

## NEVADA LEGISLATURE LEGISLATIVE COMMITTEE ON ENERGY

(Nevada Revised Statutes [NRS] 218E.805)

#### SUMMARY MINUTES November 15, 2019

The first meeting of the Legislative Committee on Energy for the 2019–2020 Interim was held on Friday, November 15, 2019, at 9 a.m. in Room 4412, Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. The meeting was videoconferenced to Room 3137, Legislative Building, 401 South Carson Street, Carson City, Nevada.

The agenda, minutes, meeting materials, and audio or video recording of the meeting are available on the Committee's <a href="meeting page">meeting page</a>. The audio or video recording may also be found at <a href="https://www.leg.state.nv.us/Granicus/">https://www.leg.state.nv.us/Granicus/</a>. Copies of the audio or video record can be obtained through the Publications Office of the Legislative Counsel Bureau (LCB) (<a href="meeting-publications@lcb.state.nv.us">publications@lcb.state.nv.us</a> or 775/684-6835).

#### **COMMITTEE MEMBERS PRESENT IN LAS VEGAS:**

Assemblywoman Daniele Monroe-Moreno, Chair Senator Chris Brooks, Vice Chair Senator Scott T. Hammond Senator Patricia (Pat) Spearman

#### COMMITTEE MEMBERS PRESENT IN CARSON CITY:

Assemblywoman Sarah Peters Assemblywoman Jill Tolles

#### LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Marjorie Paslov Thomas, Senior Principal Policy Analyst, Research Division Bryan J. Fernley, Senior Principal Deputy Legislative Counsel, Legal Division Jessica F. Dummer, Deputy Legislative Counsel, Legal Division Crystal Rowe, Research Policy Assistant, Research Division Items taken out of sequence during the meeting have been placed in agenda order.

#### AGENDA ITEM I—OPENING REMARKS

Chair Monroe-Moreno called the first meeting of the Legislative Committee on Energy to order and provided opening remarks.

Committee members and staff introduced themselves.

Chair Monroe-Moreno reviewed housekeeping items and meeting protocol.

#### AGENDA ITEM II—PUBLIC COMMENT

Chair Monroe-Moreno called for public comment.

Dr. Mary L. House, Chief Executive Officer, Caring, Helping & Restoring Lives, Inc.; and First Lady, Mountaintop Faith Ministries, acknowledged the committee members' leadership and support in passing eight clean energy bills during the 2019 Session. Dr. House urged the committee to continue its efforts by focusing on the transportation sector and reduction of greenhouse gas (GHG) emissions (Agenda Item II).

## AGENDA ITEM III—REVIEW OF THE COMMITTEE'S DUTIES AND WORK PLAN

Marjorie Paslov Thomas, previously identified, provided an overview of the Committee's responsibilities and powers (<u>Agenda Item III A</u>) and a copy of NRS 218E.805 through 218E.815 (<u>Agenda Item III B</u>). Ms. Thomas elaborated on the topics addressed by the Committee in the past.

Bryan J. Fernley, previously identified, outlined Senate Concurrent Resolution 1 (File 38, Statutes of Nevada 2019) (Agenda Item III C) and Senate Concurrent Resolution 3 (File 43, Statutes of Nevada 2019) (Agenda Item III D) as they relate to the duties of the Committee.

Chair Monroe-Moreno provided members and the public with the Committee's tentative meeting dates.

#### **AGENDA ITEM IV—ENERGY POLICY 101**

Suzanne Tegen, Ph.D., Assistant Director, Center for the New Energy Economy (CNEE), Colorado State University, provided the committee with a brief summary of her work in the energy industry including the history, origin, and purpose of the CNEE. Dr. Tegen shared a presentation (<u>Agenda Item IV</u>) outlining various energy topics including:

- Nevada's electricity portfolio;
- Energy and electricity concepts;
- Electricity bills and rates; and
- Energy misconceptions.

Discussion ensued regarding: (1) the unfavorable impact of wind turbines on migratory birds; (2) the technological and scientific advances associated with wind turbines; and (3) the future of electric utilities.

# AGENDA ITEM V—OVERVIEW OF THE PUBLIC UTILITIES COMMISSION OF NEVADA AND PROGRESS REPORT ON THE IMPLEMENTATION OF LEGISLATION FROM THE 2019 LEGISLATIVE SESSION

Stephanie Mullen, Executive Director, Public Utilities Commission of Nevada (PUCN), outlined the PUCN's regulatory duties, organizational structure, powers, and scope of work (Agenda Item V).

Garrett C. Weir, Commission General Counsel, PUCN, proceeded with a detailed update of the current energy-related bills before the PUCN for implementation through rulemaking (Agenda Item V).

#### A. SENATE BILL 154 (CHAPTER 45, STATUTES OF NEVADA 2019)

#### (This agenda item was taken out of order.)

Mr. Weir discussed SB 154 (<u>Agenda Item V A</u>), or PUCN docket 19-06006, which relates to renewable natural gas. He stated the Commission has conducted two workshops. A third workshop is scheduled for December 11, 2019, to discuss proposed draft regulations.

#### B. SENATE BILL 299 (CHAPTER 131, STATUTES OF NEVADA 2019)

#### (This agenda item was taken out of order.)

Mr. Weir addressed docket 19-06007 for SB 299 (Agenda Item V B), which authorizes a public utility to offer incentives to public schools that install electric vehicle infrastructure or purchase electric vehicles for transporting students. The PUCN concluded a new regulation was not necessary to implement the provisions of SB 299, based on input from interested parties.

#### C. SENATE BILL 300 (CHAPTER 215, STATUTES OF NEVADA 2019)

#### (This agenda item was taken out of order.)

Mr. Weir reported on PUCN docket 19-06008 for SB 300 (<u>Agenda Item V C</u>), which implements alternative ratemaking mechanisms. The PUCN has held several workshops on various alternative ratemaking mechanisms. He anticipates this rulemaking will address new approaches to better align customer preferences or policy objectives with utility incentives.

#### D. SENATE BILL 329 (CHAPTER 102, STATUTES OF NEVADA 2019)

#### (This agenda item was taken out of order.)

Mr. Weir called attention to SB 329 (<u>Agenda Item V D</u>), or docket 19-06009, which requires an electric utility to submit a wildfire and natural disaster protection plan. Various workshops have been held and the draft regulation has been sent to the LCB for review. The Commission anticipates voting on the regulation in January 2020 with implementation on March 1, 2020.

#### E. SENATE BILL 358 (CHAPTER 3, STATUTES OF NEVADA 2019)

#### (This agenda item was taken out of order.)

Mr. Weir shared that SB 358 (<u>Agenda Item V E</u>), which relates to Nevada's updated renewable portfolio standard (RPS), will consist of several workshops conducted in two phases. Phase one will address RPS compliance issues, and phase two will address the acquisition of renewable energy facilities by a utility.

#### F. SENATE BILL 547 (CHAPTER 556, STATUTES OF NEVADA 2019)

#### (This agenda item was taken out of order.)

Mr. Weir stated that SB 547 (Agenda Item V F) concerning providers of new electric services, is before the Commission as docket 19-06029 and will be implemented in three phases that cover different sections of SB 547. On November 21, 2019, a workshop is scheduled for phases one and two.

#### G. ASSEMBLY BILL 465 (CHAPTER 369, STATUTES OF NEVADA 2019)

#### (This agenda item was taken out of order.)

Mr. Weir reported that rulemaking docket 19-06028 was opened in June 2019 for AB 465 (Agenda Item V G), which implements an expanded solar access program. A series of formal and informal workshops will occur to address cost recovery, program management, project siting, rate calculations, and workforce programs.

Senator Brooks inquired on the process for the public to be included in the rule making proceedings.

Mr. Weir indicated the various procedures for public participation are outlined on the PUCN website or may be obtained by contacting the Commission directly.

## AGENDA ITEM VI—OVERVIEW OF THE OFFICE OF ENERGY, OFFICE OF THE GOVERNOR, AND PRIORITIES FOR A CLEAN ENERGY ECONOMY IN NEVADA

David Bobzien, Director, Office of Energy, Office of the Governor, shared the mission of the Governor's Office of Energy (GOE) and a brief overview of the primary programs executed by the GOE. Mr. Bobzien reported that in March 2019, Governor Sisolak joined Nevada with the United States Climate Alliance and detailed the benefits of participating in the Alliance (Agenda Item VI).

Jennifer L. Taylor, Esq., Deputy Director for Intergovernmental Relations, GOE, presented an overview of the measures passed during the 2019 Legislative Session as they relate to the GOE. Additionally, Ms. Taylor discussed the intent of <u>Assembly Bill 54</u> (2019) to streamline outdated energy efficiency targets for state-owned buildings and to codify federal light bulb efficiency standards into statute.

Mr. Bobzien called attention to <u>Senate Bill 254</u> (2019) and the goal it establishes in reducing the state's GHG emissions: 28 percent by the year 2025; 45 percent by the year 2030; and zero or near zero by the year 2050. He commended efforts made by the state in reducing its reliance on coal power through the retirement of coal assets and the increase of solar

and other renewable energy resources. Mr. Bobzien suggested the next step in Nevada's goal to reduce GHG emissions is to review and evaluate the transportation sector.

Senator Spearman inquired about the energy efficiency programs obtainable by senior citizens and the resources available informing the senior community of those programs.

Mr. Bobzien directed Senator Spearman to the GOE's website and referenced the <u>Home Energy Retrofit Opportunities for Seniors</u> program specifically. He offered to have the program manager contact Senator Spearman directly to discuss the program details.

Additionally, Senator Spearman questioned Mr. Bobzien on how SCR 1 and SCR 3 of the 2019 Session may affect the GOE.

Mr. Bobzien responded the office is participating in work groups and is being represented at the federal level to maximize the development of Nevada's renewable energy projects.

## AGENDA ITEM VII—OVERVIEW AND PROJECTION OF ENERGY-RELATED EMISSIONS IN NEVADA

Bradley Crowell, Director, State Department of Conservation and Natural Resources (DCNR), indicated he will address the Department's goals for advancing clean energy and economy-wide GHG emissions in Nevada. Mr. Crowell discussed matters including: (1) the wide jurisdiction covered by Nevada's Division of Environmental Protection (NDEP), DCNR; (2) GHG emission reduction targets and sectors addressed by SB 254; (3) the projected GHG emissions scenario in Nevada; (4) establishing new policies in other sectors in order to achieve reduction targets; and (5) electricity generation under the RPS as it relates to reduction targets (Agenda Item VII).

Chair Monroe-Moreno inquired on the other policies the state should be addressing in order to achieve reduction goals.

Mr. Crowell indicated the DCNR would be incorporating those suggestions into the report for SB 254. He mentioned NDEP is complimenting GOE's progress of enhancing electric transportation infrastructure, through the conversion of gas-powered vehicles to electric. Additionally, NDEP is accessing funds through the <u>Volkswagen Settlement Funds</u> and <u>S. 747</u> (Diesel Emissions Reduction Act of 2019), 116<sup>th</sup> Congress, introduced by U.S. Senator Thomas R. Carper (D-Delaware), to institute cleaner burning diesel engines.

Discussion ensued between Vice Chair Brooks, Mr. Crowell, and Greg Lovato, Administrator, NDEP, DCNR, regarding the inclusion of electricity GHG emission projections resulting from the retirement or retrofit of various coal plants within the state.

Senator Spearman called attention to the various sources of energy and the efficient use of that energy.

In response, Mr. Crowell and David Bobzien, previously identified, elaborated on the possible establishment of an energy efficiency resource standard for Nevada; energy efficiency in all forms in relation to policy options; and the continued development of energy efficiency standards for the construction industry.

Vice Chair Brooks and Mr. Crowell further discussed details relating to:

- The existence of an international standard for methodology of the various energy sectors;
- Any new responsibilities or powers created under SB 254 for the executive branch agencies;
- · The policies needed to achieve the goals of SB 254; and
- The GSG emissions resulting from agriculture and the impact it has on achieving the goals set forth in SB 254.

# AGENDA ITEM VIII—PRESENTATION AND STATUS OF IMPLEMENTATION OF A PILOT PROGRAM BY THE DEPARTMENT OF MOTOR VEHICLES TO GATHER DATA FROM CERTAIN MOTOR VEHICLES IN NEVADA PURSUANT TO ASSEMBLY BILL 483 (CHAPTER 498, STATUTES OF NEVADA 2019)

Julie Butler, Director, Department of Motor Vehicles (DMV), introduced herself and conveyed the department's efforts in implementing AB 483.

Molly Lennon, Management Analyst, DMV, shared a presentation detailing the DMV's pilot program to collect data on annual vehicle miles travelled by certain vehicles registered for use on Nevada's roads (<u>Agenda Item VIII</u>). Topics addressed include:

- Challenges faced by the Department;
- · Current status of the pilot program, report development, and regulations;
- Future enhancements and reporting;
- Programming and technology;
- Public education and project branding;
- Reporting of odometer readings; and
- · Requirements of AB 483.

Discussion ensued regarding: (1) the intent behind AB 483; (2) the future distinction between hybrid or electric vehicles versus gas-powered vehicles; (3) the allocation of miles driven out of state; (4) the differentiation between rural and urban miles driven; and (5) the impact on classic vehicles.

#### AGENDA ITEM IX—PUBLIC COMMENT

Amanda Moss, Government Affairs Senior Director, Southern Nevada Home Builders Association, commented on the evolution of residential building codes related to energy efficiency standards. Ms. Moss noted the ongoing contribution of the Southern Nevada Home Builders in sampling, energy compliance, and federal reporting on energy efficiency in new construction.

Joshua J. Hicks, Partner, McDonald Carano, LLP, on behalf of the Southern Nevada Home Builders, called attention to the intent and support of home builders to balance energy efficiency measures with code compliance, energy policy, and competitive pricing.

Senator Spearman provided clarification on her previous comments related to the use of energy efficient building codes by Nevada's home builders.

Tom Polikalas, Nevada Representative, Southwest Energy Efficiency Project, shared information on the upcoming Zero Energy Ready Home Workshop (<u>Agenda Item IX A-1</u>). Further, Mr. Polikalas provided a handout on the economic and emissions benefits of electric vehicles (<u>Agenda Item IX A-2</u>).

#### AGENDA ITEM X—ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 11:59 a.m.

	Respectfully submitted,	
	Crystal Rowe	
	Research Policy Assistant	
	Marjorie Paslov Thomas	
	Senior Principal Policy Analyst	
APPROVED BY:		
Assemblywoman Daniele Monroe-Moreno, Chair		
Date:		

### **MEETING MATERIALS**

AGENDA ITEM	PRESENTER/ENTITY	DESCRIPTION
Agenda Item II	Dr. Mary L. House, Chief Executive Officer, Caring, Helping & Restoring Lives, Inc.; and First Lady, Mountaintop Faith Ministries	Written comments
Agenda Item III A	Marjorie Paslov Thomas, Senior Principal Policy Analyst, Research Division, Legislative Counsel Bureau (LCB)	Committee overview
Agenda Item III B	Marjorie Paslov Thomas, Senior Principal Policy Analyst, Research Division, LCB	Nevada Revised Statutes 218E.805 through 218E.815
Agenda Item III C	Bryan J. Fernley, Senior Principal Deputy Legislative Counsel, Legal Division, LCB	Senate Concurrent Resolution 1 (File 38, Statutes of Nevada 2019)
Agenda Item III D	Bryan J. Fernley, Senior Principal Deputy Legislative Counsel, Legal Division, LCB	SCR 3 (File 43, Statutes of Nevada 2019)
Agenda Item IV	Suzanne Tegen, Ph.D., Assistant Director, Center for the New Energy Economy, Colorado State University	Microsoft PowerPoint Presentation
Agenda Item V	Stephanie Mullen, Executive Director, Public Utilities Commission of Nevada (PUCN), and Garrett C. Weir, Commission General Counsel, PUCN	Microsoft PowerPoint Presentation
Agenda Item V A	Marjorie Paslov Thomas, Senior Principal Policy Analyst, Research Division, LCB	Senate Bill 154 (Chapter 45, Statutes of Nevada 2019)

AGENDA ITEM	PRESENTER/ENTITY	DESCRIPTION
Agenda Item V B	Marjorie Paslov Thomas, Senior Principal Policy Analyst, Research Division, LCB	SB 299 (Chapter 131, Statutes of Nevada 2019)
Agenda Item V C	Marjorie Paslov Thomas, Senior Principal Policy Analyst, Research Division, LCB	SB 300 (Chapter 215, Statutes of Nevada 2019)
Agenda Item V D	Marjorie Paslov Thomas, Senior Principal Policy Analyst, Research Division, LCB	SB 329 (Chapter 102, Statutes of Nevada 2019)
Agenda Item V E	Marjorie Paslov Thomas, Senior Principal Policy Analyst, Research Division, LCB	SB 358 (Chapter 3, Statutes of Nevada 2019)
Agenda Item V F	Marjorie Paslov Thomas, Senior Principal Policy Analyst, Research Division, LCB	SB 547 (Chapter 556, Statutes of Nevada 2019)
Agenda Item V G	Marjorie Paslov Thomas, Senior Principal Policy Analyst, Research Division, LCB	Assembly Bill 465 (Chapter 369, Statutes of Nevada 2019)
Agenda Item VI	David Bobzien, Director, Office of Energy, Office of the Governor (GOE), and Jennifer L. Taylor, Esq., Deputy Director for Intergovernmental Relations, GOE	Microsoft PowerPoint Presentation
Agenda Item VII	Bradley Crowell, Director, State Department of Conservation and Natural Resources	Microsoft PowerPoint Presentation
Agenda Item VIII	Julie Butler, Director, Department of Motor Vehicles (DMV), and Molly Lennon, Management Analyst, DMV	Microsoft PowerPoint Presentation

AGENDA ITEM	PRESENTER/ENTITY	DESCRIPTION
Agenda Item IX A-1	Tom Polikalas, Nevada Representative, Southwest Energy Efficiency Project (SWEEP)	Handout
Agenda Item IX A-2	Tom Polikalas, Nevada Representative, SWEEP	Handout

The Summary Minutes are supplied as an informational service. All meeting materials are on file in the Research Library of the Legislative Counsel Bureau, Carson City, Nevada. For copies, contact the Library at (775) 684-6827 or <a href="https://www.leg.state.nv.us/Division/Research/Library/About/Contact/feedbackmail.cfm">https://www.leg.state.nv.us/Division/Research/Library/About/Contact/feedbackmail.cfm</a>.