

**Introduction to**  
**AMENDED SB416 – ELECTRIC UTILITY SURPLUS ASSET RETIREMENT**

**as Amended by Amendment 936**

**By Senator Joe Hardy**

***SB416 is an act that provides reasonable procedures*** for the timely return of the land under closed and surplus electric generating facilities to the host communities, by sale to private entities within a reasonable period of time, for the purpose of economic redevelopment and the creation of community jobs and tax-based revenues.

***SB416 provides for the periodic evaluation*** of the status and classification of all Electric Utility generation assets, containing 50 or more contiguous acres, by the Nevada Public Utilities Commission. Those classified as Surplus, or reclassified from Post-Operational Reserves to Surplus by the Commission, as no longer being used or useful for customers of the Electric Utility, would be subject to a 4 month planning program and subsequent 30 month timeline to disposition.

***SB416 allows the perfect balance*** between Electric Utilities and their host communities – reasonable plant operations benefit the Electric Utility and the Community, with local jobs and tax-based revenues – at the end of a generating plant’s lifecycle, reasonable and timely closure, decommissioning, *AND* making the site available for redevelopment again benefits the Electric Utility and the Community by the creation of local jobs and tax-based revenues.

***More specifically [as illustrated on the Amended SB416 Flow Chart Exhibit]***, SB416 is an act requiring *ALL* Electric Utilities, owning all or part of a coal-fired, natural gas or renewable energy electric power generating facilities, located wholly or partially within this State, serving customers within or outside this State, and containing 50 or more contiguous acres to:

1. ***Timely file an “Asset List”*** with the Nevada Public Utility Commission, classifying each applicable Asset as Pre-Operational Reserve, Operational, Post-Operational Reserve, Surplus or Decommissioned; and,
2. ***File with the Commission and timely implement a “Surplus Asset Retirement Plan”*** for each Asset classified as Surplus by the Electric Utility, or reclassified by the Commission from Post-Operational Reserve to Surplus.

***Two paths to compliance*** with AS416 are provided for Electric Utilities:

1. ***Electric Utilities required to file an Integrated Resource Plan (“IRP”)*** for an Asset, pursuant to NRS 704.741, must file an Asset List with the Commission every third July 1<sup>st</sup> as part of their IRP report, and a subsequent Surplus Asset Retirement Plan, when applicable – the IRP is required for all Assets serving customers in this State.
2. ***Electric Utilities NOT filing an IRP***, which: a) hold a *Utility Environmental Protection Act (“UEPA”)* Permit for an Asset pursuant to NRS 704.870; or, b) owns an Asset

permitted by a local authority prior to UEPA permitting, must file an Asset List with the Commission every January 31<sup>st</sup>, and a subsequent Surplus Asset Retirement Plan, when applicable – this filing is required for all Assets serving customers outside of this State.