Nebraska Wind Energy and Wildlife News

April 25, 2013

Around Nebraska…

Nebraska Legislative Bills related to renewable energy, wind energy, and/or transmission, are listed below. Please let me know if I have missed any relevant bills.

Southwest Power Pool Map. NPPD is a member of the Southwest Power Pool (SPP), a regional transmission organization. The SPP conducted a three-year study, also known as the Integrated Transmission Plan, to assess the needs of the entire transmission network within the SPP region over the next 10 years. The study identified the need for two, 345 kilovolt (kV) transmission lines in Nebraska, with one segment to run from NPPD’s Hoskins substation located southwest of Hoskins to a new substation in the Neligh area. The location for the Neligh substation has not been determined. The other line segment will run from NPPD’s Gerald Gentleman Station north to the Cherry County area and then east to Western Area Power Administration’s line at the Holt/Antelope County line. (http://www.nppd.com/2013/southwest-power-pool-spp-map/).

Tax break for wind energy sweeps forward in Nebraska Legislature. The state would be poised to gain a $300 million wind farm under a bill given resounding initial approval Wednesday. The measure would provide a sales tax exemption for the purchase of turbines, towers and other wind-farm components — a tax break that nearby states Iowa, Kansas and Oklahoma have parlayed into a wind-energy boom. (http://www.omaha.com/article/20130425/NEWS/704259868/1685).

Midlands Voices: State can win big with wind power. Aside from our people and our water, wind might be our state's greatest natural resource. The generation and sale of electricity from Nebraska wind is a once-in-a-lifetime opportunity, but our state is currently at a competitive disadvantage in this rapidly changing market. (http://www.omaha.com/article/20130415/NEWS0802/704159995/1677).

Sierra Club, utilities spar over Nebraska wind power. The Sierra Club in Nebraska criticized the state's public power utilities for failing to get more wind power online to compete with Iowa, which landed a planned data center for Facebook Inc. in Altoona and increased incentives for Google Inc. that allow it...
**Little bird on the prairie could help save entire ecosystem.** The northern Great Plains — 70 million hectares stretching across five states and two Canadian provinces — is one of the last three large swaths of grassland in the world, along with two in Mongolia and Patagonia. Prairie chickens have roamed the Plains for millennia, but this region is under pressure from competing financial incentives to grow corn and soybeans, or pursue wind energy and shale-oil extraction. Now an unlikely coalition of ranchers and environmentalists is working to keep the prairie intact and, in the process, preserve the animals and a traditional way of life. ([http://www.japantimes.co.jp/life/2013/04/23/environment/little-bird-on-the-prairie-could-help-save-entire-ecosystem/#.UXmM6bV958F](http://www.japantimes.co.jp/life/2013/04/23/environment/little-bird-on-the-prairie-could-help-save-entire-ecosystem/#.UXmM6bV958F)).

**Draft Upper Great Plains Wind Energy PEIS.** Western Area Power Administration and the U.S. Fish and Wildlife Service will prepare a PEIS to evaluate the impacts of wind energy development in Western's Upper Great Plains Region. The PEIS will consider wind energy projects that would connect with Western Area Power Administration's transmission system in their Upper Great Plains Customer Service Region and will include all or parts of Iowa, Minnesota, Montana, Nebraska, North Dakota, and South Dakota. This PEIS will identify mitigation strategies, standard construction practices, best management practices (BMPs) and establish a comprehensive environmental program for evaluating future Projects. **The Draft Upper Great Plains (UGP) Wind Energy Programmatic Environmental Impact Statement (PEIS) is available for browsing, downloading, or printing.** ([http://plainswindeis.anl.gov/documents/dpeis/index.cfm](http://plainswindeis.anl.gov/documents/dpeis/index.cfm)).

**Around the Nation & World…**

**Wind and Wildlife**

**Judge rejects wind challenge.** Environmental groups on Tuesday lost a bid to stop the large North Sky River and Jawbone wind energy projects in the mountains northwest of Mojave. Kern County Superior Court Judge William Palmer ruled that the Board of Supervisors did not violate the California Environmental Quality Act when it approved the two projects in September 2011, but instead "complied with both the letter of the law and the spirit of CEQA." ([http://www.bakersfieldcalifornian.com/local/x511836206/Judge-Wind-projects-were-adequately-studied](http://www.bakersfieldcalifornian.com/local/x511836206/Judge-Wind-projects-were-adequately-studied)).

**Environmental groups sue federal agencies over Nev. wind project approval.** Environmentalists who are suing Interior Secretary Ken Salazar over approval of a 200-MW wind farm in Nevada say regulators relied on a "one-sided" and "incomplete" environmental analysis to pursue a renewable energy project while "disregarding" other policies that protect endangered species, according to the complaint. ([http://www.snl.com/Interactivex/article.aspx?CdId=A-17471933-13862](http://www.snl.com/Interactivex/article.aspx?CdId=A-17471933-13862)).
**Last gasp for controversial Minnesota wind farm?** A letter from the owner of a proposed wind farm to regulators shows his frustration in the permitting process and a willingness to sell off assets of his investment. "New Era has no confidence that due process for this project will ever end, nor that an ABPP (Avian and Bat Protection Plan) will ever be approved, however comprehensively and carefully drafted," said Peter Mastic, owner of New Era Wind Farm, in an April 17 letter to the Minnesota Public Utilities Commission. (http://watchdog.org/81277/last-gasp-for-controversial-minnesota-wind-farm/).

**Wildlife**

**Neural Activity in Bats Measured In-Flight.** Research conducted by Dr. Nachum Ulanovsky and research student Michael Yartsev of the Weizmann Institute's Neurobiology Department, published today in Science, reveals for the first time how three-dimensional, volumetric, space is perceived in mammalian brains. (http://www.sciencedaily.com/releases/2013/04/130418142306.htm).


**Wind**

**IRS Sets Wind Tax Credit Regulations for 2013 Projects.** The Internal Revenue Service completed rules today that define how wind-farm developers can qualify for tax breaks. The rules released today define the beginning of construction as “starting physical work of a significant nature,” including road construction, pouring of concrete or off-site assembly of turbines. Developers also can qualify if they incur 5 percent of the total cost of the project and make continuous progress toward completion, according to the IRS. (http://www.bloomberg.com/news/2013-04-15/irs-sets-wind-tax-credit-regulations-for-2013-projects.html).


**American Wind Energy Association names Tom Kiernan CEO.** By unanimous vote of the Board of Directors, the American Wind Energy Association (AWEA) today announced that Tom Kiernan has been named as the organization's new Chief Executive Officer. Kiernan has served as President of the National Parks Conservation Association (NPCA) since 1998. (http://todayeco.com/energy/pages/13189004-american-wind-energy-association-names-tom-kiernan-ceo).
**Upcoming Events**

The **Wildlife Society Annual Conference** will be held in Milwaukee, Wisconsin October 5-10, 2013. For more information: [http://wildlifesociety.org/](http://wildlifesociety.org/).

**America’s Grasslands Conference** will be held August 12-14\(^\text{th}\) in Manhattan, Kansas. *America’s Grasslands: The Future of Grasslands in a Changing Landscape* will bring together researchers, natural resources professionals, farmers and ranchers, policy experts, and conservationists to discuss the conservation of North America’s grasslands and the opportunities and outlook for these vital ecosystems in a changing landscape. Included as a topic of interest is “Energy development and grasslands.”

**Nebraska Legislative Bills - Changes since the last newsletter are in red.**

**LB 104** - Provide tax incentives under the Nebraska Advantage Act for renewable energy projects. Advanced to Enrollment and Review Initial on April 24, 2013; Revenue AM525 filed on March 12, 2013; Lathrop priority bill on March 13, 2013. Introduced by Lathrop on January 10, 2013; Referred to Revenue Committee on January 14, 2013; Notice of hearing for February 14, 2013. **Statement of Intent:** The purpose of LB 104 is to amend the Nebraska Advantage Act by adding a Tier 7 which would apply to investments in renewable energy. Two options would be created within Tier 7: projects with $75 million or more in investment for renewable energy projects, and projects with less than $75 million in investment. Under LB 104, companies with qualifying projects would be eligible to receive partial or full refunds of their sales tax based on the level of investment in the project, the source of their capital investment for the project, and the level of ownership by Nebraska residents of the project. **Fiscal Note:** Refer to website. ([http://nebraskalegislature.gov/bills/view_bill.php?DocumentID=17967](http://nebraskalegislature.gov/bills/view_bill.php?DocumentID=17967)).

**LB 184** – Appropriate funds for the Nebraska Wind Applications Center. Notice of hearing for March 19, 2013. Introduced by Haar on January 14, 2013; Referred to Appropriations Committee on January 16, 2013. **Statement of Intent:** LB 184 appropriates $50,000 for the next two fiscal years to the University of Nebraska for the Nebraska Wind Application Center. This funding is intended to replace federal funding which is no longer available. **Fiscal Note:** LB184 appropriates $50,000 General Funds for FY2013-14 and $50,000 General Funds for FY2014-15 for the Nebraska Wind Application Center at the University of Nebraska – Lincoln. ([http://nebraskalegislature.gov/bills/view_bill.php?DocumentID=18633](http://nebraskalegislature.gov/bills/view_bill.php?DocumentID=18633)).

**LB 283** – Eliminate the Limited Liability Company Act. **Approved by Governor on March 20, 2013.** Introduced by Conrad on January 16, 2012; Referred to Banking Commerce and Insurance Committee on January 18, 2012; Notice of hearing for February 5, 2012; Placed on General File on February 6, 2013; Advanced to Enrollment and Review Initial on February 12, 2013; **Placed on Final Reading** on March 5, 2013. **Statement of Intent:** LB 283 repeals terminated statutes regarding limited liability companies (LLCs) and also repeals internal references to those terminated statutes…LB 283 is the final housekeeping step in that process in that it would simply remove already terminated provisions from statutes. **Fiscal Note:** No fiscal impact. ([http://nebraskalegislature.gov/bills/view_bill.php?DocumentID=17857](http://nebraskalegislature.gov/bills/view_bill.php?DocumentID=17857)).
**LB 388** – Change provisions relating to public power and provide for construction of certain transmission lines. **Approved by Governor on April 24, 2013**; Placed on enrollment and review on March 4, 2013; placed on General File with AM454 on March 13, 2013; Natural Resources priority bill on March 14, 2013; Introduced by Natural Resources Committee on January 18, 2013; Referred to Natural Resources Committee on January 23, 2013; Notice of Hearing for February 1, 2013. **Statement of Intent:** LB 388 would provide incumbent electric transmission owners, who belong to a Regional Transmission Organization, the "right of first refusal" to complete transmission projects in Nebraska that have been approved by the Regional Transmission Organization. The purpose is to clarify that public power entities in Nebraska have the first right to construct, own, and maintain an approved transmission line. The bill also standardizes the definition of "electric supplier" in several statutes. **Fiscal Note:** No fiscal impact. (http://nebraskalegislature.gov/bills/view_bill.php?DocumentID=18236).

**LB 402** – Change power purchase agreement provisions relating to rural community-based energy development. **Dubas and Davis names added on April 24, 2013**; Natural Resources priority bill on March 15, 2013; Natural Resources AM68 filed on March 20, 2013; Introduced by Mello on January 22, 2013; Referred to Natural Resources Committee on January 24, 2013; Notice of hearing for March 1, 2013. **Statement of Intent:** LB 402 would amend the C-BED law to allow more wind projects to qualify for the sales tax exemption by doing the following: 1. Expanding the definition of "payments to the local community" to include payments for products manufactured in Nebraska or by Nebraska companies, and services provided by Nebraska companies; 2. Reducing the qualifying percentage threshold from 33% to 25%; 3. Loosening corporate restrictions by allowing corporations domiciled in Nebraska to meet the definition of "qualified owner." LB 402 would also expand C-BED to include renewable energy projects that use biomass or landfill gas. **Fiscal Note:** Refer to website. (http://nebraskalegislature.gov/bills/view_bill.php?DocumentID=18295).

**LB 411** – Change a renewable energy tax credit. Introduced by Nordquist on January 22, 2013; Referred to Revenue Committee on January 24, 2013; Notice of hearing for March 6, 2013. **Statement of Intent:** It is the intent of LB 411 to enhance a state-level renewable energy production tax credit as the federal production tax credit phases out, thus giving Nebraska a significant advantage in attracting and developing the renewable energy investments in our state. **Fiscal Note:** Refer to website. (http://nebraskalegislature.gov/bills/view_bill.php?DocumentID=18625).

**LB 419** – Change provisions relating to nameplate capacity tax. Introduced by Hadley on January 22, 2013; Referred to Revenue Committee on January 24, 2013; Notice of hearing for March 6, 2013. **Statement of Intent:** LB419 was introduced with the purpose of amending section2 77-6203, Revised Statutes Cumulative Supplement, 2012; to change provisions relating to the nameplate capacity tax. **Fiscal Note:** Refer to website. (http://nebraskalegislature.gov/bills/view_bill.php?DocumentID=18810).

**LB 475** – Change the Angel Investment Tax Credit Act and the Business Innovation Act. Introduced by Carlson on January 22, 2013; Referred to the Revenue Committee on January 24, 2013; Notice of hearing for March 5, 2013. **Statement of Intent:** LB 475 would modify the Business Innovation Act (BIA) and the Angel Investment Tax Credit Act (AICTA) by increasing maximum funding in each program authorized under the BIA to $4 million and change the microenterprise program in the BIA. The bill would further modify the act by defining an investment date, authorize corporations to participate, and eliminate...

**LB 501** – Redefine a term in the Nebraska Advantage Act. Introduced by Hadley on January 23, 2013; Referred to the Revenue Committee on January 24, 2013; Notice of hearing for February 14, 2013. **Statement of Intent**: LB501 was introduced for the purpose of adding a definition for renewable energy under the Nebraska Advantage Act as a qualifying business under a tier 2, tier 3, tier 4 or tier 5 project: The production of electricity by using one or more sources of renewable energy to produce electricity for sale. Sources of renewable energy means wind, solar, geothermal, hyroelectric, and biomass. Fiscal Note: Refer to website. (http://nebraskalegislature.gov/bills/view_bill.php?DocumentID=18930).


**LB 567** – Change provisions relating to approval of electric generation facilities and transmission lines. Introduced by Haar on January 23, 2013; Referred to Natural Resources Committee on January 24, 2013; Notice of hearing for March 1, 2013. **Statement of Intent**: LB 567 requires the Nebraska Power Review Board to consider the following additional factors when approving power generation: the health costs, economic development potential, the effects on water usage, risk analysis on the life cycle costs of the generation and the economic impact of obtaining fuels outside the State of Nebraska. Fiscal Note: Refer to website. (http://nebraskalegislature.gov/bills/view_bill.php?DocumentID=18704).

**LB 598** – Change provisions relating to net metering. Introduced by Larson on January 23, 2013; Referred to Natural Resources Committee on January 24, 2013; Notice of hearing for March 5, 2013. **Statement of Intent**: LB598 would raise the rated capacity limits for qualified facilities that are permitted to participate in Nebraska’s net metering program from at or below 25 kilowatts to at or below 100 kilowatts. Fiscal Note: No fiscal impact. (http://nebraskalegislature.gov/bills/view_bill.php?DocumentID=17829).

**LB 606** – Adopt the Nebraska Technology Entrepreneur Act to provide sales and use tax refunds to certain businesses. Introduced by Pirsh on January 23, 2013; Referred to the Revenue Committee on January 24, 2013; Notice of hearing for March 7, 2013. **Statement of Intent**: LB 606 creates the Nebraska Technology Entrepreneur Act. Under this act, a qualified small business which is engaged in a high-technology field and which can document financial need will be eligible for a sales and use tax refund for depreciable business equipment purchases of up to $5,000 per year. The total amount of sales
and use tax refunds granted to all qualified small businesses in any year will not exceed $300,000. Fiscal Note: Refer to website. (http://nebraskalegislature.gov/bills/view_bill.php?DocumentID=18913).

**LB 622** — Change provisions relating to a report filed with the Nebraska Power Review Board. Introduced by Haar on January 23, 2013; Referred to the Natural Resources Committee on January 24, 2013; Notice of hearing for February 6, 2013. **Statement of Intent**: LB 622 adds a requirement to an existing report by the Nebraska Power Association to the Nebraska Power Review Board. The report will now include areas of the state where renewable energy projects of less than twenty megawatts could be added without major transmission upgrades. **Fiscal Note**: No fiscal impact. (http://nebraskalegislature.gov/bills/view_bill.php?DocumentID=18487).


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