

#### **GOVERNOR'S OFFICE OF ENERGY**

600 E. William Street, Suite 200 | Carson City, NV 89701 energy.nv.gov | (775) 687-7180

# LEGISLATIVE REVIEW OF ADOPTED REGULATIONS--NRS 233B.066 Informational Statement LCB File No. R045-21

The following statement is submitted for adopted regulations to Nevada Administrative Code (NAC) Chapter 701A.

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

This regulation is necessary to clarify and correct language within the regulation and conform to the requirements of NRS 701A.365-701A.390. The regulations clarify requirements pertaining to fees, wages, and duties of the applicant.

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 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/, the Nevada State official website at https://notice.nv.gov.

#### Please note that due to COVID restrictions, physical postings were not possible.

A workshop was held on October 21, 2021. The Governor's Office of Energy took oral comments from the public and interested parties. There were 11 participants, including GOE staff, who attended the workshop. Only three of the attendees requested clarification of the proposed language.

An NV Energy representative inquired about the definition of energy storage technology. Director Bobzien and Laura Wickham clarified the definition and referred him to the language found in the statue. Regarding the definition of wages, an attendee voiced concern on how his clients might be confused on which benefits are now included. Laura Wickham stated that GOE would be happy to provide written guidance on this matter.

Regarding section 5, Submission of annual payroll reports to county commissioners, an attendee asked if the report should be submitted directly to the county or to the State in a case where the renewable energy project is located in more than one county. Laura

explained that the report should be submitted to the State unless the county requests it directly.

Any stakeholder or member of the public may request a copy of the summary by contacting staff at GOE.

Thereafter, on February 17, 2022, the Director issued a Notice of Hearing and Notice of Intent to Act Upon a Regulation, the Adoption Hearing was held on March 22, 2022. The hearing was held via a virtual platform due to COVID restrictions on in person meetings.

The Governor's Office of Energy took oral comments from the public and interested parties. There was no public commented provided by anyone present.

A copy of the minutes which provide comments made at each hearing are available for review at the Governor's Office of Energy, 600 E. William Street, Suite 200, Carson City, NV 89701. A recording of the workshop and hearing are also provided for review at the Governor's Office of Energy.

- 3. The number of persons who:
  - (a) Attended the hearing: 7
  - **(b)** Testified at the hearing: 0
  - (c) Submitted written comments: 0
- 4. A list of name and contact information, including telephone number, business address, business telephone number, electronic mail address, and name of entity or organization represented, for each person identified above in #3, as provided to the agency, is attached as Exhibit A.
- 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.

See section 2 above.

A copy of the written comments and the minutes which provide a summary of the oral comments made at each workshop and hearing are available for review at the Governor's Office of Energy, 600 E. William Street, Suite 200, Carson City, NV 89701. A recording of the workshop and hearing are also provided for review at the Governor's Office of Energy. You may request a copy of either by contacting Laura Wickham: lwickha@energy.nv.gov

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 regulation was adopted on March 22, 2022, no suggested changes were made by members of the public.

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:

The Director and staff analyzed the typical applicant to the program and determined that the proposed amended regulations are necessary as a result of SB 298 which passed during the 2019 Legislative Session. Additionally, the changes proposed will result in benefits to employees of the contractors and sub-contractors. The net effect of the proposed amended regulations is still positive in that a business complying with the requirements of the regulations will also be receiving abatements that outweigh any additional cost.

### (b) Both immediate and long-term effects on businesses and the public:

The proposed regulation amendments further clarify requirements which must be met by applicants to the program. GOE concluded that these amendments were intended to have only positive impacts upon contractors by encouraging and promoting facilities to construct and operate renewable energy power generation facilities in Nevada.

There will be no short or long term effects on the public as a result of this regulation. The short term effect on businesses will be that they will pay an increased application and annual compliance fee as set in statute which will contribute to the efforts of the office of promoting renewable energy and transmission in the state. Businesses will also need to ensure they are in compliance with any new or modified requirements for annual compliance on projects however, GOE provides free, state-wide assistance to all companies who wish to understand this abatement program. The long term effect on businesses will be that they will be able to expand their type of projects as these regulations, as well as statute per SB 448, now include standalone energy storage projects.

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

The estimated cost to the agency has been taken into consideration when calculating the new fees.

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.

SB 298 allows for an increase in fees by the agency. These fees are based on projected work performed by the agency on each project and to further the development of renewable energy in the State. The agency receives on average 6 applications per year, at the new rate of \$9,000 per application, the office projects revenue of \$54,000.00 for fiscal year 21.

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David Bobzien, Director – March 22, 2022 Governor's Office of Energy