

Public Utilities Commission of Nevada

Nevada Revised Statutes (NRS) 703:

Commission members (NRS 703.030): The Public Utilities Commission of Nevada (PUCN) consists of three Commissioners appointed by the Governor for terms of four years, who shall select members who have at least two years of experience in one or more of the following fields:

- Accounting;
- Business administration;
- Finance or economics;
- Administrative law; or
- Professional engineering.

Not more than two members may be from the same political party or from the same field of experience.

Additional qualifications or restrictions include the following (NRS 703.040):

- All commissioners shall be independent of the industries regulated by the Commission and possess demonstrated competence;
- No commissioner may have a pecuniary interest in any public utility in Nevada or elsewhere;
- Commissioners shall work full-time in the business of the Commission, except as provided by statute; and
- No commissioner may be a member of any political convention or any committee of a political party.

The Governor has the power to remove any Commissioner for cause, pursuant to statute (NRS 703.060).

Exhibit V - SUNSET

Document consists of 417 pages.

Due to size limitations, pages 1-23 provided.

A copy of the complete document can be found on the Subcommittee's meeting page and is available through the Research Library (775/684-6827 or e-mail at library@lcb.state.nv.us).

Meeting Date: 02-09-16

Powers and duties of the Commission (NRS 703.150): The Commission shall supervise and regulate the operation and maintenance of public utilities and other persons named and defined in the following chapters of NRS:

- NRS 704—Regulation of Public Utilities Generally;
- NRS 704A—Facilities Placed Underground; and
- NRS 708—Oil Pipelines.

In addition, the Commission:

- Shall adopt regulations relating to the provision of electric service as provided (NRS 703.151);
- May represent the State of Nevada in matters affecting the development, transmission, use, or cost of energy in Nevada (NRS 703.152);
- May conduct inspections to ensure compliance with federal statutes and regulations governing the safety of storage facilities and interstate pipelines (NRS 703.153) and may adopt regulations to ensure safe operations of such facilities and pipelines (NRS 703.154);
- May participate in the enforcement of federal safety regulations relating to railroads (NRS 703.1545); and
- Has the authority to adopt regulations relating to the operations of the Division of Consumer Complaint Resolution (NRS 703.172).

Operations of the Commission (NRS 703.070): The Governor shall designate one of the Commissioners as the Chair. The Chair serves at the pleasure of the Governor.

NRS 703.085 through 703.148 provide for the number of Commissioners required to act on certain matters; suits by and against the Commission; hearings; appointment of professional and support staff, as well as hearing officers; expenses; and the establishment of the Public Utilities Regulatory Fund.

NRS 703.180 through 703.205 require the Commission to make a biennial report of its proceedings and open records for public inspection, except where provided otherwise.

NRS 703.301 through 703.380 provide for administrative hearings, judicial review, and fines.

Background:

In 1909, the Railroad Commission of Nevada prepared legislation to give it some control over the public service corporations in the State. The bill proposed to vest in the Railroad Commission the power to fix rates for services provided by electric light, gas, or water companies. At that time, the Railroad Commission had the authority to fix rates for intrastate service for express companies, telephone and telegraph companies, and railroads.

Although the Railroad Commission's proposal failed that session, in 1911, a similar proposal was enacted to establish the Public Service Commission (PSC) of Nevada. The members of the PSC were ex officio members of the Railroad Commission. A public utility was defined as any business or individual that owned or operated any plant or equipment used to produce; deliver; or furnish heat, light, power, water or sewerage service. The PSC was empowered to investigate utility companies, which were required to report to the PSC (Chapter 162, *Statutes of Nevada 1911*).

Legislation: Assembly Bill 263 (Chapter 109, *Statutes of Nevada 1919*) was sponsored by Assemblyman Charles L. Richards to create the Public Service Commission as an independent body. Public utilities were defined to include railroad companies operating in Nevada as well as any individual or business operating as a common carrier for hire or an express company. Utilities also included businesses providing heat, light, power in any form, telephone or telegraph services, and sewer or water services. Assembly Bill 263 repealed the earlier statutes establishing the Railroad Commission and the PSC.

The PSC was further reorganized in 1997 with the enactment of A.B. 366 (Chapter 482, *Statutes of Nevada*), when its name was changed to the Public Utilities Commission of Nevada. The act authorized the Commission to reorganize itself into sections, alter its organization, and reassign responsibilities as it deemed necessary. The bill also created the Transportation Services Authority (renamed the Nevada Transportation Authority in 2007 with the passage of A.B. 497 [Chapter 433, *Statutes of Nevada*]), and transferred the regulation of certain transportation carriers to it.

Legislative history: No legislative history of A.B. 263 has been compiled.

A legislative history of A.B. 366 has been compiled and is available as follows:

PART 1:

<http://www.leg.state.nv.us/Division/Research/Library/LegHistory/LHs/1997/AB366,1997pt1.pdf>

PART 2:

<http://www.leg.state.nv.us/Division/Research/Library/LegHistory/LHs/1997/AB366,1997pt2.pdf>

PART 3:

<http://www.leg.state.nv.us/Division/Research/Library/LegHistory/LHs/1997/AB366,1997pt3.pdf>

PART 4:

<http://www.leg.state.nv.us/Division/Research/Library/LegHistory/LHs/1997/AB366,1997pt4.pdf>

PART 5:

<http://www.leg.state.nv.us/Division/Research/Library/LegHistory/LHs/1997/AB366,1997pt5.pdf>

PART 6:

<http://www.leg.state.nv.us/Division/Research/Library/LegHistory/LHs/1997/AB366,1997pt6.pdf>

PART 7:

<http://www.leg.state.nv.us/Division/Research/Library/LegHistory/LHs/1997/AB366,1997pt7.pdf>

PART 8:

<http://www.leg.state.nv.us/Division/Research/Library/LegHistory/LHs/1997/AB366,1997pt8.pdf>

PART 9:

<http://www.leg.state.nv.us/Division/Research/Library/LegHistory/LHs/1997/AB366,1997pt9.pdf>

Members:

- Paul A. Thomsen, Chair;
- Alaina Burtenshaw, Esq., Commissioner; and
- David Noble, Esq., Commissioner.

Reports: The Commission is required, pursuant to NRS 703.180, to make and publish biennial reports showing its proceedings.

Records:

- Research Library holdings:
 - Publications by the PSC/PUCN including articles, biennial reports, exhibits, opinions and orders, pamphlets, and other reports; and
 - Publications about the PSC/PUCN including various newspaper and magazine articles.
- State Library holdings:
 - Strategic plans (various years);
 - Quarterly reports assessing developments in the electric industry (various years);
 - Biennial reports (2007 through 2015);
 - Audit reports, Legislative Auditor (2000 and 2010); and
 - Miscellaneous applications and publications.
- State Archives holdings:
 - Annual reports and general files: mobile home parks, motor carriers, railroads, telecommunications, transportation, and utilities (various years); and
 - General files: actions, opinions, and orders (various years).

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W160910

ORGANIZATION AND FINANCIAL ADMINISTRATION

NRS 703.025 Reorganization of Commission; duties of Commission relating to reorganization; Commission authorized to adopt regulations for operation and enforcement of laws; plan for reorganization.

1. The Commission, by majority vote, shall organize the Commission into sections, alter the organization of the Commission and reassign responsibilities and duties of the sections of the Commission as the Commission deems necessary to provide:

(a) Advice and guidance to the Commission on economic policies relating to utilities under the jurisdiction of the Commission, and the regulation of such utilities;

(b) Administrative, technical, legal and support services to the Commission; and

(c) For the regulation of utilities governed by the Commission and the services offered by such utilities, including, but not limited to, licensing of such utilities and services and the resolution of consumer complaints.

2. The Commission shall:

(a) Formulate the policies of the various sections of the Commission;

(b) Coordinate the activities of the various sections of the Commission;

(c) If customers are authorized by a specific statute to obtain a competitive, discretionary or potentially competitive utility service, take any actions which are consistent with the statute and which are necessary to encourage and enhance:

(1) A competitive market for the provision of that utility service to customers in this State; and

(2) The reliability and safety of the provision of that utility service within that competitive market; and

(d) Adopt such regulations consistent with law as the Commission deems necessary for the operation of the Commission and the enforcement of all laws administered by the Commission.

3. Before reorganizing the Commission, the Commission shall submit the plan for reorganization to:

(a) The Director of the Legislative Counsel Bureau for transmittal to the appropriate legislative committee and the Interim Finance Committee; and

(b) The Director of the Department of Administration.

(Added to NRS by 1997, 1880; A 2001, 341)

ADMINISTRATIVE REGULATIONS.

Excavations and demolitions, NAC ch. 455

Public Utilities Commission of Nevada, NAC ch. 703

NRS 703.030 Commissioners: Appointment; terms; qualifications.

1. The Commission consists of three Commissioners appointed by the Governor for terms of 4 years.

2. The Governor shall appoint as members of the Commission persons who have at least 2 years of experience in one or more of the following fields:

(a) Accounting.

(b) Business administration.

(c) Finance or economics.

(d) Administrative law.

(e) Professional engineering.

3. Not more than two of the Commissioners may be:

(a) Members of the same political party.

(b) From the same field of experience.

[Part 2:109:1919; A 1947, 29; 1953, 252]-(NRS A 1957, 331; 1983, 1308; 1997, 1881)

NRS CROSS REFERENCES.

Residency requirements, vacancies, NRS 232A.020

NRS 703.040 Commissioners: Additional qualifications; restrictions on other employment.

1. All of the Commissioners shall be persons who are independent of the industries regulated by the Commission and who possess demonstrated competence.

2. No Commissioner may be pecuniarily interested in any public utility in this state or elsewhere.

3. Except as otherwise provided in NRS 284.143, the Commissioners shall give their entire time to the business of the Commission and shall not pursue any other business or vocation or hold any other office of profit.

4. No Commissioner may be a member of any political convention or a member of any committee of any political party.

[Part 2:109:1919; A 1947, 29; 1953, 252] + [Part 3:109:1919; A 1953, 252] + [Part 4:109:1919; A 1953, 252]--(NRS A 1957, 332; 1977, 758; 1997, 621)

NRS 703.050 Commissioners: Oaths.

1. Before entering upon the duties of office, each Commissioner shall subscribe to the constitutional oath of office, and shall in addition swear that the Commissioner is not pecuniarily interested in any public utility in this State as defined in chapter 704 of NRS.

2. The oath of office shall be filed in the Office of the Secretary of State.

[Part 4:109:1919; A 1953, 252]--(NRS A 1975, 934; 1977, 1115)

NRS CROSS REFERENCES.

Text of oath, Const. Art. 15 § 2

NRS 703.060 Commissioners: Removal. The Governor shall have the power to remove any Commissioner for inefficiency, neglect of duty or malfeasance in office. Such removal shall be upon public hearing after 10 days' notice and the service of a copy of the charges upon the Commissioner. The record of any such proceedings shall be filed with the Secretary of State if a Commissioner is removed.

[Part 3:109:1919; A 1953, 252]

NRS 703.070 Commissioners: Designation of Commissioner to serve as Chair. The Governor shall designate one of the Commissioners to be Chair, whose term as Chair shall be at the pleasure of the Governor.

[Part 2:109:1919; A 1947, 29; 1953, 252]--(NRS A 1957, 332; 1997, 1881; 2009, 608)

NRS 703.080 Commissioners: Unclassified service of State; Acting Commissioners not entitled to participate in certain programs or receive certain benefits.

1. The Chair and the other Commissioners, including any Acting Commissioners, are in the unclassified service of the State.

2. Notwithstanding any other specific statute to the contrary and regardless of the length of service, a person who is appointed to serve as an Acting Commissioner pursuant to NRS 703.085 is not entitled because of that appointment to participate in any programs or receive any benefits that are offered or provided to state officers or employees in the unclassified service of the State pursuant to chapter 284, 286 or 287 of NRS.

[Part 5:109:1919; A 1931, 225; 1941, 40; 1949, 449; 1951, 200; 1953, 252] + [20:295:1953; A 1955, 525]--(NRS A 1957, 332; 1959, 788; 1960, 396; 1961, 657; 1963, 1333; 1965, 706; 1967, 1504; 1971, 1443; 1981, 285; 2003, 3024)

NRS CROSS REFERENCES.

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Programs for public employees, NRS ch. 287
 Public employees' retirement, NRS ch. 286
 State Personnel System, NRS ch. 284

NRS 703.085 Commissioners: Number required to act; number required to enter final order; appointment, powers and duties, terms of service and reappointment of Acting Commissioners.

1. All commissioners are required for the Commission to act in any matter involving:

(a) A general rate application or an annual deferred energy accounting adjustment application of an electric utility or a public utility which purchases natural gas for resale; and

(b) A plan of an electric utility to increase its supply of electricity or decrease the demands made on its system pursuant to NRS 704.741.

2. Except as otherwise provided in subsection I, a majority of the commissioners has full power to act in all matters within the jurisdiction of the Commission.

3. Before the Commission may enter a final order on a matter, there must be at least the required number of commissioners who are able to act on the matter. If there are fewer than the required number of commissioners who are able to act on the matter because of disqualifications, illnesses, incapacities, vacancies that have not yet been filled, or any other reason, the Governor shall appoint the requisite number of persons to serve as acting commissioners in the place of the commissioners who are unable to act on the matter so that there are at least the required number of persons who are able to act on the matter, whether serving as a commissioner or an acting commissioner. If there are fewer than the required number of commissioners who are able to act on the matter because of disqualifications, illnesses, incapacities, vacancies that have not yet been filled, or any other reason, and the Governor has not appointed the requisite number of persons to serve as acting commissioners pursuant to this subsection, the Commission may designate a hearing officer appointed pursuant to subsection 7 of NRS 703.130 to **serve as an acting commissioner.**

4. Before the Governor may appoint a person to serve as an acting commissioner in the place of a commissioner who is unable to act on the matter, the person must be qualified to serve in the office of that commissioner as if the Governor were appointing the person to fill a vacancy in that office.

5. A person who is appointed or authorized to serve as an acting commissioner shall be deemed to be a commissioner and is entitled to exercise the powers of a commissioner only in proceedings before the Commission that involve the matter or matters for which the person is appointed or authorized to serve as an acting commissioner.

6. A person who is appointed to serve as an acting commissioner:

(a) Is subject to all legal requirements and restrictions and enjoys all legal protections and immunities that apply to a commissioner and to state officers generally while the person is engaged in the business of the Commission as an **acting commissioner; and**

(b) Is entitled to receive, for each day the person is engaged in the business of the Commission as an acting commissioner, a salary of \$80 and the per diem allowance and travel expenses provided for state officers and employees generally. The person is not entitled to receive any other compensation for serving as an acting **commissioner.**

7. A person who is appointed to serve as an acting commissioner serves at the pleasure of the Governor. The appointment of the person expires:

(a) On the date that the Governor declares that the appointment has expired; or

(b) On the date that the matter or matters for which the person was appointed are no longer pending before the **Commission,**

"" whichever date occurs earlier.

8. The Governor may reappoint a person to serve as an acting commissioner.

(Added to NRS by 2003, 3023; A 2009, 608)

ATTORNEY GENERAL'S OPINIONS.

Recusal of a Commissioner of the former Public Service Commission of Nevada Where a Commissioner of the Public Service Commission

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of Nevada (now the Public Utilities Commission of Nevada) was an attorney in private practice before appointment to the Commission, the Commissioner should recuse himself from any matter before the Commission (see NRS 703.085) if he was personally and substantially involved in the matter while in private practice (see RPC 1.9 and 1.11), or if he possesses relevant confidences or secrets of a former client. In either case, the Commissioner should make full disclosure of the situation and has the duty to recuse himself if his impartiality might reasonably be questioned (see former C.J.C. Canon 3E; cf. R.C.J.C. Rule 2.11). (N.B., opinion issued before the provisions of the former S.C.R. 150 to 203.5, inclusive, were repealed and reorganized effective May 1, 2006, as RPC 1.0 to 8.5, inclusive.) AGO 95-19 (11-7-1995)

NRS 703.100 Suits by and against Commission. The Commission may sue and be sued in the name of the Public Utilities Commission of Nevada.

[Part 6:109:1919; 1919 RL p. 3155; NCL § 6105]-(NRS A 1997, 1882)

NRS 703.110 Hearings and meetings open to public. Except as otherwise provided in this chapter, all hearings and meetings conducted by the Commission must be open to the public.

[Part 2:109:1919; A 1947, 29; 1953, 252]--(NRS A 1957, 332; 1967, 1094; 1971, 656; 1973, 1036; 1979, 1108; 1983, 1308; 1989, 441; 1997, 1882; 2003, 3024)

NRS CROSS REFERENCES.

Meetings of public agencies, NRS ch. 241

OPEN MEETING LAW OPINIONS.

(N.B., this opinion was rendered by the attorney general as a guideline for enforcing the open meeting law and not as a written opinion requested pursuant to NRS 228.150.)

Open meeting law applies to the commission. The public utilities commission of Nevada is not exempt from the provisions of NRS ch. 241 on the grounds that its proceedings are quasi-judicial in nature and is, therefore, required to conduct its deliberations and actions in public. (See also NRS 241.030 and 703.110.) OMLO 98-02 (3-16-1998)

NRS 703.120 Principal and secondary offices; filing of documents at secondary office.

1. The Commission shall keep its principal office at Carson City, Nevada, in rooms provided by the Buildings and Grounds Section of the State Public Works Division of the Department of Administration and may maintain another office in Las Vegas, Nevada.

2. If an office is so maintained in Las Vegas, any document which is required to be filed with the Commission may be filed at its office in Las Vegas with the same effect as if it were filed at the office in Carson City.

[Part 6:109:1919; 1919 RL p. 3155; NCL § 6105]-(NRS A 1963, 1071; 1973, 1477; 1987, 778; 1993, 1924)

NRS 703.130 Personnel and consultants; Executive Director; Secretary and Assistant Secretary; hearing officers.

1. The Commission shall, within the limits of legislative appropriations or authorizations, employ and fix the salaries of or contract for the services of such professional, technical and operational personnel and consultants as the execution of its duties and the operation of the Commission may require.

2. The Commission shall appoint an Executive Director, who must be:

- (a) Knowledgeable and experienced in public administration and fiscal management;
- (b) Knowledgeable in the areas of utility regulation by the Commission; and
- (c) Independent of and have no pecuniary interest in any entity regulated by the Commission.

3. The Executive Director shall:

- (a) Serve as Chief Financial Officer for the Commission;
- (b) Direct the daily operation of the Commission, including, without limitation:
 - (1) Budget preparation;
 - (2) Administration;

- (3) Human resources;
 - (4) Purchases and acquisitions made by the Commission; and
 - (5) Contracts and leases entered into by the Commission;
 - (c) Develop and implement policies and procedures to ensure the efficient operation of the Commission;
 - (d) Oversee:
 - (1) The review of applications for certificates, permits and modifications of tariffs;
 - (2) The maintenance of a hearing calendar of all matters pending before the Commission; and
 - (3) Compliance with and enforcement of statutes and regulations pertaining to utilities which are regulated by the Commission; and
 - (e) Authenticate documents and serve as custodian of all agency records.
 - 4. The Executive Director is in the unclassified service of the State.
 - 5. The Executive Director, with the approval of the Commission, shall designate a Secretary who shall perform such administrative and other duties as are prescribed by the Executive Director. The Executive Director, with the approval of the Commission, shall also designate an Assistant Secretary.
 - 6. The Executive Director may employ such other clerks, experts or engineers as may be necessary.
 - 7. Except as otherwise provided in subsection 8, the Commission:
 - (a) May appoint one or more hearing officers for a period specified by the Commission to conduct proceedings or hearings that may be conducted by the Commission pursuant to NRS 702.160 and 702.170 and chapters 704, 704A, 704B, 705, 708 and 711 of NRS.
 - (b) Shall prescribe by regulation the procedure for appealing a decision of a hearing officer to the Commission.
 - 8. The Commission shall not appoint a hearing officer to conduct proceedings or hearings:
 - (a) In any matter pending before the Commission pursuant to NRS 704.7561 to 704.7595, inclusive; or
 - (b) In any matter pending before the Commission pursuant to NRS 704.061 to 704.110, inclusive, in which an electric utility has filed a general rate application or an annual deferred energy accounting adjustment application.
 - 9. As used in this section, "electric utility" has the meaning ascribed to it in NRS 704.187.
- [Part 5:109:1919; A 1931, 225; 1941, 40; 1949, 449; 1951, 200; 1953, 252]-(NRS A 1967, 1094, 1382, 1504; 1971, 1443; 1979, 1108; 1981, 1285; 1999, 3259; 2001, 342, 3238; 2007, 2976; 2009, 609, 1390; 2013, 738)

ADMINISTRATIVE REGULATIONS.

Hearing officer, definition, appointment, NAC 703.050, 703.486
Secretary, general duties, NAC 703.155

NRS 703.140 Expenses of Commissioners and employees: Sworn statement and approval required. The expenditures of each Commissioner and employee of the Commission while traveling on its business must be sworn to by the person who incurred the expense and must be approved by the Chair of the Commission.

[42:109:1919; 1919RL p. 3167; NCL § 6143]---{NRS A 1979, 1109; 1985, 448}

NRS 703.145 Expenses of investigations, inspections, audits and appearances made outside State.

1. Any public utility subject to the jurisdiction of the Commission which elects to maintain its books and records outside the State of Nevada must, in addition to any other assessment and fees provided for by Jaw, be assessed by the Commission for an amount equal to the per diem allowance and travel expenses of Commission members and staff for investigations, inspections and audits required to be performed outside this State. The per diem allowance and travel expenses of the members of the Commission and its staff must be assessed at the rate established by the State Board of Examiners for state officers and employees generally.

2. Any public utility subject to the jurisdiction of the Commission must, in addition to any other assessment and fees provided for by Jaw, be assessed by the Commission for an amount equal to the per diem allowance and travel expenses of Commission members and staff for investigations, audits and appearances required to be performed out of this State as a result of interventions in:

(a) Federal Energy Regulatory Commission proceedings as authorized in NRS 703.152; or
 (b) Actions involving the Federal Communications Commission or other federal regulatory agencies,
 "" if the intervention is made to benefit the public utility or its customers. The per diem allowance and travel expenses of the members of the Commission and its staff must be assessed at the rate established by the State Board of Examiners for state officers and employees generally.

3. The assessments provided for by this section must be determined by the Commission upon the completion of each such investigation, inspection, audit or appearance and are due within 30 days after receipt by the affected utility of the notice of assessment. The total amount assessed by the Commission in 1 year pursuant to subsection 2 must not exceed \$50,000.

4. The records of the Commission relating to the additional costs incurred by reason of the necessary additional travel must be open for inspection by the affected utility at any time within the 30-day period.

5. The Commission shall, not later than 2 business days after receiving a written request from the Legislative Commission, report to the Legislature the amount of assessments charged public utilities pursuant to subsection 2 during the previous biennium or any other period specified by the Legislative Commission.

(Added to NRS by 1973, 1832; A 1989, 609; 1991, 400; 1993, 442; 1995, 64; 1997, 1882; 2007, 544, 604)

NRS 703.147 Public Utilities Commission Regulatory Fund.

1. The Public Utilities Commission Regulatory Fund is hereby created as a special revenue fund. Except as otherwise provided in NRS 702.170 and 704.7828, all money collected by the Commission pursuant to law must be deposited in the State Treasury for credit to the Fund. Money collected for the use of the Consumer's Advocate of the Bureau of Consumer Protection in the Office of the Attorney General must be transferred pursuant to the provisions of subsection 8 of NRS 704.035.

2. Money in the Fund which belongs to the Commission may be used:

(a) To defray the costs of:

(1) Maintaining staff and equipment to regulate adequately public utilities and other persons subject to the jurisdiction of the Commission.

(2) Participating in all rate cases involving those persons.

(3) Audits, inspections, investigations, publication of notices, reports and retaining consultants connected with that regulation and participation.

(4) The salaries, travel expenses and subsistence allowances of the members of the Commission.

(b) For any other purpose authorized by the Legislature.

3. All claims against the Fund must be paid as other claims against the State are paid.

4. The Commission must furnish upon request a statement showing the balance remaining in the Fund as of the close of the preceding fiscal year.

(Added to NRS by 1979, 148; A 1981, 1677; 1997, 1883; 2001, 2526, 3238; 2010, 26th Special Session, 26)

NRS CROSS REFERENCES.

Administrative fines for certain violations, NRS 704.7828

Universal energy charge, NRS 702.170

REVISER'S NOTE.

Ch. 3, Stats. 2010, 26th Special Session, which added paragraph (b) of subsection 2 of this section, contains the following provisions not included in NRS:

"Sec. 59. The State Controller shall transfer the sum of \$1,000,000 from the Public Utilities Commission Regulatory Fund created by NRS 703.147 to Budget Account 101-9081, Budget Reserve, for unrestricted State General Fund use to offset the difference between projected revenues and collections and to be used only as necessary to meet existing and future obligations of the State.

• **

Sec. 80. The provisions of this act do not apply to the extent that the provisions would constitute an impairment of the rights of holders of the bonds or similar obligations issued by the State of Nevada or a political subdivision thereof. If there are any such outstanding bonds or obligations, the State of Nevada and its officers and agencies shall take whatever actions that are deemed necessary to protect the interests of the State and the rights of the holders of the bonds and similar obligations.

Sec. 81. The provisions of this act shall be deemed not to reduce the amount of any appropriation as that amount is used for the purpose of

establishing a base amount for any calculation that includes that appropriation.

Sec. 82. If any provision of this act, or the application thereof to any person, thing or circumstance, is held invalid, such invalidity shall not affect any provision or application of this act which can be given effect without the invalid provision or application, and to this end the Legislature declares that:

1. Each provision of this act is severable and independent;
2. The Legislature would have passed this act and each valid provision thereof, irrespective of the invalid provision or application; and
3. Each valid provision or application must be given effect to the fullest extent possible, irrespective of the invalid provision or application."

ATTORNEY GENERAL'S OPINIONS.

Commission may not transfer funds from the regulatory fund to the state highway fund. The public service commission of Nevada (now the public utilities commission of Nevada) may not transfer funds from the regulatory fund created by NRS 704.033 and former NRS 704.037 (cf. NRS 703.147 and 706.1516) to the state highway fund 'when there are insufficient funds in the state highway fund to meet the expenses of administration by the department of motor vehicles pursuant to former NRS 706.190 (cf. NRS 706.201), because the regulatory fund is not included as a source of moneys for the state highway fund as listed in NRS 408.235, and former NRS 704.039 (cf. NRS 703.147 and 706.1516) provides that the regulatory fund shall only be used for certain expenses of the commission and staff in carrying out the regulation of public utilities. AGO 416 (6-6-1967)

NRS 703.148 Expenditure of money from reserve account to provide education and informational services to public; use of independent contractor to provide such services. The Commission may expend money from its reserve account to provide education and informational services necessary to educate and inform the residents in this state on issues related to the provision of utility services in this state. The Commission may contract with an independent person to provide such educational and informational services.

(Added to NRS by 1997, 1902; A 2001, 352)

NRS 703.150 General duties. The Commission shall supervise and regulate the operation and maintenance of public utilities and other persons named and defined in chapters 704, 704A and 708 of NRS pursuant to the provisions of those chapters.

[Part 1:109:1919; 1919 RL p. 3154; NCL § 6100]-(NRS A 1979, 246; 1985, 2047; 1997, 1883)

NEVADA CASES.

Commission has no inherent power. The Public Utilities Commission of Nevada is a creature of statute and has no inherent power. Rather, the powers and jurisdiction of the Commission are determined by statute and the Commission has only those powers and jurisdiction as are expressly or by necessary or fair implication conferred by statute. (See NRS 703.150.) Nevada Power Co. v. Eighth Judicial Dist. Court, 120 Nev. 948, 102 P.3d 578 (2004)

ATTORNEY GENERAL'S OPINIONS.

In approving or disapproving bonds, the commission is acting in a quasi-judicial capacity. In approving or disapproving bonds, the commission is acting in a quasi-judicial capacity and cannot become personally liable in judging the sufficiency or insufficiency of such bonds. AGO 125 (4-28-1920)

Commission has no inherent power. The commission has no inherent power; all its power and jurisdiction, and the nature and extent of the same, must be found within the statutory or constitutional provisions creating it. AGO 919 (5-16-1950)

Commission has no inherent power. The public service commission (now the public utilities commission of Nevada) has no inherent power. Its powers are derived solely from statutory and constitutional provisions. AGO 326 (12-17-1957)

Commission's sole power is the regulation of utilities already in existence. The public service commission (now the public utilities commission of Nevada) has no power to approve purchases of electrical distribution systems or other utilities. The commission's sole power is the regulation of utilities already in existence. AGO 326 (12-17-1957)

NRS 703.151 Duties of Commission in adopting regulations relating to provision of electric service. In adopting regulations pursuant to this title relating to the provision of electric service, the Commission shall ensure that the regulations:

1. Protect, further and serve the public interest;
2. Provide effective protection for customers who depend upon electric service;

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3. A person who violates any of the provisions of a regulation adopted by the Commission pursuant to subsection 1 is liable for an administrative fine not to exceed \$1,000 per day for each day of the violation and not to exceed \$200,000 for any related series of violations. The amount of the administrative fine must be determined in the manner provided in NRS 703.380.

(Added to NRS by 1993, 296; A 2007, 35)

ADMINISTRATIVE REGULATIONS.

Excavations and demolitions, NAC ch. 455

NRS 703.1545 Commission authorized to participate in federal program of safety relating to railroads. The Commission shall:

1. Enter into an agreement with the Secretary of Transportation pursuant to 49 U.S.C. § 20105 that authorizes the Commission to participate in the enforcement of federal safety regulations and orders applicable to railroad equipment, facilities, rolling stock and operations in this state.

2. Accept and expend any federal money made available pursuant to 49 U.S.C. § 20105 for carrying out a safety program relating to railroads.

3. Adopt regulations concerning the safety of railroads in this state that incorporate the provisions of the statutes and regulations of other states and the Federal Government relating to railroad safety which the Commission determines are appropriate for this state.

(Added to NRS by 1997, 1274)

ADMINISTRATIVE REGULATIONS.

Railroad safety, NAC ch. 705

NRS 703.172 Division of Consumer Complaint Resolution: Establishment; duties.

1. A Division of Consumer Complaint Resolution is hereby established within the Commission.

2. Pursuant to regulations adopted by the Commission, the Division of Consumer Complaint Resolution shall:

(a) Receive and investigate complaints made against any public utility or alternative seller;

(b) Conduct appropriate investigations of the service practices of utility companies or alternative sellers; and

(c) Perform such other functions as are required by law or as the Commission deems appropriate.

(Added to NRS by 1975, 622; A 1977, 1375; 1979, 247; 1997, 1886, 2020)

ADMINISTRATIVE REGULATIONS.

Duties of Division in resolving complaints, NAC 703.616-703.646

Report on consumer complaints, NAC 703.27134

REPORTS, RECORDS AND PUBLICATIONS

ADMINISTRATIVE REGULATIONS.

Documents submitted to Commission, requirements, NAC 703.132-703.145

NRS 703.180 Biennial report of Commission. The Commission shall make and publish biennial reports showing its proceedings.

[Part 12:109:1919; 1919 RL p. 3157; NCL § 6111]

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Information Concerning Board or Commission Subject to Review by the Sunset Subcommittee of the Legislative Commission

as required by *Nevada Revised Statutes* 232B.230



Board or commission name:

The Public Utilities Commission of Nevada (PUCN)

Members' names with expiration date of term, and indicate the number of vacancies:

Chairman Paul Thomsen (expiration date September 30, 2019)
Commissioner Alaina Burtenshaw (expiration date September 30, 2017)
Commissioner David Noble (expiration date September 30, 2016)
No vacancies

Physical address:

Northern Nevada Office: 1150 E. William St. Carson City, NV 89701

Mailing address:

Same as above

Web site address (if any):

www.puc.nv.gov

Web site developer (if not EITS, please indicate if EITS approved the web site):

The PUCN's website is EITS approved. It is hosted and created with Ektron using the state template and styles stored on the EITS server. PUCN supplies the content.

Executive director's name and contact information:

Stephanie Mullen
stmullen@puc.nv.gov
(775) 684-6177 office

Staff members' names including titles and status as full-time or part-time (attach additional pages as necessary):

See attached

Days and hours of operation:

M-F 8:00 am-5:00 pm

Created by what authority:

NRS 703.020 Creation. The Public Utilities Commission of Nevada is hereby created.

Authority to adopt regulations (NRS) and citation to regulations (NAC), if applicable:

The PUCN is a regulatory agency that ensures investor-owned utilities comply with laws enacted by the Nevada Legislature. NRS chapters 426, 455, 701, 701B, 702, 703, 704, 704A, 704B, 705, 707, 708, 709, and 710 set forth the enabling legislation that establishes

Information Concerning Board or Commission Subject to Review by the Sunset Subcommittee of the Legislative Commission

List by LCB File No. and date of adoption the five regulations most recently adopted by the board or commission, with any applicable deadline for the adoption of any such regulation:

We pass between 5 & 20 regulations per year. Here are 4 most recent, in chronological order.

R070-15 (Docket No. 15-06045)

R110-15 (Docket No. 15-06044)

R135-15 (Docket No. 15-06043)

List any required regulations that have not been adopted, with any applicable deadline for the adoption of any such regulation. Please identify each such regulation by LCB File No., if available, or by reference to the provision of NRS or Statutes of Nevada requiring adoption of the regulation:

Every year the PUCN updates our regulations according to legislative mandate. In addition, here are our current pending regulations:

R053-15, docket no. 13-06020, Portfolio Standard and Portfolio Energy Credits, SB252, NAC 704

R069-15, docket no. 15-06042, Implementation of NAC 704 regarding the use of decommissioned power plant sites and other matters in accordance with SB 416 (2015)

Governing structure of the board or commission pursuant to statute:

NRS 703.030 Commissioners: Appointed; terms; qualifications. The PUCN consists of three Commissioners appointed by the Governor for terms of 4 years.

Duties of the board or commission:

The PUCN's basic regulatory duties, as defined by the Legislature (NRS 704.001), include:

- To provide for fair and impartial regulation of public utilities.
- To provide for the safe, economic, efficient, prudent and reliable operation and service of public utilities.
- To balance the interests of customers and shareholders of public utilities by providing public utilities with the opportunity to earn a fair return on their investments while providing customers with just and reasonable rates.

Statement of the objectives and programs of the board or commission:

The PUCN is a regulatory agency that ensures investor-owned utilities comply with laws enacted by the Nevada Legislature.

**Information Concerning Board or Commission
Subject to Review by the
Sunset Subcommittee of the Legislative Commission**

Itemized list of services offered by the board or commission:

Utility Regulation: The PUCN regulates electric, natural gas, and water/wastewater utilities; gas and electric master meter service at mobile home parks; telephone (local land line only); and some propane systems. Staff opens approx. 500 dockets each year to process utility and consumer filings, including applications, petitions, reports, complaints and plans. Staff processes and archives documents filed in a docket, including testimony, exhibits, comments, orders and notices, etc., in an online database. The PUCN conducts formal hearings and consumer sessions for contested cases, such as rate change applications and resource planning, as well as conducting workshops and hearings for rulemakings (changing NAC) and investigations into utility practices and other matters.

Dates of the immediately preceding six meetings:

Utility Agendas:
10/12/15, 10/27/15, 11/16/15, 11/25/16, 12/02/15, 12/22/15

Statutory tax exemptions, abatements, or money set aside for the board or commission:

N/A

Description of the manner in which the board or commission is funded, including all funding sources:

The Commission's budget is funded primarily through the annual regulatory assessment (mill rate) levied against public utilities in the State for which they receive recovery from their ratepayers. Additionally, we receive funding from a variety of grants. Please see the attached memo titled Financial Information Requested for a detailed breakdown of funds.

Please identify any forms required by the board or commission to be used by members of the public which are not available for downloading from the web site of the board or commission:

A list of forms available is listed below. To view the forms please visit our website at www.puc.nv.gov/about/docs/forms/applications/

- 2014 Annual Report Form
- 2013 Annual Report Form
- 2014 Annual Revenue & Assessment Report Form-Gas/Electric/LPG/Geothermal
- 2014 Annual Revenue & Assessment Report Form-Rail (Based on Revenues)
- 2014 Annual Revenue & Assessment Report Form-Telecom
- 2014 Annual Revenue & Assessment Report Form-Water
- 2014 Annual Revenue & Assessment Report Form-Rail (Based on Tonnages)

**Information Concerning Board or Commission
Subject to Review by the
Sunset Subcommittee of the Legislative Commission**

Does the board or commission have any recommendations for consolidation with another board or commission? If so, which one(s) could be revised to include the charge to the board or commission that is the subject of this review?

Not at this time.

Does the board or commission believe that its objectives and programs have been effective in accomplishing the purposes for which the board or commission was created? Please explain the response with any information the board or commission believes is relevant:

Yes. The Legislative intent of the PUCN is met by providing fair and impartial regulation of public utilities while balancing the interests of customers and shareholders of public utilities.

In 2015, the PUCN opened 493 new dockets compared to 434 in 2014 and 510 in 2013. We heard 2 general rate cases in 2015, 4 in 2014 and 7 in 2013.

Any recommendations for statutory changes which are necessary for the board or commission to carry out its objectives and programs:

Recommendations for statutory changes

1. Clean up NRS 704.190 accident to incident. This change of the language in the statute will conform to Federal requirements and Federal language. Please see the attached document accident-incident-change (NRS704.190).docx
2. Rail safety position from classified to unclassified.

If additional space is necessary, please attach additional pages and refer to the attachments on the form.

Please include with this form:

1. The operating budget of the board or commission.
2. A statement setting forth the income and expenses of the board or commission for at least 3 years immediately preceding the date on which the board or commission submits this form, including the balances of any fund or account maintained by or on behalf of the board or commission.
3. The most recent legislative audit or other audit of the board or commission, and any efficiency studies or constituent or staff surveys conducted in the past 3 years.
4. Any reports required to be filed with the Legislative or Executive Branch over the past 3 years. Please indicate if any reports were filed late or have not been filed.
5. Copies of the minutes of the immediately preceding six meetings of the board or commission.
6. A copy of the organizational chart showing the governing structure of the board or commission and its staff.
7. A copy of the most recent strategic plan of the board or commission.

Please submit this form electronically to: cstonefield@lcb.state.nv.us. Submit additional documents electronically in a .pdf format.

If the file is too large for emailing, please submit hard copies to:

Carol Stonefield
Research Division
Legislative Counsel Bureau
401 South Carson Street
Carson City, NV 89701

Public Utilities Commission of Nevada (Attachment to the Review Form)

Page 1, Authority to adopt regulations (NRS) and citation to regulations (NAC), if applicable:

The PUCN is a regulatory agency that ensures investor-owned utilities comply with laws enacted by the Nevada Legislature. NRS chapters 426, 455, 701, 701B, 702, 703, 704, 704A, 704B, 705, 707, 708, 709, and 710 set forth the enabling legislation that establishes and defines the PUCN's regulatory duties.

The PUCN adopts, repeals and amends regulations, under the authority granted by statutes that have the force and effect of law. These regulations are contained in NAC chapters 233B, 455, 702, 703, 704, 704A, 704B, 705, and 707.

Page 2, List by LCB File No. and date of adoption the five regulations most recently adopted by the board or commission, with any applicable deadline for the adoption of any such regulation:

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R070-15 (Docket No. 15-06045)

R110-15 (Docket No. 15-06044)

R135-15 (Docket No. 15-06043)

R069-15 (Docket No. 15-06042)

Page 2, List any required regulations that have not been adopted, with any applicable deadline for the adoption of any such regulation. Please identify each such regulation by LCB File No., if available, or by reference to the provision of NRS or Statutes of Nevada requiring adoption of the regulation:

Every year the PUCN updates our regulations according to legislative mandate. In addition, here are our current pending regulations:

R053-15, docket no. 13-06020, Portfolio Standard and Portfolio Energy Credits, SB252, NAC 704

R069-15, docket no. 15-06042, Implementation of NAC 704 regarding the use of decommissioned power plant sites and other matters in accordance with SB 416 (2015)

R070-15, docket no. 15-06045, Relating to persons with impaired speech or hearing, AB 200, NAC 707 (2015)

Page 2, Duties of the board or commission:

The PUCN's basic regulatory duties, as defined by the Legislature (NRS 704.001), include:

- ☐To provide for fair and impartial regulation of public utilities.
- ☐To provide for the safe, economic, efficient, prudent and reliable operation and service of public utilities.
- ☐To balance the interests of customers and shareholders of public utilities by providing public utilities with the opportunity to earn a fair return on their investments while providing customers with just and reasonable rates.

NRS chapters 426, 455, 701, 701B, 702, 703, 704, 704A, 704B, 705, 707, 708, 709, and 710 set forth the enabling legislation that establishes and defines the PUCN's regulatory duties.

Page 3, Itemized list of services offered by the board or commission:

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Pipelines/Railroads: PUCN inspectors monitor natural gas pipelines and excavation near underground installations. PUCN inspectors also monitor Nevada's railroad track, operating practices, motive power and equipment, and the handling of hazardous material.

Consumer Complaints: PUCN compliance investigators work with the consumers and the utilities to resolve hundreds of consumer complaints each year.

Media Inquiries/Public Information: PUCN staff answers media inquiries and publishes public information to the PUCN website.

Information Technology: The PUCN provides videoconferencing between Las Vegas and Carson City, as well as online eFile and ePay systems.

Page 3, Please identify any forms required by the board or commission to be used by members of the public which are not available for downloading from the web site of the board or commission:

A list of forms available is listed below. To view the forms please visit our website at www.puc.nv.gov/about/docs/forms/applications/

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- 2014 Annual Revenue & Assessment Report Form-Rail (Based on Revenues)
- 2014 Annual Revenue & Assessment Report Form-Telecom
- 2014 Annual Revenue & Assessment Report Form-Water
- 2014 Annual Revenue & Assessment Report Form-Rail (Based on Tonnages)
- Application for an Increase in Electric Rates
- Application for an Increase in Gas Rates
- Application for an Increase in Wastewater Rates (Class A Wastewater Utilities Only)
- Application for an Increase in Water Rates (Class A Water Utilities Only)
- Application for a Change in Rates (Telecom Class A)
- Application for a Change in Rates (Telecom Class B)
- Application for CPC & Necessity-Telecommunication
- Application for Indemnity Bond (\$1000)
- Application for Indemnity Bond (\$5000)
- Application for License to Operate as an Alternative Seller of Natural Gas Discretionary Service
- Application for Name Change-CPC
- Application for Renewable Energy System Generators
- Application for Tariff Approval Filed Under Advice Letter
- CMRS Licensing Fee Form
- CMRS Registration Change Form
- CMRS Registration Form
- Complaints: Online Oral Complaint or Question Form
- Complaints: Written Complaint Form
- Conference Room Use Agreement-State Agencies Only
- Discontinuance of Service Requested-Alternative Sellers
- Discontinuance of Service Requested-CMRS

- Discontinuance of Service Requested-CPC
- Filing Fee Schedule
- Joint Application for Sale and Transfer of Utility Corporate Stock
- Master Data Request-Simplified for Water & Wastewater Utilities
- Master Data Request
- Master Service List Request
- Mobile Home Park Guide
- PEC Application for Residential & Small Business Producers
- PEC Online Application Upload System
- Protective Agreement for Electric, Gas & Rail Utilities
- Protective Agreement for Mobile Home Parks
- Protective Agreement for Telecommunications Companies
- Protective Agreement for Water/Wastewater Companies
- Public Meeting Notice Request
- Public Records Request-Fees
- Public Records Request (Online)
- Requirements to Maintain a Commercial Mobile Radio Service License
- Requirements to Maintain a Distribution of Liquefied Petroleum Gas CPC
- Requirements to Maintain a Geothermal Operating Permit
- Requirements to Maintain a Natural Gas Utility CPC
- Requirements to Maintain a Railroad Utility CPC
- Requirements to Maintain a Telecommunications CPC
- Requirements to Maintain a Water and/or Wastewater Utility CPC
- Requirements to Maintain an Alternative Seller or Natural Gas License
- Requirements to Maintain an Electric Utility CPC
- Service List Requests/Address Change Form
- Simplified Rate Application for Class A or B Wastewater Utilities
- Simplified Rate Application for Class A or B Water Utilities
- Simplified Rate Application for Class C Wastewater Utilities
- Simplified Rate Application for Class C Water Utilities
- Statement of Cash Flows
- TDD Surcharge for Assistance to a Person with Impaired Speech or Hearing Report Form
- Universal Energy Charge Forms

Page 4, Does the board or commission believe that its objectives and programs have been effective in accomplishing the purposes for which the board or commission was created? Please explain the response with any information the board or commission believes is relevant:

Yes. The Legislative intent of the PUCN is met by providing fair and impartial regulation of public utilities while balancing the interests of customers and shareholders of public utilities.

In 2015, the PUCN opened 493 new dockets compared to 434 in 2014 and 510 in 2013. We heard 2 general rate cases in 2015, 4 in 2014 and 7 in 2013.

The PUCN handled 7,116 consumer questions and complaints in 2015.

Approximately 45% of these questions and complaints were consumers calling the PUCN instead of the Utility. Other questions and complaints focused on:

- billing questions (disputes, high bills, inquiries, back billing, equal payment plans)
- service being turned off (for nonpayment, deposits charges),
- claims and damages to consumers equipment or appliances
- utility customer service problems
- lifeline
- payment arrangements
- establishing new service
- outages
- protests of rate increases
- porting phone numbers
- payment disputes
- service problems (bad lines, interference, solar, and non-jurisdictional calls).

Page 4, Any recommendations for statutory changes which are necessary for the board or commission to carry out its objectives and programs:

Recommendations for statutory changes

1. Clean up NRS 704.190 accident to incident. This change of the language in the statute will conform to Federal requirements and Federal language. Please see the attached document accident-incident-change (NRS704.190).docx
2. Rail safety position from classified to unclassified.

Background: In conjunction with the U.S. Department of Transportation, Federal Railroad Administration, the Commission's Railway Safety Inspectors participate in the enforcement of federal safety regulations and orders applicable to railroad track, hazardous materials shipments, rolling equipment and operations in Nevada. They are also responsible for reviewing applications to modify or construct new railroad crossings, which can include, writing testimony, appearing as an expert witness and being subject to cross-examination. The inspectors must also respond to all incidents/accidents and monitor and respond to safety complaints as they are reported.

Due to the nature of this work it is becoming increasingly difficult to attract and retain high quality candidates for the positions of Railway Inspectors, primarily because the duties required of rail inspectors do not fit well within the classified

service. Classified service is consistent with following a specific set of standards and rules in order to complete job tasks. Railway inspectors more closely fit into the description of “Highly Skilled Professionals” as their jobs require a specific type of certification as well as specialized skills due to the nature of the work. Each Railway Inspector is required to be certified by the Federal Railroad Administration (FRA) and must maintain that certification to maintain employment. Additionally, these inspectors are responsible for a wide range of Federal (49 CFR) and State statutes and regulations.

This skill set is quite difficult to attain since most people are not exposed to or expected to act as expert witnesses as part of daily operations on a railroad. And, once this skill set is acquired through employment with the Commission, it makes the employee particularly valuable, vulnerable and attractive to the FRA, railroads, and other private employers.

Based on the foregoing, we would like the Railway Safety Inspectors be moved from the classified service into the unclassified service.