

**ADOPTED REGULATION OF THE
DIRECTOR OF THE OFFICE OF ENERGY**

LCB File No. R051-15

Effective October 27, 2015

EXPLANATION – Matter in *italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

AUTHORITY: §§1-5 and 7, NRS 701A.450, as amended by section 3 of Assembly Bill No. 466, chapter 342, Statutes of Nevada 2015, at page 1920; §6, NRS 218F.510, as amended by section 2 of Assembly Bill No. 466, chapter 342, Statutes of Nevada 2015, at page 1919, NRS 281.129, as amended by section 1 of Assembly Bill No. 466, chapter 342, Statutes of Nevada 2015, at page 1919, and NRS 701A.450, as amended by section 3 of Assembly Bill No. 466, chapter 342, Statutes of Nevada 2015, at page 1920.

A REGULATION relating to the Renewable Energy Account; establishing a process by which an officer or employee of the State who receives a loan or other distribution of money from the Account may enter into an agreement with the Director of the Office of Energy pursuant to which repayment of the loan or other distribution of money from the Account will be made through payroll deductions; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, not less than 75 percent of the money in the Renewable Energy Account administered by the Director of the Office of Energy must be used to offset the cost of electricity to or the use of electricity by retail customers of a public utility that is subject to the portfolio standard established by the Public Utilities Commission of Nevada. Existing law authorizes the Director to establish by regulation a procedure by which any officer or employee of the State to whom the Director has made a loan or other distribution of money from the Account may enter into an agreement with the Director pursuant to which repayment of the loan or other distribution of money from the Account may be made through payroll deductions. (NRS 701A.450, as amended by section 3 of Assembly Bill No. 466, chapter 342, Statutes of Nevada 2015, at page 1920)

Section 6 of this regulation provides that an officer or employee of the State who has been approved for a loan or other distribution of money from the Account may apply to enter into an agreement with the Director pursuant to which the repayment of the loan or other distribution of money from the Account will be made through payroll deductions. **Section 6** sets forth certain terms and information which any such agreement must contain. **Section 6** also provides that the Director will provide to the Department of Administration or the Legislative

Fiscal Officer, as applicable, the information necessary to enable the Department or the Legislative Fiscal Officer, as applicable, to administer the payroll deduction authorized by the agreement.

Section 7 of this regulation authorizes the Director to suspend repayment of a loan or other distribution of money from the Account during any period other than when an officer or employee of the State is working, on leave with pay, except catastrophic leave, or on a leave of absence due to a fiscal emergency. If the Director does not suspend repayment during any such period, **section 7** provides the mechanism by which the Director will collect repayment of the loan or other distribution of money. **Section 7** also provides for the payment in full of the entire unpaid balance of any loan or other distribution of money from the Account upon the permanent separation from service of an officer or employee of the State who has entered into an agreement with the Director for repayment through payroll deductions.

Section 1. Chapter 701A of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 7, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3, 4 and 5 of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Account” means the Renewable Energy Account created by NRS 701A.450.*

Sec. 4. *“Director” means the Director of the Office of Energy appointed pursuant to NRS 701.150.*

Sec. 5. *“Participant” means an officer or employee of the State who receives a loan or other distribution of money from the Account and enters into an agreement with the Director pursuant to section 6 of this regulation to repay the loan or other distribution of money from the Account through payroll deductions from the paycheck of the officer or employee of the State.*

Sec. 6. *1. An officer or employee of the State who has received a loan or other distribution of money from the Account may submit to the Director, on a form approved by the Director, an application to enter into an agreement pursuant to which repayment of the loan*

or other distribution of money from the Account will be made through payroll deductions from the paycheck of the officer or employee.

2. If the Director approves an application submitted pursuant to subsection 1, the Director may enter into an agreement with the participant. An agreement entered into pursuant to this subsection must include:

- (a) The amount of the loan or other distribution of money from the Account;*
- (b) The total amount to be repaid by the participant;*
- (c) The amount to be deducted from each paycheck of the participant;*
- (d) A description of each approved energy efficiency measure selected by the participant;*
- (e) Any waivers or consent requirements established by the Director;*
- (f) Provisions specifying that the participant may repay the loan or other distribution of money from the Account early without penalty; and*
- (g) Any other terms and conditions the Director determines necessary to ensure the repayment of the loan or other distribution of money from the Account.*

3. Upon entering into an agreement with a participant pursuant to subsection 2, the Director will provide to the Department of Administration or the Legislative Fiscal Officer, as applicable, the information necessary to enable the Department of Administration or the Legislative Fiscal Officer, as applicable, to administer the payroll deduction set forth in the agreement, including:

- (a) The name of the participant;*
- (b) The employee number of the participant;*
- (c) The amount of the payroll deduction authorized by the agreement;*
- (d) The frequency of the payroll deductions authorized by the agreement;*

(e) The total amount of the loan or other distribution of money from the Account authorized by the agreement; and

(f) Any other information which the Department of Administration or the Legislative Fiscal Officer, as applicable, determines is necessary to administer the payroll deduction set forth in the agreement.

Sec. 7. 1. The Director may suspend repayment pursuant to an agreement entered into pursuant to section 6 of this regulation of a loan or other distribution of money from the Account during any period other than when the participant is in paid status as that term is defined in NAC 284.0742. If the Director does not suspend repayment during such period:

(a) The Director will bill the participant for the payment due;

(b) Payment is due on the 20th day of each month during the period;

(c) Payment must be made not later than 15 days after the date on which the payment is due; and

(d) If payment is not received by the date on which it is due:

(1) The Director may provide notice to the participant by mail that the payment is past due; and

(2) The loan or other distribution of money from the Account may be subject to collection proceedings in accordance with the provisions of chapter 353C of NRS.

2. Upon a participant's permanent separation from service, the entire unpaid balance of the loan or other distribution of money from the Account is deemed to be due in its entirety and may be withheld from the final paycheck of or other final payment of money by the State to the participant. Any unpaid balance remaining thereafter must be paid by the participant by check within 60 days after the participant's date of permanent separation from service. If a

participant fails to pay the unpaid balance remaining within 60 days after his or her date of permanent separation from service, the unpaid balance remaining is deemed to be past due and the Director will take action to collect the debt in accordance with the provisions of chapter 353C of NRS.

LEGISLATIVE REVIEW OF ADOPTED REGULATIONS--NRS 233B.066
Informational Statement
LCB File No. R051-15

1. A clear and concise explanation of the need for the adopted regulation.

The proposed regulation is intended to implement the requirement of 2015 AB 466 for a process by which an employee or officer of the state of Nevada to whom the Director has made a loan or other distribution may enter into an agreement to which repayment may be made through a payroll deduction.

2. Description of how public comment was solicited, a summary of public response, and an explanation of how other interested persons may obtain a copy of the summary.

Copies of the proposed regulation, the notice of workshop and notice of intent to act upon the regulation were sent by email or fax to persons who were known to have an interest in the adoption of the proposed regulation as well as any person who had specifically requested such notice. These documents were also made available at the website of the Governor's Office of Energy (GOE), www.energy.nv.gov, the website of the Nevada Legislature at <http://leg.state.nv.us/app/Notice/A/>, faxed or emailed to all county libraries in Nevada and posted at the following locations:

Governor's Office of Energy
755 N. Roop Street, Suite 202
Carson City, NV

Carson City Library
900 N. Roop Street
Carson City, NV

State Library and Archives
100 N. Stewart Street
Carson City, NV

Nevada State Legislative Building
401 S. Carson Street
Carson City, NV

State of NV Dept. of Administration
209 E. Musser Street
Carson City, NV

Governor's Office of Energy
<http://energy.nv.gov>

A workshop was held on June 29, 2015, and the minutes of that workshop are attached hereto. The Governor's Office of Energy took oral comments from the public and interested parties. Changes were requested regarding the information provided to the department of administration and these changes were handled administratively by the Governor's Office of Energy. There were no additional public comments.

Thereafter, on September 9, 2015, the Director issued a Notice of Hearing and Notice of Intent to Act Upon a Regulation. The hearing was held in Carson City, at the Governor's Office of Energy with teleconference to the Grant Sawyer Building in Las Vegas, on October 9, 2015.

A copy of the minutes which provide comments made at each hearing are available for review at the Governor's Office of Energy, 755 N. Roop Street, Suite 202, Carson City, NV 89701. A recording of the workshop is also provided for review at the Governor's Office of Energy.

3. The number of persons who:

- (a) Attended each hearing:** *October 9, 2015 – 6 (Carson City- 6, Las Vegas - 0)*
- (b) Testified at each hearing:** *October 9, 2015 – 5 (Carson City)*
- (c) Submitted written comments:** *October 9, 2015 - None*

4. For each person identified in paragraphs (b) and (c) of number 3 above, the following information if provided to the agency conducting the hearing:

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5. A description of how comment was solicited from affected businesses, a summary of their response and an explanation of how other interested persons may obtain a copy of the summary.

Comment was not solicited from small businesses as this regulation only describes the procedure for deducting funds from an employee paycheck. There are no specific program related provisions contemplated in this regulation. An "employee" as used in this statement describes an officer or employee of the State of Nevada. All members of the public were invited to speak at or provide testimony at the hearing to which nobody responded.

- 6. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.**

The permanent regulation was adopted on October 9, 2015. There were no changes requested by the public or other party and therefore no amendments to the proposed regulation were made.

- 7. The estimated economic effect of the regulation on the business which it is to regulate and on the public. These must be stated separately, and in each case must include:**

(a) Both adverse and beneficial effects on businesses and the public: *There are no adverse or beneficial effects to businesses or the public.*

(b) Both immediate and long-term effects on businesses and the public: *There are no immediate or long-term effects on businesses or the public.*

- 8. The estimated cost to the agency for enforcement of the proposed regulation:**

There is no added cost to the agency for this proposed regulation.

- 9. A description of any regulations of other State or governmental agencies which the regulation overlaps or duplicates and a statement explaining why the duplication or overlap is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.**

There are no other State or governmental regulations with which this regulation overlaps or duplicates.

- 10. If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.**

There are no provisions that duplicate or are more stringent than federal standards.

- 11. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.**

There is no fee associated with this regulation.