

**AMENDMENT**

**Submitted by Assemblywoman Daniele Monroe-Moreno**

**A.B. 465**

ASSEMBLY BILL NO. 465—COMMITTEE  
ON GROWTH AND INFRASTRUCTURE

MARCH 25, 2019

Referred to Committee on Growth and Infrastructure

SUMMARY—Establishes provisions relating to solar energy.  
(BDR 58-872)

**EXPLANATION** Matter in (1) *blue bolded italics* is new language in the original bill; ; (2) variations of **green bold underlining** is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double-strikethrough~~ is language proposed to be deleted in this amendment.

**\*AB465\***

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** Chapter 704 of NRS is hereby amended by adding thereto the provisions set forth as Section 1, paragraphs 1 to 8, inclusive in this act: ~~a new section to read as follows:~~

1. An electric utility shall offer an ~~affordable~~ expanded solar access program to eligible customers within its service area in accordance with the provisions of this section. The size of the ~~affordable~~ expanded solar access program shall not exceed:

- (a) For an electric utility that primarily serves densely populated counties, a total capacity of 240,000 megawatt-hours ~~per year~~; and
- (b) For an electric utility that primarily serves less densely populated counties, a total capacity of 160,000 megawatt-hours ~~per year~~.

2. ~~On or before April 1, 2020, The Commission shall adopt regulations establishing the expanded solar access program. The regulations shall include provisions to achieve the following goals: each electric utility to submit to the Commission a plan for the implementation of an affordable solar access program that:~~

- (a) ~~Advances the energy policy goals of this State, including, without limitation, the development of solar energy resources in this State in a cost effective manner,~~ including utility scale and community-based solar resources;
- (b) ~~Contains~~ Provide a reasonable mixture of community-based solar resources and utility scale solar resources;
- (c) ~~Contains~~ Provide a plan for community participation in the siting and naming of community-based solar resources;
- (d) ~~Provides, to the extent practicable, for programs of solar workforce innovations and opportunity education and workforce training related to the construction, maintenance and operation of community-based solar resources;~~
- (e) ~~Provides~~ for equitably broadened access to solar energy, as provided in Sec. 1, paragraph 3; and

*(f) ~~Provide~~ eligible low income customers with bill stability and predictability and ~~the opportunity for~~ electric bill savings, as provided in Sec. 1, paragraph (3)(a).*

3. The regulations must:

- (a) Provide for the creation of an expanded solar access program rate for eligible customers that:*
  - 1. Is based on a new, competitively selected utility-scale solar resource, as approved by the Commission;*
  - 2. Is a fixed rate that replaces the base tariff energy rate and deferred energy accounting adjustment charged by the electric utility for eligible customers which is adjusted in accordance with the Commission's quarterly calculations;*
  - 3. Provides for bill savings for eligible low income customers.*
- (b) Provides for a process for identifying non-contiguous geographic locations for community based solar projects. To the extent practicable, community based solar projects should be located in communities with higher levels of eligible customers;*
- (c) Provide for the use of at least one utility scale solar resource and at last three and not more than 10 community solar projects within the service territory of the electric utility;*
- (d) Require that at least 50 percent of the employees engaged or anticipated to be engaged in construction of the community based projects are residents of Nevada;*
- (e) Provide for a compensation mechanism for community based solar project host sites;*
- (f) Provide for a combination of new or any renewable energy facility, either utility scale or community-based, submitted for approval to the Commission after October 2018 and that were not placed into operation before April 1, 2020;*
- (g) Provide for the application and selection process for eligible customers;*
- (h) Ensure reasonable and equitable participation of eligible customers within the electric utility's service area;*
- (i) Ensure that eligible customers are able to participate in the*

program regardless of whether the customer owns, leases or rents the customer's premises;

- (j) Ensure that at least 25% of eligible, fully-bundled, residential customers participating in the program are low-income customers who would be unable to participate in net metering pursuant to NRS 704.766 to 704.777;
- (k) Ensure that at least 25% of fully-bundled general service customers participating in the program are nonprofit organizations or Disadvantaged Businesses;
- (l) Provide for workforce training, apprenticeships or other job opportunities at community-based solar projects pursuant to Sec. 1, paragraph 8 (l);
- (m) Provide for the form and content of an electric utility's plan for implementing the expanded solar access program.

4. An electric utility shall file an Expanded Solar Access Program with the Commission as determined by regulation.

5. The Commission shall review the plan for an Expanded Solar Access Program submitted pursuant to subsection and issue an order approving or denying the plan within 210 days. The Commission shall approve the plan if it finds that the proposed expanded solar access program meets the requirements of subsections X to X, inclusive.

6. In administering the provisions of this section, the electric utility and the Commission shall establish as the preferred sites for utility scale development of solar energy resources pursuant to this section Brownfield sites and land designated by the Secretary of the Interior as Solar Energy Zones and held by the Bureau of Land Management.

7. The Commission shall provide reports on the progress of the rulemaking and the implementation of the Expanded Solar Access program to the Interim Committee on Energy and to the Legislature.

8. ~~10~~ As used in this section, unless the context otherwise requires, the words and terms defined in Section 1, paragraph 8 (a) to (m), inclusive of this act have the meanings ascribed to them in those sections:

(a) "Brownfield site" has the meaning ascribed to it in 42 U.S.C. § 9601.

(b) “Community-based solar resource” means a solar resource which has a nameplate capacity of not more than ~~20 kilowatts~~ 1 megawatt and is owned or operated by the electric utility as a component of its distribution system.

~~(e) “Deferred energy accounting adjustment” means the rate of an electric utility that is calculated by dividing the balance of a deferred account during a specified period by the total kilowatt hours which have been sold in the geographical area to which the rate applies during the specified period.~~

(c) “Disadvantaged business” means a business that is at least 51% owned and controlled by women, veterans, members of a racial or ethnic minority group, or other traditionally underrepresented groups and who have a net worth of less than \$250,000, excluding the equity of their business and primary residence.

(d) “Electric utility” has the meaning ascribed to it in NRS 704.187.

(e) “Electric utility that primarily serves densely populated counties” has the meaning ascribed to it in NRS 704.110.

(f) “Electric utility that primarily serves less densely populated counties” has the meaning ascribed to it in NRS 704.110.

(g) “Eligible customer” means:

(1) A fully-bundled general service customer of an electric utility;  
or

(2) A person or household who is a fully bundled residential customer of an electric utility and has an income of not more than 80 percent of the area median income based on the guidelines published by the United States Department of Housing and Urban Development.

(h) “Expanded Solar Access Program” means a program offered by an electric utility that uses new, utility-scale and/or community-based solar resources to provide eligible low income customers electric bill savings and solar workforce innovations and opportunity programs for the development of community-based solar resources.

(i) “Fully-bundled ~~€~~ general service customer” means a

*nonresidential customer with a kilowatt-hour consumption that does not exceed 10,000 kilowatt-hours per month.*

(j) *“Solar energy zone” means an area identified and designated by the Bureau of Land Management (BLM) as an area well suited for utility-scale production of solar energy, and where the BLM will prioritize solar energy and associated transmission infrastructure development.*

*(k) “Solar resource” means a facility or energy system that uses a solar photovoltaic device to generate electricity.*

(l) *“Solar Workforce Innovations and Opportunity” means a workforce education, training, and job placement program developed by the Department of Employment Training and Rehabilitation and its Appropriate Industry Sector Council in conjunction with potential employers and community stakeholders.*

~~(j)~~ (m) *“Utility scale solar resource” means a solar resource which has a nameplate capacity of at least 50 megawatts and is interconnected directly to a substation of the electric utility through a generation step-up transformer.*

12       **Sec. 2.** NRS 704.100 is hereby amended to read as follows:  
13       704.100 1. Except as otherwise provided in NRS 704.075  
14 and 704.68861 to 704.68887, inclusive, *and section 1 of this act* or  
15 as may otherwise be provided by the Commission pursuant to NRS  
35 704.095 or 704.097:

36       (a) A public utility shall not make changes in any schedule,  
37 unless the public utility:

38           (1) Files with the Commission an application to make the  
39 proposed changes and the Commission approves the proposed  
40 changes pursuant to NRS 704.110; or

41           (2) Files the proposed changes with the Commission using a  
42 letter of advice in accordance with the provisions of paragraph (f)  
43 or (g).

44       (b) A public utility shall adjust its rates on a quarterly basis  
45 between annual rate adjustment applications pursuant to

1 subsection 8 of NRS 704.110 based on changes in the public  
2 utility's recorded costs of natural gas purchased for resale.

3 (c) An electric utility shall, between annual deferred energy  
4 accounting adjustment applications filed pursuant to NRS 704.187,  
5 adjust its rates on a quarterly basis pursuant to subsection 10 of  
6 NRS 704.110.

7 (d) A public utility shall post copies of all proposed schedules  
8 and all new or amended schedules in the same offices and in  
9 substantially the same form, manner and places as required by NRS  
10 704.070 for the posting of copies of schedules that are currently in  
11 force.

12 (e) A public utility may not set forth as justification for a rate  
13 increase any items of expense or rate base that previously have been  
14 considered and disallowed by the Commission, unless those items  
15 are clearly identified in the application and new facts or  
16 considerations of policy for each item are advanced in the  
17 application to justify a reversal of the prior decision of the  
18 Commission.

19 (f) Except as otherwise provided in paragraph (g), if the  
20 proposed change in any schedule does not change any rate or will  
21 result in an increase in annual gross operating revenue in an amount  
22 that does not exceed \$15,000:

23 (1) The public utility may file the proposed change with the  
24 Commission using a letter of advice in lieu of filing an application;  
25 and

26 (2) The Commission shall determine whether it should  
27 dispense with a hearing regarding the proposed change.

28 ➤ A letter of advice filed pursuant to this paragraph must include a  
29 certification by the attorney for the public utility or an affidavit by  
30 an authorized representative of the public utility that to the best of  
31 the signatory's knowledge, information and belief, formed after a  
32 reasonable inquiry, the proposed change in schedule does not  
33 change any rate or result in an increase in the annual gross operating  
34 revenue of the public utility in an amount that exceeds \$15,000.

35 (g) If the applicant is a small-scale provider of last resort and the  
36 proposed change in any schedule will result in an increase in annual  
37 gross operating revenue in an amount that does not exceed \$50,000  
38 or 10 percent of the applicant's annual gross operating revenue,  
39 whichever is less:

40 (1) The small-scale provider of last resort may file the  
41 proposed change with the Commission using a letter of advice in  
42 lieu of filing an application if the small-scale provider of last resort:

43 (I) Includes with the letter of advice a certification by the  
44 attorney for the small-scale provider of last resort or an affidavit by  
45 an authorized representative of the small-scale provider of last resort

1 that to the best of the signatory's knowledge, information and belief,  
2 formed after a reasonable inquiry, the proposed change in schedule  
3 does not change any rate or result in an increase in the annual gross  
4 operating revenue of the small-scale provider of last resort in an  
5 amount that exceeds \$50,000 or 10 percent, whichever is less;

6 (II) Demonstrates that the proposed change in schedule is  
7 required by or directly related to a regulation or order of the Federal  
8 Communications Commission; and

9 (III) Except as otherwise provided in subsection 2, files  
10 the letter of advice not later than 5 years after the Commission has  
11 issued a final order on a general rate application filed by the  
12 applicant in accordance with subsection 3 of NRS 704.110; and

13 (2) The Commission shall determine whether it should  
14 dispense with a hearing regarding the proposed change.

15 ➤ Not later than 10 business days after the filing of a letter of  
16 advice pursuant to subparagraph (1), the Regulatory Operations  
17 Staff of the Commission or any other interested party may file with  
18 the Commission a request that the Commission order an applicant to  
19 file a general rate application in accordance with subsection 3 of  
20 NRS 704.110. The Commission may hold a hearing to consider such  
21 a request.

22 (h) In making the determination pursuant to paragraph (f) or (g),  
23 the Commission shall first consider all timely written protests, any  
24 presentation that the Regulatory Operations Staff of the Commission  
25 may desire to present, the application of the public utility and any  
26 other matters deemed relevant by the Commission.

27 2. An applicant that is a small-scale provider of last resort may  
28 submit to the Commission a written request for a waiver of the  
29 5-year period specified in sub-subparagraph (III) of subparagraph  
30 (1) of paragraph (g) of subsection 1. The Commission shall, not later  
31 than 90 days after receipt of such a request, issue an order approving  
32 or denying the request. The Commission may approve the request if  
33 the applicant provides proof satisfactory to the Commission that the  
34 applicant is not earning more than the rate of return authorized by  
35 the Commission and that it is in the public interest for the  
36 Commission to grant the request for a waiver. The Commission  
37 shall not approve a request for a waiver if the request is submitted  
38 later than 7 years after the issuance by the Commission of a final  
39 order on a general rate application filed by the applicant in  
40 accordance with subsection 3 of NRS 704.110. If the Commission  
41 approves a request for a waiver submitted pursuant to this  
42 subsection, the applicant shall file the letter of advice pursuant to  
43 subparagraph (1) of paragraph (g) of subsection 1 not earlier than  
44 120 days after the date on which the applicant submitted the request  
45 for a waiver pursuant to this subsection, unless the order issued by

- 1 the Commission approving the request for a waiver specifies a
- 2 different period for the filing of the letter of advice.
- 3 3. As used in this section, "electric utility" has the meaning
- 4 ascribed to it in NRS 704.187.

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