

Legislative Committee on Energy

(NRS 218E.805)



BULLETIN 21-16

LEGISLATIVE COMMITTEE ON ENERGY

Nevada Revised Statutes 218E.805

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Nevada Revised Statutes

NRS 218E.805 Creation of Legislative Committee on Energy; membership; budget; officers; terms; vacancies.

1. The Legislative Committee on Energy, consisting of six legislative members, is hereby created. The membership of the Committee consists of:

(a) Three members appointed by the Majority Leader of the Senate, at least one of whom must be a member of the minority political party.

(b) Three members appointed by the Speaker of the Assembly, at least one of whom must be a member of the minority political party.

2. The Legislative Commission shall review and approve the budget and work program for the Committee and any changes to the budget or work program.

3. The Legislative Commission shall select the Chair and Vice Chair of the Committee from among the members of the Committee. Each Chair and Vice Chair holds office for a term of 2 years commencing on July 1 of each odd-numbered year. The office of Chair of the Committee must alternate each biennium between the Houses. If a vacancy occurs in the office of Chair or Vice Chair, the vacancy must be filled in the same manner as the original selection for the remainder of the unexpired term.

4. A member of the Committee who is not a candidate for reelection or who is defeated for reelection continues to serve after the general election until the next regular or special session convenes.

5. A vacancy on the Committee must be filled in the same manner as the original appointment for the remainder of the unexpired term.

(Added to NRS by [2013, 3343](#))

INTRODUCTION

The Legislative Committee on Energy is a permanent committee of the Legislature charged with evaluating, reviewing, and commenting upon matters related to energy policy including:

(1) policies, plans, or programs relating to the production, consumption, or use of energy in Nevada, economic development, or the environment; (2) legislative measures regarding energy policy; (3) the effect of any policy, plan, program, or legislation on rates or ratepayers associated with the development of a market in the state for electricity generated from renewable energy or that provides for the construction or acquisition of facilities for the generation of electricity; (4) contracts or requests for proposals relating to the purchase of capacity; and (5) infrastructure and transmission requirements of any policy, plan, program, or legislation.

During the 2019–2020 Interim, the Committee also was directed to study the development of renewable energy and clean energy resources in Nevada ([Senate Concurrent Resolution 1](#) [2019]) and to consider alternative solutions for transportation system funding in the state ([SCR 3](#) [2019]).

The Committee held four meetings during the 2019–2020 Interim. The first two meetings were held in the Grant Sawyer State Office Building in Las Vegas, Nevada, with videoconferencing to the Legislative Building in Carson City, Nevada, and the last two meetings were conducted in a virtual format due to in-person meeting restrictions caused by the Coronavirus Disease of 2019 (COVID-19) pandemic. The meetings addressed a variety of issues and programs pertaining to renewable energy, clean energy resources, and transportation funding, as follows:

- [November 15, 2019](#)—Overview of the Committee; energy policy overview; progress report on implementation of energy-related legislation from the 2019 Legislative Session by the Public Utilities Commission of Nevada (PUCN); overview of the Office of Energy, Office of the Governor (GOE), and clean energy priorities; and status of the implementation of the Department of Motor Vehicles' (DMV's) pilot program to gather mileage data from certain motor vehicles;
- [January 17, 2020](#)—Regional energy markets; clean energy resources; overview of the [Nevada Statewide Greenhouse Gas Emissions Inventory and Projections, 1990–2039](#) report by the Division of Environmental Protection, State Department of Conservation and Natural Resources (DCNR); and natural gas infrastructure and sustainability efforts in Nevada;
- [August 24, 2020](#)—Solar projects in Nevada; electrical joint apprenticeship program; renewable energy; geothermal industry and resources; lithium industry and resources; battery energy storage; Clean Cars Initiative; overview of the state and local transportation system and future funding needs for maintaining the transportation system; and transportation funding models; and
- [September 16, 2020](#)—Work session.

The Committee approved recommendations for two bill draft requests (BDRs), to be considered by the 2021 Nevada Legislature, that address transportation funding. The Committee also approved recommendations for letters and a statement in its final report related to: (1) an integrated western energy market; (2) geological mapping and light detection and ranging (LiDAR); and (3) the promotion of mining education in renewable energy industries.

More information about the Committee’s activities—including minutes, recordings of meetings, and copies of presentations and other exhibits—may be accessed on the Legislature’s website for the [2019–2020 Interim](#).

DISCUSSION OF TESTIMONY AND RECOMMENDATIONS

At its final meeting and work session on [September 16, 2020](#), the Committee considered a total of five proposed actions for legislation, letters, and statements to be included in the final report. Additional information regarding all recommendations considered is available in the Committee’s “[Work Session Document](#).”

A. Integrated Western Energy Market

Recommendation 1

Testimony offered at the [January 17, 2020](#), meeting of the Committee outlined the western electricity grid and provided information on electricity markets, the interconnections linking the different regions, different types of electricity markets, and the regional transmission organization market.

Additionally, a written recommendation received by the Advanced Energy Economy (AEE) indicated that an integrated western energy market is complex given the multistate and utility participation that is required. As decision-makers across the western states consider creating a 100 percent clean western grid, the AEE encouraged Nevada’s policymakers and stakeholders to use its “[Principles for the Creation of Broader Regional Wholesale Markets in the West](#),” which includes considerations that should be given to the market constructs and governance.

At its final meeting and work session on [September 16, 2020](#), the Committee voted unanimously to:

Draft a letter to the governor of Nevada, the GOE, the PUCN, and NV Energy supporting an integrated western energy market. The benefits of an integrated western energy market include lower emissions of greenhouse gases, lower energy prices, and improved grid efficiency.

B. Geological Mapping

Recommendation 1

At the meeting held on [August 24, 2020](#), Nevada's Bureau of Mines and Geology, University of Nevada, Reno, provided an [overview](#) of statewide LiDAR data, which is high-resolution topographic data that may provide critical information on the distribution of faults and rock layers that host renewable energy resources. It was noted there is a lack of current high-resolution LiDAR mapping coverage in Nevada, and there are barriers associated with further mapping of the state due to the large amount of public lands, as well as obtaining funding for LiDAR outside of the urban areas. In order to conduct additional LiDAR mapping of the state, there needs to be coordination between federal agencies and an investment by both the federal government and the state.

The Committee voted unanimously to:

Include a statement in the Committee's final report encouraging governmental agencies, such as the United States Geological Survey of the U.S. Department of the Interior and the U.S. Department of Energy, to allocate additional funds to be used in Nevada to increase statewide LiDAR data, which is high-resolution topographic data that may provide critical information on the distribution of faults and rock layers that host renewable energy resources. The LiDAR systems allow scientists and mapping professionals to examine both natural and manmade environments with accuracy, precision, and flexibility. Applications in Nevada include fault patterns related to geothermal resources, lithium exploration, and solar and wind farm siting.

C. Educating and Training the Workforce in Renewable Energy Industries Related to Mining

Recommendation 1

At its meeting on [August 24, 2020](#), the Committee received overviews of renewable energy sources, including geothermal and lithium, and current and future projects in Nevada. It was noted that skilled energy and mining jobs at all levels require a strong foundation in science, technology, engineering, and math. In Nevada, there is great potential for developing and expanding the current and future technical workforce in renewable energy and related mining industries.

At its work session on [September 16, 2020](#), the Committee voted unanimously to:

Draft a letter to the Nevada System of Higher Education, Nevada's Department of Education, and the Department of Employment, Training and Rehabilitation encouraging them to continue working with the mining industry to improve education, communication, and interest in mining- and mineral-related fields in grades K through 12, undergraduate, graduate, and continuing education. An exchange of communication between educators and industry will result in the type of skills and attributes necessary for Nevada's students to become mining industry employees.

D. Transportation

Recommendation 1

[Senate Concurrent Resolution 3](#) (2019) required the Legislative Committee on Energy to consider alternative solutions for transportation system funding in Nevada, the benefits of using electric vehicles, and the costs of transportation-related pollution, including greenhouse gas emissions. Testimony offered by Nevada’s Department of Transportation (NDOT) at the [August 24, 2020](#), meeting of the Committee, and a written recommendation received from NDOT, DCNR, GOE, and DMV on June 26, 2020, indicated it would be prudent to focus their collective efforts on bringing together and educating individuals, communities, and organizations from across the state to ensure the scope of the issue is understood and the options and solutions they pursue are properly analyzed, vetted, and shared with the broader community.

At its work session on [September 16, 2020](#), the Committee voted unanimously to:

Draft a bill requiring NDOT to establish a working group beginning in July 2021 and ending in December 2022 to study:

- a. The needs of all transportation mode users, including bicyclists, pedestrians, and transit users;
- b. Social and user transportation equity;
- c. The reduction of greenhouse gas emissions;
- d. The sustainability of the Highway Fund, including, but not limited to, an analysis of the Natural Resources Defense Council funding model and Utah’s Road Usage Charge Program; and
- e. The role of land use and smart growth strategies in reducing transportation emissions and improving system efficiency and equity.

The working group must consist of, but is not limited to:

- a. Representatives of metropolitan planning organizations;
- b. Representatives of environmental agencies and organizations;
- c. Representatives of clean energy;
- d. Experts in taxation policy;
- e. Representatives of federal, state, county, local, and tribal agencies with transportation and clean energy expertise, as well as other interested parties;
- f. The chairs of the Senate and Assembly Committees on Growth and Infrastructure of the immediately preceding legislative session;

- g. Representatives of labor organizations; and
- h. Other interested persons and entities.

The working group must collect and monitor data and develop preliminary plans for a sustainable transportation funding system. The Department must submit a report to the 2023 Legislature concerning the activities, conclusions, and recommendations of the working group. **(BDR S-458)**

Recommendation 2

The proceeds from the imposition of any license or registration fee and other charges with respect to the operation of any motor vehicle on any public highway in Nevada and the proceeds from the imposition of any excise tax on gasoline or other motor vehicle fuel must, except the costs of administration, be used exclusively for the construction, maintenance, operation, and repair of the public highways ([Article 9, Section 5 of the Nevada Constitution](#)). Discussion during the work session on [September 16, 2020](#), was directed at the challenges associated with funding urban transit, specifically construction and maintenance of the system due to the limitations on the use of the aforementioned proceeds imposed by the *Nevada Constitution*.

At its work session on September 16, 2020, the Committee voted to:

Draft a bill amending Article 9, Section 5 of the *Nevada Constitution* to provide that the use of the proceeds from the imposition of any license or registration fee and other charges with respect to the operation of any motor vehicle upon any public highway in this state and the proceeds from the imposition of any excise tax on gasoline or other motor vehicle fuel shall, except the costs of administration, be used exclusively for the construction, maintenance, operation, and repair of the public highways, transit, and transportation infrastructure of this state. **(BDR C-459)**

SUGGESTED LEGISLATION

The following bill draft requests will be available during the 2021 Legislative Session at the following website: <https://www.leg.state.nv.us/App/NELIS/REL/81st2021/Bdrs/List>.

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| BDR | S-458 | Requires the Department of Transportation to establish a working group to study certain issues related to transportation. |
| BDR | C-459 | Proposes to amend the <i>Nevada Constitution</i> to revise provisions limiting the use of vehicle fees and fuel taxes. |