

**ADOPTED REGULATION OF THE
PUBLIC UTILITIES COMMISSION OF NEVADA**

LCB File No. R005-15

Effective June 26, 2015

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

AUTHORITY: §1, NRS 703.025, 704.210 and 704.7881.

A REGULATION relating to energy; revising the discounted electric rates that an electric utility is required to charge to eligible participants in the Economic Development Electric Rate Rider Program; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law establishes the Economic Development Electric Rate Rider Program. The Program requires the Public Utilities Commission of Nevada to charge discounted rates for electricity to eligible participants in the Program to encourage the location or relocation of new commercial and industrial businesses in this State. (NRS 704.7871-704.7882) The Legislature recently extended the duration of the Program from 5 years to 10 years. (Section 2 of chapter 3, Statutes of Nevada 2014, 28th Special Session, at pp. 8-9, NRS 704.7877)

Existing regulations set forth the discounted electric rates that an electric utility is required to charge to participants in each year of a contract for electric service in accordance with the provisions of the Program. (NAC 704.8955) This regulation revises those rates to conform to the newly extended duration of the Program.

Section 1. NAC 704.8955 is hereby amended to read as follows:

704.8955 The discounted electric rates that an electric utility shall charge pursuant to the Program must be:

1. In the first *and second* year of a contract entered into pursuant to NRS 704.7877, a reduction of 30 percent in the base tariff energy rate.
2. In the ~~second~~ *third, fourth, fifth and sixth* year of a contract entered into pursuant to NRS 704.7877, a reduction of 20 percent in the base tariff energy rate.

3. In the ~~{third}~~ *seventh and eighth* year of a contract entered into pursuant to NRS 704.7877, a reduction of ~~{20}~~ *10* percent in the base tariff energy rate.

~~{4. In the fourth year of a contract entered into pursuant to NRS 704.7877, a reduction of 10 percent in the base tariff energy rate.}~~

LEGISLATIVE REVIEW OF ADOPTED REGULATIONS--NRS 233B.066
Informational Statement
LCB File No. R005-15

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

The regulation amends Section 9 of LCB File No. R072-13 as necessitated by the provisions of Assembly Bill (“AB”) 1 of the 28th (2014) Special Session of the Nevada Legislature. Specifically, the regulation reflects the extended availability of discounted electric rates available under the Economic Development Electric Rate Ride Program, revising such availability from four years to eight years.

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.

(a) Copies of the proposed regulation, notice of intent to act upon the regulation and notice of workshop and hearing were sent by U.S. mail and email to persons who were known to have an interest in the subjects of noticing and interventions. These documents were also made available at the website of the Public Utilities Commission of Nevada (“PUCN”), <http://puc.nv.gov>, mailed to all county libraries in Nevada, published in the following newspapers:

Ely Times
Las Vegas Review Journal
Nevada Appeal
Reno Gazette Journal
Tonopah Times-Bonanza,

and posted at the following locations:

Public Utilities Commission
1150 East William Street
Carson City, Nevada 89701

Public Utilities Commission
9075 West Diablo Drive, Suite 250
Las Vegas, Nevada 89148

First Judicial District Court
885 East Musser Street
Carson City, Nevada 89701

Second Judicial District Court
75 Court Street
Reno, Nevada 89501

Eighth Judicial District Court
Regional Justice Center
200 Lewis Avenue
Las Vegas, Nevada 89155

(b) Sierra Pacific Power Company d/b/a NV Energy and Nevada Power Company d/b/a NV Energy (jointly, “NV Energy”) filed comments in the matter. NV Energy supported the proposed regulation stating that it carried out the provisions of AB 1.

(c) Copies of the transcripts of the proceedings are available for review at the offices of the PUCN, 1150 East William Street, Carson City, Nevada 89701 and 9075 West Diablo Drive, Suite 250, Las Vegas, Nevada 89148.

3. **The number of persons who:**
 - (a) **Attended each hearing: 3**
 - (b) **Testified at each hearing: 3**
 - (c) **Submitted written comments: 1**

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:**
 - (a) **Name;**
 - (b) **Telephone number;**
 - (c) **Business address;**
 - (d) **Business telephone number;**
 - (e) **Electronic mail address; and**
 - (f) **Name of entity or organization represented.**

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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.**

Comments were solicited from affected businesses in the same manner as they were solicited from the public.

The summary may be obtained as instructed in the response to question 2(c).

- 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.**

All interested persons who filed written comments and participated in the hearing supported the regulation as proposed.

- 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: both adverse and beneficial effects, and both immediate and long-term effects.**

(a) Estimated economic effect on the businesses which they are to regulate.

The regulation does not impose any economic effect on the businesses the regulation is to regulate.

(b) Estimated economic effect on the public which they are to regulate.

The regulation does not regulate the public.

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

Any costs associated with the regulation are considered incremental in nature.

- 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.**

The regulation does not overlap any other local, State, or Federal regulations.

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

N/A

- 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.**

N/A

- 12. If the proposed regulation is likely to impose a direct and significant burden upon a small business or directly restrict the formation, operation or expansion of a small business, what methods did the agency use in determining the impact of the regulation on a small business?**

The Regulatory Operations Staff (“Staff”) of the Commission conducted a Delphi Method exercise to determine the impact of this proposed regulation on small businesses. The

Delphi Method is a systematic, interactive, forecasting method based on independent inputs of selected experts. In this instance, the participants were members of Staff. Each participant in the exercise used his background and expertise to reflect upon and analyze the impact of the proposed regulation on small businesses. Based upon Staff's analysis, Staff recommended to the Commission that the Commission find that the proposed regulation will not impose a direct and significant economic burden on small businesses or directly restrict the formation, operation or expansion of a small business. The Commission accepted Staff's recommendation and found that the proposed regulation does not impose a direct or significant economic burden upon small businesses, nor does it directly restrict the formation, operation, or expansion of a small business, and therefore a small business impact statement pursuant to NRS 233B.0608(2) is not required. This finding was memorialized in an Order issued in Docket No. 14-09008 on October 28, 2014.