are all staffed with volunteer first responders. I think that's a lot to ask a first responder to come to a 600-foot tower to rescue, save or prevent the death of an, a worker. With that, thank you.

BRANDT: OK, let's see what we've got for questions. Senator DeKay.

DeKAY: Just for clarification, within that facility up in Wayne County, was proper procedure followed by those employees on that particular afternoon?

PAUL KINNEY: Sir, I don't know the answer to that.

DeKAY: OK, thank you.

BRANDT: Any other questions? So what town did you drive in from today?

PAUL KINNEY: Brule near Ogallala.

BRANDT: Yeah, that's a drive, isn't it?

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PAUL KINNEY: And we're all heading back tonight. We got cows to check in the morning.

BRANDT: OK, well, we appreciate you guys coming in today. Thank you.

PAUL KINNEY: Thank you.

BRANDT: All right, next opponent.

SANDY HERMESCH: Sandy Hermes, S-a-n-d-y H-e-r-m-e-s-c-h. Good afternoon. My name is Sandy Hermes and I live in Lancaster County, and I'm here today in opposition of LB1204. My concern is renewable energy development as it is being promoted under this bill, particularly large-scale solar facilities placed on our prime farmland. Nebraska farmland is not vacant land. It is our most valuable and productive resource, and once it is removed from agriculture use, it is effectively lost for generations. Solar facilities do not coexist with farming. They replace it. This bill makes it easier for developers to convert our quality cropland into industrial sites. They might argue that this is all about clean energy, but we need to be honest about the trade-off. Utility-scale solar is highly subsidized, yet it produces intermittent power that requires backup from our conventional energy sources. We are asked to bear the cost while developers receive guaranteed returns. Uniform statewide setbacks and standards they are promoting are less than what our Lancaster County already has in place, and they would override the existing comprehensive plans. This bill prioritize developers over our food production, our property rights, and local decision making. Renewable energy should not come at the expense of our best farmland or be forced on our rural communities through state mandate. LB1204 takes away authority by imposing one-size-fits-all standards. If a project makes sense, it should be able to stand on its own without overriding local control. Just a couple more things. When we talk about property rights, we bought a home that was zoned ag land. Then it turns into solar industry. For some reason, they've taken what was known for agriculture. We expect we know what's going to be built around us, that all of a sudden we're going to be surrounded by solar panels. And decommissioning, like in Lancaster right now, they have 15 years to come up with the money for the decommissioning on some of these projects. And where are they going to go with these wind turbines that they take down, or the, or the solar panels, when they decommission them? They're going to go in landfills. Has anyone done any

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research on how much waste these are producing? And we have no way, there's no economical way to, to use-- reuse these solar panels. They say they're gonna go back into production, but anyway, that's my thoughts.

BRANDT: Let's, let's see if we've got questions. Any questions? Tell Dennis I said hi. Next opponent. Welcome.

TODD FANGMEIER: My name is Todd Fangmeier. My senator is Senator Brandt. I live at Heber, Nebraska, which is in Thayer County. I'd like to open my comments by asking Senator DeKay to ask me questions at the end because I have some answers for you on your question about other setback distances in other counties. I testified last year in opposition to LB503, which had very similar language to what LB1204 has right now. That was a Revenue Committee testimony. And it revolved a little bit around the American Energy Friendly County designation. The similar language on the regulations is what's proposed now on the very unrestrictive regulations that would allow projects to proceed based off of industry standards, which do not seem to be refutable, and they are not able to be checked up on. And it seems that the industry is setting those standards without anyone else being able to follow up on how they're presented. Thayer County spent much of their time in a moratorium before we were able to get the commissioners to adopt our regulations. What we have been able to pass does protect the health, safety and welfare of all the residents of Thayer County, and we felt like we were a good model for other counties that were trying to decide on their regulations. We were kind of took a middle-of-the-road approach but still feel very safe for that. For example, we were going to allow towers up to 650 feet in total height, that's to the tip of the blade as it rotates across. To give everyone an example of that height, the top of the tower of this Capitol building is 400 feet. So that's a total of another 250 feet above, or approximately 1.75 city blocks, is the total height of that. I feel strongly about the loss of local control, as has been mentioned not only by Senator Clouse in his opening statement, but in the event that a county commissioner group decides that they would want to proceed with this, they could dangle the carrot of the increased tax revenue to the county and have this passed without full county representation being able to address the issue. My short closing statement is that I feel that this bill needs to die here in committee. I feel that the language in this bill pertaining to industry standards needs to die

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permanently. And those standards need to die with prejudice so that I don't have to come back a third time and argue the same points.

BRANDT: OK, let's see what we've got for questions. Senator DeKay.

DeKAY: Thank you. It just popped into my head, I should ask you possibly about what the setback structures are.

TODD FANGMEIER: Yes. Thayer County approved setback distances for wind-- commercial wind turbine generation. We allowed the participating landowners to have the 1.1 distance in total height from their own existing property lines and houses. We allowed 1.11 times the total height between multiple units. Obviously, if they do fall over, we want to protect them by not crashing into each other. And a 1.5 total height from any county road right of way. Just a little extra protection. A distance to a non-participating landowner property line, Thayer County set for one mile. A distance to a non-participating inhabitable dwelling, we set at 1.5 miles. A distance to any school, church, or cemetery in respect to those locations is also 1.5 miles. A distance to any U.S. state highway right of way is 1 mile to protect the travel corridor. Any public conservation land is a mile, and any wetlands and rivers identified by the National Wetlands Inventory is 1 mile. In addition to those, Thayer County commissioners approved a noise requirement of 40 decibels or less.

DeKAY: Thank you.

TODD FANGMEIER: If I may, I live in southern Thayer County. I have a project that was set up in Republic County, Kansas. I am 8 miles away from the closest wind turbine there out of 330 that are in that total project. There are days at 8 miles a way when I can hear those turbines working, and I would not like to live any closer than that 8 miles. I know a family that lives there, inside the footprint of that project, they have 12 within a 2-mile radius of their house, and when they set a glass of water on their kitchen table, they can see the water ripple because of the noise, the low-frequency noise produced by that, and also by the ground vibration that has been discovered by a geological survey. I was very strong opposition in my local county and I'll continue to be strong opposition at the state level.

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BRANDT: Any other questions? Do you know what the setback was in Republic, in Kansas? Do you what their setbacks were?

TODD FANGMEIER: In-- if I may have enough time to answer the question, Republic County, Kansas did not have any zoning regulations on the books at the time when the project was presented, and so they had no restrictions. In addition to that, all three of the supervisors that were on the board at the time that this was proposed down there all had land signed up in the project. And so there was very little opposition allowed to come forward in that particular project.

BRANDT: So then I'm kind of hearing a theme, too, that possibly there's a conflict of interest, somebody on P&Z or a commissioner is getting a wind contract and maybe not recusing themselves. If there were legislation going forward, shouldn't that be in there that, that possibly, if you have a conflict interest, it needs to be disclosed? I don't, I don't think that's in the bill.

TODD FANGMEIER: On a legislative bill level, I would feel like that was a very important addition. Our own situation in Thayer County involved one of our commissioners that did have land signed up in the project and, had the project gone forward, I personally would have had a tower within a half-mile of my house because of his involvement. He did recuse himself. And out of our three commissioners, the vote to pass the regulations as I read here was 2 votes for and 1 vote recuse.

BRANDT: OK. All right, I don't see any other questions. Thank you for driving up here today.

TODD FANGMEIER: Thank you very much for your time.

BRANDT: Yep. Next opponent.

KENT HARLAN: Thank you, Senator Brandt and the community for the opportunity to take a little of your time and express some concerns today. I have a little bit different testimony than maybe you've heard for the last two and a half hours.

BRANDT: Give us your name and spell it

KENT HARLAN: I can.

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BRANDT: OK.

KENT HARLAN: Kent Harlan, first name is K-e-n-t, last name is H-a-r-l-a-n. I guess I was worried about running out of time, wasn't I? With what's been said here today, it's very clear that you're going to revise this bill if it doesn't die in committee. I think there's some information here that maybe you want to consider when you're doing that. Because LB1204, as it's currently written, completely eliminates special use permits and mandates for setbacks with no individual room for county needs. That's a violation of the Fifth Amendment of the Constitution of the United States. It's very clear why you're going to revise it because it appears as if some energy company attorney wrote it. Section 7 of the bill is interesting. It pertains to the surety bond, and there's no surety bond required for 15 years. It does say that they have to update the cost of decommissioning every five years, but it doesn't require any funding for it. It just kicks that can down the road into an empty coffer. Where does the money come from for a cleanup in the event that a tornado would go through and scatter solar panels into people that didn't sign on that may have cropland that's now unusable? I don't think there's any provisions for that. I was concerned in the decommissioning for, for wind energy that they only have to remove footings to 36 inches. A quick Google search showed that depending on the megawatts of the tower involved that those footings are 10 to 20 feet and 60 feet-- or 10 to 20 feet in depth and 60 feet diameter. So they're just going to shave off the top 36 in-- or to the top 36 inches and leave it? I think that could, that could use a little bit of addressing. You have a very interesting opportunity here because you have current legislation locally with an energy company. It's in Lancaster County, CI 25-657. I won't bore you with the whole case, but it's a case where when it was contested to court, NextEra made the whole case to the district court that we met all the conditions, so you must issue the permit. That reached just like LB1204. The project manager for NextEra testified that despite the building permit for the industrial solar complex worth \$670 million being held up in litigation, their company decided to go ahead and build anyway. His justification to go ahead with the construction is they had to show considerable progress by July 1st of 2026 in order to qualify for \$170 million in tax credits. So they don't have the permit and they can just build it anyway. We'll have fines and penalties, but so what?

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BRANDT: Mr. Harlan, if you could wrap it up, we'll see if there's any questions.

KENT HARLAN: I can. So they just do what they want anyway. I guess that's it, I'm out of time.

BRANDT: Well, let's, let's see if we've got questions. I don't see any.

KENT HARLAN: Thank you for the opportunity.

BRANDT: Thank you for coming to testify. Next opponent.

DOUGLAS P. NELSON: Douglas P. Nelson, Wayne, Nebraska. I'm gonna start with my closing.

BRANDT: Can you spell-- can you spell your name, Mr. Nelson?

DOUGLAS P. NELSON: Douglas P. Delson, Wayne, Nebraska. N-E-L-S-O-N. Never underestimate the wisdom of your local officials and do not deny your people the right to self-direct their own destiny. Now I got comments on Section 3 (1), and Section 3 (2). They refer to economic development and substantial revenue. There is an apparent implication throughout this meeting when we talk about economic development and revenue that turbines actually produce a positive production. That is false. Only in the presence of REAP grants and tax credits can they show a positive cash flow. If you do your own cash flow on them using about \$2.4 million cost of construction per megawatt and add about \$1.7 million cost for the infrastructure to connect that megawatt to the grid, use about a 40% efficiency factor on the production of a megawatt and a wholesale price, you'll find out that the production of a megawatt can't pay the interest on the investment. So what's going on here? REAP grants and tax credits, especially tax credits. Do you realize that a tax credit being a, a credit against a non-deductible expense, namely taxes, is exactly the same as receiving tax-free money? Even though you don't receive any money, you don't receive a check, it's an off-the-ballot-sheet transaction for the government because they do not have to account for tax money they collected to cover a check they did not send. And if they don't send a check, you don't get a 1099. You're getting a credit on a non-deductible expense, and its value is directly related to the magnitude of the tax bracket that you're in. If one of you would question me on this, I'd appreciate it. But I'm going to say, in the right tax situation, a

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million dollar tax credit is exactly worth the same as \$2 million worth of taxable cash. I'd like to elaborate, but I don't have time. That's why they build these projects. It's the tax credits. And you cannot pump water from one tank to another tank and call it economic development. The revenue has to be generated somewhere by some taxpayer in order to cover the expense of a tax credit given to somebody else. It's, it's simply transferring money from one area of the economy to the other one.

BRANDT: OK, let's see if we've got some questions for you, Mr. Nelson.

DOUGLAS P. NELSON: Good.

BRANDT: So can you explain to me how \$1 million and the \$2 million on the tax credit works?

DOUGLAS P. NELSON: I'd love to.

BRANDT: OK.

DOUGLAS P. NELSON: OK, Senator, let's say you and I were both in the 50% tax bracket and we both had a good year. We both have \$2 million worth of taxable income. That means that you and I are obligated to write a check for a million dollars to the government to pay our taxes. Now let's say a government official comes by and offers you, Senator, a choice between a million-dollar tax credit or \$2 million worth of an additional taxable cash. You pick one and I'll default with the other. We'll run the numbers both ways. Which one would you like, a million-dollar tax credit, or \$2 million worth taxable cash.

BRANDT: I can't answer that question because you can't ask me a question.

DOUGLAS P. NELSON: Well, I'll pick--

BRANDT: You can pick for me though.

DOUGLAS P. NELSON: He is taking the million-dollar tax credit and I have to take the \$2 million worth of taxable cash. Now Senator Brandt can pay his million-dollar tax liability with a million-dollar credit and he has in the bank now cleaned up his \$2 million worth of income and it is tax-free forever now. He paid it with a tax credit, he did not write the check. I unfortunately now have to pay the taxes on \$4

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million worth of taxes because I made \$2 million and I accepted the \$2 million in cash. I'm still in the 50% tax bracket and I have to write a check for \$2 million. But when I got done, I still have \$2 million in the bank, just like you. In the right tax situation, a million-dollar tax credit is exactly like \$2 million worth of taxable cash. So you see the magnitude of a tax bracket is directly related to the value of a tax credit. And the investors in NextEra about two years ago were trillion-dollar companies. Four of them. NextEra, Black Rock, Vanguard and State Street, and J.P. Morgan. These guys are in big tax brackets because they're very profitable companies and they appreciate tax credits, and they're worth double in taxable income. So you see what's driving this so-called renewable energy. It's tax credits. And it's coming from other taxpayers that have to pay extra taxes to make up for the tax credits that the people receiving the tax credits are not paying.

BRANDT: OK, let's see if there's any other questions. I think that's it.

DOUGLAS P. NELSON: Hey.

BRANDT: I appreciate your explanation. We still have some more opponents to go.

DOUGLAS P. NELSON: Good. Thank you.

BRANDT: Next opponent.

MARK CHRISTIANSEN: Mark Christiansen, M-a-r-k C-h-r-i-s-t-i-a-n-s-e-n. I'm here on two capacities. I'm a zoning administrator and a highway superintendent. And our county went through the painstaking process of writing common-sense regulations. I know you guys say this isn't taking control from us, but what it boils down to is, until it's on paper, that is what it says. And it should never have been introduced the way it is. It is-- the common sense in there is so far from reality that it is beyond negotiating. We-- I've had people from five different states call me to ask about how they can write regulations to help their counties. This isn't just a Nebraska thing. This is all over the United States. It is people are concerned about this coming to their backyard. But I'm not, I'm not into whether you're for or against wind turbines or anything like that. Right now it's-- this is, this is government overreach, as far as I'm concerned. And, you know,

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it's kind of an insult to the planning commissions. You know, they said that, oh, it's part time, they don't take it seriously. The planning commissioners are people that are landowners. They are invested their time, their properties. I mean, this is their backyard that they're talking about. And to have somebody say that they, they are not taking it seriously or they're not very intelligent, that's pretty, that's pretty insulting. I have a really good planning commission and I'd go to bat for them any day. As far as roads go, the-- I talked to highway superintendents all over Nebraska and some from counties that are very pro-wind turbine. I, I get the most information from those, those counties. Every single highway superintendent that I talked to said, fight this with everything you got because what it boils down to is the roads are-- it'll never offset the cost of the roads. So when we wrote our zoning regulations, we actually talked to the state DOT, and the state asked to be part of our roads agreement. The concern I have with this is it's a reactive roads agreement, I would like to see more of a proactive roads agreement. The way we have it set up is, you know, if they come in and put, you know, where they map out where they want it and then have an independent engineer come in and look at the infrastructure and say, hey, does it need to be upgraded? You know, there are some countries that require 10-inch concrete clear to the tower. You know, and if they're going to come in and put wind turbines on a minimum maintenance road, it's going to destroy those roads. And granted, it's their minimum maintenance, but it's a lot involved with getting those restored. And every single highway superintendent I've said is it's just, it's hard to get your money back. Now, I will say NextEra historically has a history of-- has paid for it. But they're not the only game in town. There's a lot of wind turbines companies who most of them do not pay what required to re-- restore the roads. So the state and Custer County paid \$42 million dollars in asphalt overlays to repair roads that were destroyed by wind turbine production, and so.

BRANDT: OK. Let's see if we've got questions. Are you Custer County? Is that--

MARK CHRISTIANSEN: No, I'm Dawson County.

BRANDT: OK.

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MARK CHRISTIANSEN: I grew up in Custer, so I watch it.

BRANDT: All right, well, thank you for driving down here today to testify. OK, next opponent. Welcome.

BETH BAZYN FERRELL: Good afternoon Chairman Brandt, members of the committee. For the record, my name is Beth, B-e-t-h, Bazyn, B-a-z-y-n, Ferrell, F-e-r-r-e-l-l, I'm with the Nebraska Association--

BRANDT: Beth, can you lean into the mic a little more? You're kind of soft-spoken.

BETH BAZYN FERRELL: OK.

BRANDT: Go ahead.

BETH BAZYN FERRELL: I think my kids would probably beg to differ. Would you like me to say and spell my name again?

BRANDT: If you would.

BETH BAZYN FERRELL: OK. My name is Beth, B-e-t-h, Bazyn, B-a-z-y-n, Ferrell, F-e-r-r-e-l-l, and I'm with the Nebraska Association of County Officials, and I am appearing in opposition to LB1204. LB1204 covers a lot of ground, and we appreciate that Senator Clouse has acknowledged that it's a work in progress. It's probably not ready for prime time this year. So we appreciate the opportunity to look at the elements of the bill and see if there's anything that, you know, can be worked on. What you've heard a lot today is that Nebraska is not one-size-fits-all. Our geography is diverse, and the standards that apply in one area of the state are not going to apply in another area of the state. It's important that things like setbacks and height limits can be adapted to fit whatever fits the local community. Not just as the bill proposes, being more restrictive than the state standards that would be in the bill, but being able to make those more flexible if the need is there. The bill contains some shot clocks. I would encourage you to take a look at the language in LB663, which is on Final Reading. There's language in there about shot clocks that counties have worked on and negotiated. So that's something to be considered. We've heard some really compelling real-life stories about situations in this bill, and I think it's important to take those into consideration. You know, counties are always looking at opportunities for other kinds of revenue that aren't strictly property taxes, but I

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think this bill points out that there is a balance that needs to be struck when counties are looking at that between the counties that want the economic development that comes with, or potentially comes with, renewable energy and other development projects versus the health and safety issues and so on. So as you've heard, county planning commissions and county boards have a tough job figuring out what that balance is, and we don't think that this bill is the solution for that. I'd be happy to take questions.

BRANDT: OK, let's see. Questions? I don't see any, thank you for your testimony. OK, next opponent. Any more opponents? Neutral capacity. Anybody to testify in the neutral capacity? Let's fight over it, come on.

JOHN HANSEN: Mr. Chairman, members of the committee, good afternoon. For the record, my name is John Hansen, J-o-h-n, Hansen, H-a-n-s-e-n. I am the president of the Nebraska Farmers Union and also their lobbyist. We are neutral on this, and so if you look at our organization, I don't believe I know of any other statewide organization that has more consistently or a longer period of time championed the virtues of local control than my organization has. But my organization also champions value-added agriculture, renewable energy as an opportunity for economic development in rural counties, and also a measure of private property rights. And we're all-- known for all of those things as well. So we had a great collision of all those things, and so that's why we're neutral. And so we thank Senator Clouse for bringing this forward, and it needs some work. It is no question that the job of folks at the local level that are doing planning and zoning and, and local folks have to protect public health, safety, and welfare. That's not in question. What is in question is what happens when we use an, an arm, basically, the local planning and zoning authority, and use it in a fashion to be able to over-regulate and to denigrate private property rights of landowners. When you take away the ability of, of counties to be able to do rural economic development who are desperately struggling to keep doors open on Main Street and keeping farmers and ranchers on the land. And so we have a disconnect in our state, in my view, having worked in planning and zoning since the mid-1970s when I helped establish planning and zoning in Madison County. So I've been at this a long time. And so when I look at what goes on, if I'm sitting there at the county level, and what are the cues? What, what information am I getting from the state? What, what is needed from me at the local level? So we're not

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sending any signals to local decision-makers about what the energy needs of the state of Nebraska are. And so they, at the end of the day, decide whether or not we go forward or not with one of the components of a balanced approach to energy generation. And so when they don't get that information, they make decisions based on local input only. And so then we shut down economic development and energy generation in rural counties that, that have great resources. And then our public power entities go to Kansas and help support rural communities in Kansas. And so when we get to that point, something needs to be done. So I see a lot of red flags. And if we want to keep local control, it has to also be productive and responsible and appropriate control. With that, I'd be glad to answer any questions if I could.

BRANDT: Questions? I see none. Thank you.

JOHN HANSEN: Thank you.

BRANDT: Next neutral.

JANE KLEEB: Thank you.

BRANDT: Welcome.

JANE KLEEB: Welcome. Thank you again, Senators. My name is Jane Klebb, K-l-e-e-b, J-a-n-e. I am testifying for Bold in the neutral capacity. Since we don't know the full text of the final bill, that's mostly it. First, I ditto everything that John Hansen just said. We support property rights. You all know that for years we've been championing the "no eminent domain for private gain." I don't even like eminent domain for public use but, you know, for private gain for sure. We support landowner rights and landowners having the ability to say what happens on their property. We also know that we need energy. And in our state, we have a growing demand of energy, and we have to figure out how we're gonna be building that energy. And that should be a diverse mix. It shouldn't be us relying on out-of-state energy from Wyoming and coal. It shouldn't be us only relying on gas and oil. It should be us developing and continuing to develop our biofuels, and it should be wind and solar. But that also has to make sure that we're respecting people who don't get wind and solar on their property, and that their view sheds are going to be impacted. Sometimes I hear environmentalists or others making fun of folks in rural communities

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who don't like the windmills or solar panels, but those folks may not be living under 200 windmills. It does impact your way of life. And I think wind and solar companies in our state have a responsibility to step up and say we should be putting in place community benefit agreements and American energy dividends, something that makes people who live near those projects whole. But that's not just for wind and solar, that should be for all energy projects, which is really why I wanted to get up here in the neutral capacity to say: if we are going to be building energy, we need to create an energy plan. We don't have an energy plan for our state. We have projects, pipelines that are currently in the ground that have been in the ground for 60, 70 years. They're not required to do anything with decommissioning. Wind and solar usually are. What happens when those companies say that they're no longer in business? Who's going to be responsible for decommissioning those pipelines? We are. You are. The landowner is. So as a state, when we're looking at changing policies around wind and solar, we should be taking a more comprehensive look at what are we doing on energy. How are we putting decommissioning plans in place? How are putting community benefits in place? How are we are putting dividends in place so landowners are getting more money in their pockets, not just the corporations that are building the energy. These are the questions that we should be struggling with as a state, as legislators, and as landowners who are living near these projects. Thank you.

BRANDT: OK, questions? Senator DeKay.

DeKAY: Thank you, thank you for being here today. Quick question on putting a power plan together. Do you feel that our public power utility companies are working in that aspect to put future load, load demand now and future load demand in place looking forward?

JANE KLEEB: I have yet to see a comprehensive energy plan for our state coming from NPPD, OPPD, LES. They clearly are working on plans for their jurisdictions, but they're not working together on a comprehensive plan for our state. There is a big gap for that. And I think you would see environmentalists, climate advocates, property right, you know, champions, unlikely alliance of folks coming together saying, yes, let's do that. So we could have some energy parity in our state. So we aren't leaving landowners holding the bag for, you know,

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energy infrastructure that continues, you know, that needs to be decommissioned that we have no policies in place for that.

DeKAY: You think like--

JANE KLEEB: And nuclear can be part of that. I heard some people saying nuclear. Absolutely nuclear should be part of it.

DeKAY: And with that being said, do you think the Southwest Power Pool is working towards future needs and future generation and future demand?

JANE KLEEB: I think Southwest Power Pool is, you know, they are looking out for the grid that they're responsible for. They're not only thinking about Nebraska. You know, as Nebraskans, we have to think about Nebraska. You know, they're thinking about a whole other slew of needs and financial needs. For us, we have to think about Nebraska, what's best for Nebraska. How are we going to make sure that we're getting affordable energy, how we're going to make sure that our electricity rates aren't going up because of data centers or other businesses that are coming into our state. How are we making sure that landowners are making profit on energy that's being grown on their land or near their land? You know, big corporations are making a lot of money building wind, solar, and pipelines. Landowners should be making a share of that profit too.

DeKAY: And do you feel the utility companies should be working, number one, within what they are thinking about as far as future generation to have first and foremost the concerns of the ratepayers and how that's going to be impacting them, and what they can do to minimize impact on ratepayers as far as paying for generation going forward?

JANE KLEEB: Absolutely. And that may be something like Virginia is currently looking at, right? So they're looking at data centers and they're looking at are some data centers, not all, but are some data centers going to be required to build their own energy on-site, right? And that might be something that we need to look at. Maybe public power has the first right of refusal. Maybe OPPD is saying actually, no, we have the ability and the resources to build that power. Or maybe LES or Hastings Utility says, no, we actually don't have the resources to build. And if we did, we would be passing those costs

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onto ratepayers. So that is a bill that I think absolutely should be brought forward so we are planning.

DeKAY: I appreciate that. Thank you.

JANE KLEEB: Yeah.

BRANDT: Other questions? I guess I've got one. I'm from Jefferson County.

JANE KLEEB: Yes.

BRANDT: And this is a very divisive issue down there.

JANE KLEEB: Yeah.

BRANDT: As it is across the state. You know that. I farm. You have land down there, just a quarter with a, with a pivot on it, typically pays \$8,000 to \$10,000 a year in property taxes. Wind company comes in and you could lease a windmill or, or have a windmill put on that property and it would cover your property taxes. Maybe you got a little leftover for a few years till the property taxes get high enough to eat it up. And across the road is somebody that lives in an acreage and they don't want to look at a windmill, even though it's, it's, it's out there. So whose property rights-- I mean, this is the conundrum that I've got is that you've got somebody paying the bulk of the property taxes for the school districts, most of my school districts in my district are 60, 70 and 80% ag land--

JANE KLEEB: Yes.

BRANDT: --and they contribute probably less than 15% of the kids to that school district. And most of them come from homes that in comparison pay very low property taxes. So you have a situation where a company comes in and kind of offers a lifeline, particularly now with commodity prices the way they are. I know of nobody that's really doing well with the price of corn or soybeans. So I mean, what's your, your solution for that conundrum?

JANE KLEEB: Yeah, and so Bold actually works across nine states where we are either working with landowners and tribes on pipeline or other fossil fuel energy issues or clean energy. So we're dealing with this issue on a daily basis. We bring communities together to say there is

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a massive, either wind or solar project coming to your community. This is what they're currently putting on the table for either direct easements for land owners. You have the ability to be asking for a lot more. A lot of communities don't realize that they can be asking for a community-benefit agreement and dividends. Some wind and solar companies already offer what they call good-neighbor agreements. So if you live near a wind or solar project, like within a mile, you're getting a \$5,000 easement. But many don't. And so we're trying to really make sure that that becomes standard. So we call it an American energy dividend, that would help ease some of that pain. It doesn't cure all of it, but it at least makes sure that the landowner who's now looking at that big windmill, they're at least getting some financial compensation when before they were getting nothing. I still believe the wind and solar company needs to be paying property taxes or the nameplate capacity tax. I'm not arguing that that should go away. But there is still room for them to be leaving more money behind in the community and in landowners' pockets.

BRANDT: All right, thank you. I see no other questions. Thank you for your testimony.

JANE KLEEB: Yeah.

BRANDT: Neutral.

HUNTER TRAYNOR: Well, I believe last and almost certainly least. My name is Hunter Traynor, that is spelled H-u-n-t-e-r T-r-a-y-n-o-r. I appear today in a neutral capacity on behalf of the Nebraska Chamber of Commerce and Industry. In a past life, I was a private practice attorney and had involvement in some of these local zoning discussions related to renewable energy projects, and so have seen this discussion up close. From our vantage point, Senator Clouse was absolutely correct in his opening statement, that he cited our foundation's research on energy, and we agree as a membership organization that energy is perhaps one of the most pressing economic development and economic growth challenges facing Nebraska right now. And that is a national trend, that's certainly not unique to Nebraska. As we talk to members both on the supply side of the equation who want to build renewable energy projects or other types of energy infrastructure, but also on the demand side of the equation, who are large customers of energy, we've identified three trends or three points. The first one is that rural communities across Nebraska want jobs, revenue, and

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revitalization. Second point is that much of the economic potential of the state with new bio-economy projects, tech and innovation, advanced manufacturing, that not only on the ag front create domestic markets here in Nebraska, but also on the manufacturing front, for example, anchor communities with employment basis. They're all large energy consumers. And the third point is that the supply side investments that this bill supports are economic development prospects in themselves, but importantly, they are almost certainly a necessary prerequisite to unlock the demand side of the equation to help grow rural, rural communities around Nebraska. Over the next 10 years, the energy demand in the state of Nebraska could, could go up about 30%, somewhere between 20 and 30% based on current projections. Additionally, I wanted to point out two things that our research has shown, and one of them was stated in prior testimony. There was a testifier before me that stated in one county the setback for one of these projects was 3 miles. And over the county line, just a couple miles away, same type of project, setback was 1,000 feet. And that is the point that I think this bill has the potential through collaboration to solve for, because the second point that we hear not only for energy developers, but also for large industrial customers, is that delays and uncertainty, not only for building energy infrastructure, but for connecting projects that use it, they kill projects. And those projects will go to other states. And those states will potentially enjoy the economic benefits associated with them. This is a hard thing, and I think the testifier before me hit the nail on the head in that it is going to take a statewide strategy to address the energy problem for the next five to ten years of economic growth in Nebraska. And there is a mismatch on how the decisions are made knowing that we have a local layer, a state layer, a regional layer with the SPP, and a national layer with FERC. And that makes this challenge very difficult. With that, I'm at my time. It has been a long hearing, and I'd love to answer any questions.

BRANDT: Let's see if we have any questions.

HUNTER TRAYNOR: Maybe not. You're all very tired and likely want to go home.

BRANDT: I do have one question for you.

HUNTER TRAYNOR: Please.

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BRANDT: You say the demand is going to go up 30% in the next how many years?

MOSER: Probably over the next decade.

BRANDT: But if there's no generation, there won't be any demand. Is that right? If the generation isn't built, it won't be able to fill that demand.

HUNTER TRAYNOR: This is-- that's a philosophical conundrum, Senator. I don't know if, I mean, my response to that is that demand represents economic opportunity for Nebraska.

BRANDT: Certainly does.

HUNTER TRAYNOR: Certainly does, and I think that's the point that my testimony was circling around--

BRANDT: OK.

HUNTER TRAYNOR: --that our ability to pull together and figure out a way to balance not just local input, and I think Senator Clouse did a fantastic job in his opening about how this bill could evolve to allow this incentive structure to be an opt-in approach for counties that want to enjoy the benefits of it. So local input on the one hand is very difficult to balance with statewide predictability on the other hand. But you're absolutely right that if the generation, transmission and grid infrastructure is not built in collaboration with public utilities and the private developers that would to build it, there will be potential consequences for demand going elsewhere.

BRANDT: OK. I see no other questions. Thank you for your testimony.

HUNTER TRAYNOR: Appreciate it.

BRANDT: Anybody else in the neutral? Senator Clouse, you still with us? You're welcome to close.

CLOUSE: Well, thank you. There's been a, a lot of good testimony. I've taken a lot of notes, a lot of good comments. And as I stated, you know, what, what the intent was when drafted this bill, there's obviously a lot of things that need to be worked on. One of the things we talked about setting standards and opting in, if 71% of the

counties already have regulations, then they're probably not going to be filling into this. So that's a very small percentage yet that may want to take-- participate, participate in this if this bill moves forward. A lot of notes. Again, when I looked at the-- I knew the airport, I found out at walking off the floor 12:00 noon today that the airport, the FAA had some issues with it. But when they hand out this, this information, obviously that's good information to have and we can address those issues. I know that we addressed that in Kearney when we did to solar and the archway and all those things, so I know this big deal when you're dealing with airports and ag-related activities around airports. One size does not fit all, I heard that loud and clear. You know, we are a very diverse state and recognize that, we've talked about that often. The environmental issues, you know, in Garden County, Keith County, that's important just as it is in Buffalo County and, and Kearney County and where I'm at. So that, that is an important issue. And if they work around those with their planning and zoning, I think that's important. So those counties obviously wouldn't want to throw their work away. As far as the planning commissions, I would never say they're not doing their jobs because it is tough. I served on the planning commission before. I know the type of work that goes into it. And so we should respect some of the work that they've done, because it isn't an easy job. I did take some notes on some other sections that were brought up during the testimonies. And certainly there's a lot of things that we need to be working on on this bill. So it does need work, I acknowledge that at the very beginning. Just as many bills we hear, we hear in the hearings, there are a lot of bills that always need a lot of work. This one, we're not there yet by any means. OPPD, NACO, we've talked and talked about the issues. When Seth got up here and talked about NPP-- or OPPD, why they were opposing some of the things, we've talked about those. So they'll all be at the table as we work through this. Will we get there? I don't know. But we got to work on it and see where we end up. So with that, do you have any questions for me?

BRANDT: Questions? Senator Moser.

MOSER: Is this a bill that you're going to prioritize, do you think?

CLOUSE: No, I won't prioritize it because there's too much work to be done on it yet.

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MOSER: You don't, you don't-- in other words, you're saying you don't think this is going to go anywhere?

CLOUSE: Well, that committee will decide that, but we'll go back and work with, just see how far, how far out we are. Right now, it looks like we're quite a ways to get consistency and even get support to get it out of committee. That's my read on it, so.

MOSER: All right, thank you.

BRANDT: I don't see any other questions. And before we close the hearing, online, there were 7 proponents, 315 opponents, 2 neutral, and no ADA testimony.

CLOUSE: And I just want to tell you, I went through all those, looking at those, seeing who they were, who they were from, what kind of names I'm getting called, all that stuff. And that's OK.

BRANDT: Well, hopefully it wasn't too bad. And with that, we'll close the hearing on LB1204. Thank you, everybody. I know-- have a safe drive home.