



NEVADA LEGISLATURE
LEGISLATIVE COMMITTEE ON ENERGY
(Nevada Revised Statutes [NRS] 218E.805)

SUMMARY MINUTES AND ACTION REPORT

The fifth and final meeting of the Nevada Legislature's Committee on Energy was held on Monday, August 22, 2016, at 9 a.m. in Room 4401, Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. The meeting was videoconferenced to Room 3138, Legislative Building, 401 South Carson Street, Carson City, Nevada. The "Summary Minutes and Action Report," the "Meeting Notice and Agenda," and other meeting materials are available on the Nevada Legislature's website at <http://www.leg.state.nv.us/interim/78th2015/committee/>. In addition, copies of the audio or video record are available through the Legislative Counsel Bureau's Publications Office (e-mail: publications@lcb.state.nv.us; telephone: 775/684-6835) and may be available online at <http://www.leg.state.nv.us/Granicus/>.

COMMITTEE MEMBERS PRESENT IN LAS VEGAS:

Assemblyman Stephen H. Silberkraus, Chair
Senator Kelvin D. Atkinson
Senator Michael Roberson
Assemblywoman Olivia Diaz
Assemblyman Randy Kirner

COMMITTEE MEMBER PRESENT IN CARSON CITY:

Senator James A. Settelmeyer, Vice Chair

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Marjorie Paslov Thomas, Principal Research Analyst, Research Division
Matthew S. Nichols, Senior Principal Deputy Legislative Counsel, Legal Division
Janet Coons, Principal Administrative Assistant, Research Division

Items taken out of sequence during the meeting have been placed in agenda order.

AGENDA ITEM I—OPENING REMARKS

Chair Silberkraus called the meeting to order.

AGENDA ITEM II—PUBLIC COMMENT

Chair Silberkraus called for public comment.

David Comarow, resident of Las Vegas, Nevada, submitted written comments regarding renewable energy and incentives for renewable technology ([Agenda Item II A](#)).

Lisa Howe, Business Manager, GERD Energy, Inc., Las Vegas, Nevada, shared written testimony, which focused on small business owners trying to reduce inefficiencies to improve their bottom line ([Agenda Item II B](#)).

Dave Zheng, Executive Director, SEA Groups Ltd., Las Vegas, Nevada, discussed how his company has developed and manufactured solar heating and cooling technology. ([Agenda Item II C](#)).

Archie Bess, resident of Nevada, submitted prepared comments encouraging the Committee to put forth policies that will bring Nevada closer to being a leader of clean, renewable energy ([Agenda Item II D](#)).

Jacob Parrill, realtor, Keller Williams Realty, Inc., Las Vegas, Nevada, stated his support for a number of recommendations proposed by the New Energy Industry Task Force, Governor's Office of Energy (GOE), including the grandfathering of solar customers, reducing the amount of fossil fuels for power, and the development of a Nevada Green Bank.

Aaron Tozier, resident of Nevada, stated he is working on a prototype for energy-efficient homes in Nevada. He shared frustration with the appraisal process.

Duana R. Malone, Managing Principal, Tech Queen Systems LLC, North Las Vegas, Nevada, introduced Matthew L. Alexander, Principal, The Tech King LLC, Henderson, Nevada, both of whom represent The Royal Tech Team, Las Vegas, Nevada. They discussed the [Aldelano Solar Coldbox](#), which operates independently of any power grid.

Les Lazareck, owner of Home Energy Connection, Las Vegas, and original program manager who helped establish Nevada's Home Performance with ENERGY STAR Program, discussed the importance of properly implementing energy codes pursuant to NRS 701.220.

Jarret L. Clark, Program and Outreach Director, Clean Energy Project (CEP), read a letter signed by 34 Nevada businesses, which requested the Committee to consider four energy proposals before the 2017 Legislature ([Agenda Item II E](#)).

Jennifer Taylor, Executive Director, CEP, submitted written comments regarding the GOE's guidelines for energy policies and development ([Agenda Item II F](#)). She noted the high tech companies the State wishes to attract require strong energy policies to meet their renewable energy and sustainability goals.

Letty Bess, resident of Nevada, commented that Nevadans can protect the environment by considering the long-term effect of the State's energy decisions.

Marshelle Domino, realtor, Las Vegas, Nevada, shared her hope that people who have solar panels will be given what they were promised with respect to net metering.

Randolph J. Townsend, former Nevada Senator, provided historical perspective regarding workers' compensation and telecommunications and how they relate to energy. He encouraged the Committee to continue bringing all parties of the energy industry together to craft policy.

AGENDA ITEM III—APPROVAL OF MINUTES OF THE MEETING HELD ON JUNE 17, 2016, IN LAS VEGAS, NEVADA

MOTION: Assemblyman Kirner moved to approve the minutes of the June 17, 2016, meeting held in Las Vegas, Nevada. The motion was seconded by Senator Roberson and passed unanimously.

AGENDA ITEM IV—WORK SESSION—DISCUSSION AND POSSIBLE ACTION RELATING TO:

Marjorie Paslov Thomas, previously identified, explained the Work Session Document (WSD) ([Agenda Item IV](#)). She reminded Committee members they may accept, reject, modify, or take no action on any of the proposals.

A. Decoupling

Ms. Paslov Thomas stated Recommendation No. 1 is to draft a bill to allow, but not require, the Public Utilities Commission of Nevada to institute decoupling if found to be in the public's interest. She said the recommendation was proposed by the New Energy Industry Task Force, based on a recommendation by Tom Polikalas, Nevada Representative, Southwest Energy Efficiency Project ([Agenda Item IV](#)).

Senator Atkinson and Vice Chair Settlemeyer both stated they would vote for the bill draft request (BDR) today, but they strongly encouraged more in-depth discussion during the 2017 Legislative Session.

Senator Roberson said he would not vote for the BDR today. He emphasized this does not mean he is against decoupling; it means he wants to learn more about it during the 2017 Session. Senator Roberson added that a recommendation for legislation from an interim committee gives the appearance of support and credibility, which he suggested is not present today.

Assemblywoman Diaz echoed the comments of Senators Atkinson, Roberson, and Settlemeyer.

MOTION: Assemblyman Kirner moved to reject Recommendation No. 1. The motion was seconded by Senator Atkinson and passed unanimously.

B. Electric Vehicles

Ms. Paslov Thomas explained that Recommendation No. 2 is to draft a letter to the GOE and NV Energy supporting the Nevada Electric Highway, which is a network of charging stations along United States Route 95. She said the letter would also include support for the next phase of the project, which includes connecting Interstate 80, U.S. Route 50, and U.S. Route 93 ([Agenda Item IV](#)).

Assemblywoman Diaz questioned the funding of the highway.

Suzanne Linfante, Energy Program Manager, GOE, explained the funding will come from federal grants, State energy program money from the U.S. Department of Energy, and NV Energy funds.

MOTION: Assemblywoman Diaz moved to approve Recommendation No. 2. The motion was seconded by Senator Roberson and passed unanimously.

C. Green Banks and Property Assessed Clean Energy (PACE) Financing

Ms. Paslov Thomas said Recommendation No. 3 is to draft a bill to create a Green Bank, which is a nonprofit corporation that finances the deployment of renewable energy, energy efficiency, and other clean energy and green infrastructure projects in partnership with private lenders. She discussed the funding sources for the Green Bank and eligible technologies and projects for investment. Ms. Paslov Thomas added the recommendation was proposed by the Coalition for Green Capital (CGC) at the Committee's June 17, 2016, meeting. She directed the Committee's attention to a copy of the *Nevada Green Bank Study* and a memorandum prepared by the GOE regarding Green Bank legislation recommendations, found behind Tab B in the WSD ([Agenda Item IV](#)).

Senator Roberson declared he would not support the recommendation today.

Vice Chair Settlemeyer questioned the funding of a Green Bank.

Jeffrey Schub, Executive Director, CGC, clarified establishing a Green Bank through a BDR and creating a PACE financing program are two separate issues.

Senator Atkinson acknowledged he does not favor PACE financing; he stressed he will not support a BDR that includes both the creation of a Green Bank and PACE financing.

Senator Roberson requested to hear the GOE's position on Green Banks and PACE.

Ms. Linfante said the GOE made its recommendations based on the *Nevada Green Bank Study* and the GOE's history, investigations, and experience. She directed the Committee's attention to the memorandum in the WSD ([Agenda Item IV](#)), which outlines the funding for a Green Bank. Ms. Linfante discussed PACE financing as it relates to property taxes, and she explained property encumbrances through PACE legislation. Ms. Linfante said Green Banks offer credit enhancements to commercial lenders, subordinate financing, and different types of loan products, which can include PACE financing.

Mr. Schub added the only lending structure that would encumber a person's property is PACE financing, which he defined as property assessment used to repay a loan. He said Green Banks are lending institutions that offer a range of financing solutions, targeted to customers and private investors who have no encumbrances on their properties. Mr. Schub stated some Green Banks have implemented PACE financing, but the vast majority of Green Bank products are not related to PACE.

Senator Roberson questioned the GOE's position on Recommendation No. 3.

Ms. Linfante said the GOE does not have a position other than what it knows to be true from the *Nevada Green Bank Study* or the GOE's own investigations. She expounded that the GOE recommends the financing structure of the Renewable Energy Fund and the Qualified Energy Conservation Bonds.

Vice Chair Settlemeyer and Mr. Schub discussed the redirection of new or previously cancelled Demand Side Management funds.

Senator Atkinson expressed concern about how to fund a Green Bank.

Mr. Schub mentioned the *Nevada Green Bank Study* reflects concern for consumer protection, based on input received during past Committee meetings. He stressed the benefits of Green Banks are real, separate from PACE, and there is merit to the proposed recommendations.

Chair Silberkraus concluded the Committee has no desire to move Recommendation No. 3 or No. 4 forward.

D. Solar Thermal Systems Demonstration Program

Ms. Paslov Thomas stated that Recommendation No. 5 is to draft a bill to discontinue the Solar Thermal Systems Demonstration Program ([Agenda Item IV](#)).

MOTION: Assemblyman Kirner moved to approve Recommendation No. 5. The motion was seconded by Senator Roberson and passed unanimously.

AGENDA ITEM V—PUBLIC COMMENT

Chair Silberkraus called for public comment.

Dave Zheng, previously identified, suggested discontinuation of the Solar Thermal Systems Demonstration Program is not good for the State. He shared improvements that could make the program successful.

Tom Polikalas, previously identified, stated he would provide additional information on decoupling to Committee members.

The following documents were submitted for the record:

1. Written testimony from Joanne Leovy, M.D., resident of Las Vegas, Nevada, regarding clean energy and the health effects of continued reliance on fossil fuels ([Agenda Item V A](#)); and
2. Written testimony from Linda Gillaspy, resident of Reno, Nevada, regarding climate change ([Agenda Item V B](#)).

AGENDA ITEM VI—ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 10:34 a.m.

Respectfully submitted,

Janet Coons
Principal Administrative Assistant

Marjorie Paslov Thomas
Principal Research Analyst

APPROVED BY:

Assemblyman Stephen H. Silberkraus, Chair

Date: _____

MEETING MATERIALS

AGENDA ITEM	WITNESS/ENTITY	DESCRIPTION
<u>Agenda Item II A</u>	David Comarow, resident of Las Vegas, Nevada	Written testimony
<u>Agenda Item II B</u>	Lisa Howe, Business Manager, GERD Energy, Inc., Las Vegas, Nevada	Written testimony
<u>Agenda Item II C</u>	David Zheng, Executive Director, SEA Groups Ltd., Las Vegas, Nevada	Written testimony
<u>Agenda Item II D</u>	Archie Bess, resident of Nevada	Written testimony
<u>Agenda Item II E</u>	Jarret L. Clark, Program and Outreach Director, Clean Energy Project (CEP)	Letter
<u>Agenda Item II F</u>	Jennifer Taylor, Executive Director, CEP	Written testimony
<u>Agenda Item IV</u>	Marjorie Paslov Thomas, Principal Research Analyst, Research Division, Legislative Counsel Bureau	Work Session Document
<u>Agenda Item V A</u>	Joanne Leovy, M.D., resident of Las Vegas, Nevada	Written testimony
<u>Agenda Item V B</u>	Linda Gillaspay, resident of Reno, Nevada	Written testimony

The “Summary Minutes and Action Report” are supplied as an informational service. Copies of all meeting materials are on file in the Research Library of the Legislative Counsel Bureau, Carson City, Nevada. You may contact the Library at www.leg.state.nv.us/lcb/research/library/feedbackmail.cfm or (775) 684-6827.