

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Investigation and Rulemaking to evaluate regulations,)
specifically Nevada Administrative Code sections) Docket No. 18-12021
704.9492 and 704.9496 are fully consistent with federal)
Public Utility Regulatory Policies Act authorities.)

NOTICE OF INTENT TO ACT UPON A REGULATION,
NOTICE OF WORKSHOP, AND NOTICE OF HEARING FOR THE ADOPTION,
AMENDMENT, AND REPEAL OF REGULATIONS OF THE
PUBLIC UTILITIES COMMISSION OF NEVADA

On March 8, 2019, the Public Utilities Commission of Nevada (“Commission”) opened an investigation to evaluate whether Nevada regulations, specifically Nevada Administrative Code (“NAC”) sections 704.9492 and 704.9496, are fully consistent with federal Public Utility Regulatory Policies Act authorities. This matter has been designated as Docket No. 18-12021.

This matter is being conducted by the Commission pursuant to Nevada Revised Statutes (“NRS”) and Nevada Administrative Code (“NAC”) Chapters 233B, 703, and 704, including, but not limited to, NRS 703.025 and 704.210.

NOTICE IS HEREBY GIVEN that the Commission has scheduled a public WORKSHOP pursuant to NRS 233B.061(2) to be held as follows:

WEDNESDAY, DECEMBER 14, 2022
10:00 a.m.
Hearing Room A
Public Utilities Commission of Nevada
9075 West Diablo Drive, Suite 250
Las Vegas, Nevada 89148

VIA VIDEOCONFERENCE TO:

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Hearing Room A
Public Utilities Commission of Nevada
1150 East William Street
Carson City, Nevada 89701

and VIA MICROSOFT TEAMS

Members of the public and other participants will appear and otherwise participate in the workshop either in person at one of the above noted locations or remotely via Microsoft Teams. Persons who wish to participate in this workshop via Microsoft Teams must provide the email address, title/role in the associated business or organization, and business address for themselves and each other person on whose behalf they are requesting participation to Commission Administrative Attorney Sierra Waechter at sfwaechter@puc.nv.gov no later than MONDAY, DECEMBER 12, 2022, at 2:00 p.m.

Persons who wish to monitor the proceeding and do not intend to participate may access the workshop at the time and place noticed herein either in person or via the Commission's live stream link on its website at <https://puc.nv.gov>.

The purpose of the workshop is to solicit comments from all interested persons on the proposed regulation. A period will be provided for comments by members of the public and all other participants and for the discussion of those comments. Comments may be limited to two (2) minutes per person at the discretion of the presiding officer.

The Commission is not responsible for providing clerical or administrative assistance or materials to parties during Commission proceedings. If such assistance is necessary, participants must make other arrangements for this type of assistance.

NOTICE IS HEREBY GIVEN that the Commission has scheduled a public HEARING pursuant to NRS 233B.061(3) to be held as follows:

FRIDAY, DECEMBER 16, 2022
10:00 a.m.
Hearing Room A
Public Utilities Commission of Nevada
9075 West Diablo Drive, Suite 250
Las Vegas, Nevada 89148

VIA VIDEOCONFERENCE TO:

Hearing Room A
Public Utilities Commission of Nevada
1150 East William Street
Carson City, Nevada 89701

and VIA MICROSOFT TEAMS

Members of the public and other participants will appear and otherwise participate in the hearing in person or remotely via Microsoft Teams. Persons who wish to participate in this hearing via Microsoft Teams must provide the email address, title/role in the associated business or organization, and business address for themselves and each other person on whose behalf they are requesting participation to Commission Administrative Attorney Sierra Waechter at sfwaechter@puc.nv.gov no later than WEDNESDAY DECEMBER 14, 2022, at 2:00 p.m.

Persons who wish to monitor the proceeding and do not intend to participate may access the hearing at the time and place noticed herein either in person or via the Commission's live stream link on its website at <https://puc.nv.gov>.

The purpose of the hearing is to solicit comments from all interested persons on the proposed regulation. A period will be provided for comments by members of the public and all other participants and for discussion of those comments. Public comments may be limited to two (2) minutes per person at the discretion of the presiding officer. If no person who is directly affected by the proposed regulation appears at the hearing to request time to make an oral presentation, the Commission may proceed to act upon any written submissions.

The Commission is not responsible for providing clerical or administrative assistance or materials to parties during Commission proceedings. If such assistance is necessary, participants must make other arrangements for this type of assistance.

The following information is provided pursuant to the requirements of NRS 233B.0603:

The proposed regulation is expected to have no adverse immediate or long-term economic effects on the businesses that it is to regulate.

The proposed regulation is expected to have no immediate or long-term beneficial economic effects on the businesses that it is to regulate.

The proposed regulation is expected to have no adverse immediate or long-term economic effects on the public.

The proposed regulation is not expected to have immediate and long-term beneficial effects on the public.

The Commission used the simplified Delphi method in determining the impact on small businesses, whereby experts review the text of the proposed regulation and determine the likely impact of the proposed regulation on small businesses. These experts share their responses with each other and form a consensus view. The Commission found that the proposed regulation does not impose a direct or significant economic burden upon small businesses, nor does it directly restrict the formation, operation, or expansion of a small business.

The proposed regulation will not result in the Commission incurring additional costs to enforce the proposed regulation.

The proposed regulation does not overlap or duplicate any state or local regulations.

The proposed regulation is not required pursuant to federal law.

The proposed regulation is not more stringent than a federal regulation that regulates the same activity.

The proposed regulation does not establish any new fee or increase an existing fee.

Persons wishing to comment upon the proposed action of the Commission may appear at the scheduled workshop and hearing or may address their comments, data, views, or arguments in written form electronically through the Electronic Filing System on the Commission's website or at either of the Commission's offices on or before FRIDAY, DECEMBER 2, 2022. Written comments should include proposed revisions, if any, to the proposed regulation.

A copy of this notice and the proposed regulation to be adopted, amended, or repealed will be on file at the State Library, 100 North Stewart Street, Carson City, Nevada 89701, for inspection by members of the public during business hours. Additional copies of the notice and the proposed regulation to be adopted, amended, or repealed are on file and available for public viewing at the Commission's website at <https://puc.nv.gov> and in all counties in which an office of the agency is not maintained at the main public library for inspection and copying by members of the public during business hours. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations (File No. R044-21), which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653 and on the Internet at <http://www.leg.state.nv.us>. Copies of this notice and the proposed regulation will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary. This does not apply to a public body subject to the Open Meeting Law.

Upon adoption of any regulation, the Commission, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will issue a concise statement of the

principal reasons for and against its adoption or incorporate therein its reason for overruling the consideration urged against its adoption.

Pursuant to NRS 233B.060(1), the Presiding Officer in this matter anticipates placing the proposed regulation on a Commission Agenda no earlier than December 27, 2022, for the Commission's consideration as to whether to adopt the regulation as temporary.

By the Commission,

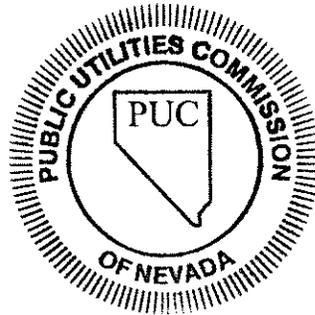


TRISHA OSBORNE,
Assistant Commission Secretary

Dated: Carson City, Nevada

11/18/22

(SEAL)



ATTACHMENT 1

**PROPOSED REGULATION OF THE
PUBLIC UTILITIES COMMISSION OF NEVADA**

LCB File No. R044-21

October 26, 2021

EXPLANATION – Matter in *italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

AUTHORITY: §§ 1 and 2, NRS 704.741.

A REGULATION relating to public utilities; revising the information required to be included in a resource plan submitted by an electric utility to the Public Utilities Commission of Nevada; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires an electric utility to submit to the Public Utilities Commission of Nevada, on or before June 1 of every third year, a resource plan to increase its supply of electricity or decrease the demands made on its system by customers. Existing law requires the Commission to prescribe the contents of the resource plan by regulation. (NRS 704.741) Existing regulations require a utility to include in its resource plan certain information regarding rates for long-term avoided costs. (NAC 704.9492) **Section 1** of this regulation revises the information regarding rates for long-term avoided costs which must be included in the resource plan. **Section 1** requires a utility to include in the resource plan the data from which avoided costs may be derived and, additionally, to submit such data to the Commission at least once every 2 years. **Section 1** requires the utility to maintain the data for public inspection.

Section 2 of this regulation makes a conforming change to eliminate a reference to provisions of NAC which were repealed by **section 1**.

Section 1. NAC 704.9492 is hereby amended to read as follows:

704.9492 1. A utility shall file, as part of its resource plan, the methodology for estimating the rates for long-term avoided cost of the utility, including the capacity and energy components. The rates for long-term avoided cost must be based upon the utility’s preferred plan and be consistent with 18 C.F.R. § 292.304(a), (b), (c) and (e).

2. ~~The estimated rate for long-term avoided cost must be established for various sizes of megawatt blocks, except that:~~

~~—(a) If the utility has a peak demand of at least 1,000 megawatts, the stated blocks must not exceed 100 megawatts; and~~

~~—(b) If the utility has a peak demand of less than 1,000 megawatts, the stated blocks must not exceed 10 percent of the system peak.~~

~~—3. The components for estimated long-term avoided cost capacity and energy rate must be stated on a cents per kilowatt-hour basis for daily and seasonal peak and off-peak periods and in such a manner that rates for various contract periods may be calculated. At a minimum, the utility shall provide estimated rates for long-term avoided cost for a 20-year contract and the long-term avoided cost by year for 5 years commencing in the year following the filing of the resource plan.} *utility shall file, as part of its resource plan, the data from which avoided costs may be derived, as required by 18 C.F.R. § 292.302(b). The utility shall maintain for public inspection the data submitted pursuant to this subsection. In addition to the data filed with the resource plan pursuant to this subsection, the data from which long-term avoided costs may be derived must be filed with the Commission at least once every 2 years.*~~

~~{4.} 3. In developing the estimated rates for long-term avoided cost, the proposed rates must not be applied to ~~renewable energy or to~~ energy that is subject to the qualified energy recovery process as defined in NRS 704.7809.~~

~~{5.} 4. The utility shall specify its proposed limits concerning the availability of the rates for long-term avoided cost.~~

~~{6.} 5. The resource plan of the utility must include the analyses and calculations used to determine the proposed rates.~~

~~7.1~~ 6. The resource plan must include a description of the methodology that will be used to derive the rates for long-term avoided costs from the solicitation of proposals performed pursuant to subsection 5 of NAC 704.9496.

Sec. 2. NAC 704.9496 is hereby amended to read as follows:

704.9496 1. In conjunction with the issuance by the Commission of a final order approving or modifying the action plan, the Commission will issue an order addressing the utility's proposed estimated rates for long-term avoided cost, including the methodology and limits to be used by the utility for its filing pursuant to NAC 704.9492. The Commission will consider the factors listed in 18 C.F.R. § 292.304(a), (b), (c) and (e) in its evaluation of the utility's proposed estimated rates for long-term avoided cost.

2. The utility shall file with the Commission the utility's estimated rates for long-term avoided cost within 60 days after the Commission issues its order pursuant to subsection 1 specifying the methodology for estimating the rates for long-term avoided cost.

3. The estimated rates for long-term avoided cost filed by the utility with the Commission pursuant to subsection 2 must:

(a) Be consistent with the methodology for estimating the long-term avoided cost approved by the Commission and be based upon the resource plan approved by the Commission.

(b) Unless otherwise ordered by the Commission, ~~be consistent with the format set forth in subsections 2 and 3 of NAC 704.9492 and~~ be limited to those rates proposed by the utility pursuant to subsection ~~5~~ 4 of NAC 704.9492.

4. If required, the Commission will hold a hearing on the estimated rates for long-term avoided cost within 90 days after the utility files the estimated rates for long-term avoided cost

pursuant to subsection 2. If a hearing is held, the Commission will issue an order on the matter within 45 days after the conclusion of the hearing.

5. Within 30 days after the date on which the Commission issues an order pursuant to subsection 4, the utility shall solicit proposals to provide the utility capacity or energy, or both, in a manner that complies with the methodology for estimating long-term avoided cost approved by the Commission.

6. Within 90 days after issuing a solicitation of proposals pursuant to subsection 5, the utility shall file with the Commission a report concerning the results of the solicitation.

7. The utility's rate for long-term avoided cost for each block must be the estimated rate for long-term avoided cost established pursuant to this section or the competitive rate solicited pursuant to subsection 5, whichever is lower.