

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission, on	) Docket No. NG-0051/
its own motion, to investigate	) PI-130
jurisdictional issues pertaining to	)
construction and operation of a	) ORDER OPENING INVESTI-
natural gas pipeline within the	) GATION AND NOTICE OF
state of Nebraska by Nebraska	) HEARING
Resources Company, LLC, or any other	)
entity.	) Entered: July 24, 2007

BY THE COMMISSION:

On July 16, 2007, Nebraska Resources Company, LLC (NRC), filed a request that the Commission open an investigation on its own motion pursuant to Neb. Admin. Reg. Title 291, Chapter 1, Section 012.01 (Request).

NRC proposes to seek from the Commission a certificate as a "jurisdictional utility" to operate a new natural gas pipeline wholly within the state of Nebraska (NRC Pipeline) to deliver natural gas to local distribution companies (LDCs) and other customers in central Nebraska.

According to NRC, three threshold jurisdictional questions must be resolved before it can proceed with filing an application for requisite authority from the Commission. They are listed as items 1 through 3 below. Additionally, in its Request NRC indicated its position on each issue and provided discussion of its reasoning.

NRC describes the process under the jurisdiction of the Commission as an alternative to certification from the Federal Energy Regulatory Commission (FERC). The Commission seeks to explore the related issue of whether the certification process proposed by NRC would affect protections provided to consumers by FERC certification, including any citing, environmental or engineering reviews. Therefore, the Commission adds a fourth item to those proposed by Nebraska Resources Company addressing the authority of other regulatory bodies.

The Commission seeks comment from interested parties on the following issues:

1. Does the definition of "high-volume ratepayer" in Neb. Rev. Stat. Sec. 66-1802(7) include LDCs with volumetric demand in excess of 500 therms per day?
2. Does Nebraska's double-piping prohibition under Neb. Rev. Stat. Sec. 66-1852 apply to a pipeline providing a new interconnection to an LDC?

3. Does the Commission have jurisdiction over an Application under Neb. Rev. Stat. Sec. 66-1853(1) for a Certificate of Public Convenience to operate as a "jurisdictional utility" a pipeline located wholly within the state of Nebraska to deliver natural gas to LDCs and other customers?
4. What other regulatory authorities, including state, federal and local governing bodies of any kind, would have jurisdiction over the proposed NRC Pipeline, and what is the scope of their review?

Because other entities may potentially consider similar projects, the Commission finds that the scope of the investigation should not be restricted solely to the project proposed by NRC. The Commission has an interest in ensuring its jurisdiction is consistently applied, therefore, the Commission may evaluate alternative proposals in the course of this investigation.

Any person who wishes to become a party to this proceeding shall do so by filing a Petition for Intervention or a Protest within the time specified in the Commission Rules of Procedure, Neb. Admin. Code Title 291, Chapter 1.

Any person interested in filing comments on the above-listed issues shall do so no later than 5:00 p.m. on Friday, September 7, 2007.

The Commission also finds that a public hearing should be held Tuesday, September 25, 2007, at 1:30 p.m. in the Commission Hearing Room.

#### O R D E R

IT IS THEREFORE ORDERED by the Commission that the above-captioned docket is opened to investigate the issues outlined herein.

IT IS FURTHER ORDERED that any person interested in filing comments on the above-listed issues shall do so no later than 5:00 p.m. on Friday, September 7, 2007.

IT IS FINALLY ORDERED that a public hearing should be held Tuesday, September 25, 2007, at 1:30 p.m. in the Commission Hearing Room.

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MADE AND ENTERED at Lincoln, Nebraska, this 24th day of July, 2007.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*Guadalupe Lopez*  
*Frank E. Landis*

//s// Rod Johnson  
//s// Frank E. Landis

Chairman

*Rod Johnson*

ATTEST:

*A. B. Pollack*  
Executive Director