### ADOPTED REGULATION OF THE

## PUBLIC UTILITIES COMMISSION OF NEVADA

#### **LCB File No. R103-07**

Effective October 27, 2009

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

AUTHORITY: §§1-3, NRS 703.025 and 704.210; §4, NRS 703.025, 704.210 and 704.300.

A REGULATION relating to public utilities; removing certain entities from regulation as public utilities; eliminating the requirement that the Public Utilities Commission of Nevada conduct a hearing before ordering certain changes relating to highway and railroad crossings; and providing other matters properly relating thereto.

**Section 1.** NAC 703.2205 is hereby amended to read as follows:

703.2205 The provisions of NAC 703.2201 to 703.2481, inclusive, apply to all:

- 1. Public utilities which produce, deliver or furnish electricity or gas; *and*
- 2. [Telegraph and community antenna television companies; and
- 3.] Public utilities which furnish water or sewer service, or both, and are not subject to the provisions of NAC 704.570 to 704.628, inclusive, under the jurisdiction of the Commission.
  - **Sec. 2.** NAC 703.2715 is hereby amended to read as follows:
- 703.2715 1. Except as otherwise provided in subsection 2, the provisions of NAC 703.2715 to 703.278, inclusive, apply to any electric, gas [, telegraph] or telephone company, except a carrier between local areas of transport and access as defined by NAC 704.00868 and any public utility furnishing water or sewer services under the jurisdiction of the Commission which:
  - (a) Has an annual operating revenue of at least \$250,000; and

- (b) Submits an application for approval of new or revised depreciation rates.
- 2. The provisions of NAC 703.2715 to 703.278, inclusive, only apply to a competitive supplier that is an incumbent local exchange carrier in the event the competitive supplier files a general rate application pursuant to subparagraph (2) of paragraph (b) of subsection 2 of NRS 704.68877 before January 1, 2012, to increase the rates or pricing of basic network services as set forth in the tariffs of the competitive supplier that were in effect on January 1, 2007.
  - **Sec. 3.** NAC 703.390 is hereby amended to read as follows:
- 703.390 1. Tariff sheets must be transmitted to the Commission accompanied by a notice that is filed pursuant to either paragraph (a) of subsection 8 or paragraph (a) of subsection 9 of NRS 704.110 and that is not a part of the tariff or by a letter of advice that is not a part of the tariff. The appropriate filing fee, and a revised table of contents, if applicable, must be transmitted with a notice or letter of advice.
- 2. A notice or letter of advice must list the sheet numbers and titles of all tariff sheets being filed and the numbers of all sheets being cancelled. The notice or letter must state the reasons for the filing and the date on which the tariff sheets are proposed to become effective. The notice or letter of advice must call attention to each increase or decrease in rate or charge or change in condition which may result in an increase, decrease or withdrawal of service. If an increase is authorized by the Commission, reference in the notice or letter of advice to the decision number authorizing that increase must be given.
- 3. Notices or letters of advice must be numbered chronologically beginning with No. 1 for the first letter submitted by a public utility for each class of utility service rendered. [A single series of letters may be used for telephone services combined in the same tariff schedule. The

present series of numbers, if not inconsistent with the provisions of NAC 703.375 to 703.410, inclusive, must be continued.]

- 4. Each revised or new tariff page or sheet must indicate on the bottom of the page or sheet the number of the notice or the letter of advice transmitting the revised filing.
- 5. If any tariff is reissued and completely cancels a current tariff or is a reissue of a previously effective tariff, the reissued tariff must bear the same number as the current or previously cancelled tariff, suffixed by a letter, for example, Tariff 1-A, and continuing through the alphabet as that tariff is subsequently reissued, as follows:

Tariff No. 1-A

cancels

Tariff No. 1.

- **Sec. 4.** NAC 703.475 is hereby amended to read as follows:
- 703.475 1. Upon the filing of an application or complaint, the Commission [will] may choose to hold a hearing. If the Commission chooses to hold a hearing, the hearing will be conducted in the manner prescribed in NAC 703.160 and 703.665.
- 2. [Upon the conclusion of the hearing, the] The Commission will, within a reasonable time after the filing of the application or complaint or the conclusion of the hearing, either deny the application or the relief sought in the complaint, in writing, stating its reasons, or issue its order granting in whole or in part the application or the relief sought in the complaint, attaching thereto such conditions as the Commission deems necessary to protect the public and to prevent accidents.

# NOTICE OF ADOPTION OF PROPOSED REGULATION LCB File No. R103-07

The Public Utilities Commission of Nevada adopted regulations assigned LCB File No. R103-07 which pertain to chapter 703 of the Nevada Administrative Code.

## INFORMATIONAL STATEMENT

1. A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of the summary.

Copies of the proposed regulations, notice of intent to act upon the regulation and notice of workshop and hearing were sent by U.S. mail and email to persons who were known to have an interest in the subjects of annual reports and licensing fees for alternative sellers of natural gas. These documents were also made available at the website of the Public Utilities Commission ("PUC"), http://pucweb1.state.nv.us/PUCN/, mailed to all county libraries in Nevada, published in the following newspapers:

Elko Daily Free Press Las Vegas Review Journal Nevada Appeal Reno Gazette Journal Tonopah Times-Bonanza,

and posted at the following locations:

Public Utilities Commission 1150 East William Street Carson City, Nevada 89701

First Judicial District Court 885 East Musser Street Carson City, Nevada 89701

Eighth Judicial District Court Regional Justice Center 200 Lewis Avenue Las Vegas, Nevada 89155 Public Utilities Commission 101 Convention Center Drive, Suite 250 Las Vegas, Nevada 89109

Second Judicial District Court 75 Court Street Reno, Nevada 89501

Ormat Nevada, Inc. argued that the 35 megawatt ("MW") threshold exemption from the Utility Environmental Protection Act ("UEPA") should be based on the theoretical maximum output of a generating facility to the transmission and distribution system. The Regulatory Operations Staff argued that generating capacity should be based on the manufacturer's nameplate capacity of the generating facily to be constructed.

A copy of the transcript of the proceedings is available for review at the offices of the PUC, 1150 East William Street, Carson City, Nevada 89701 and 101 Convention Center Drive, Suite 250, Las Vegas, Nevada 89109.

- 2. The number of persons who:
  - (a) Attended each hearing: October 18, 2007 5
  - (b) Testified at each hearing: October 18, 2007 5
  - (c) Submitted to the agency written comments: 3
- 3. A description of how comment was solicited from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.

Comments were solicited from affected businesses in the same manner as they were solicited from the public.

The summary may be obtained as instructed in the response to question #1.

4. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

The permanent regulations were adopted on August 24, 2009. They were revised to eliminate the "nameplate capacity" definition and outdated language in NAC 703.380, both of which are addressed in other rulemakings.

- 5. The estimated economic effect of the adopted regulation on the businesses which it is to regulate and on the public. These must be stated separately, and each case must include:
  - (a) Both adverse and beneficial effects; and
  - (b) Both immediate and long-term effects.
  - (a) Both adverse and beneficial effects:

Unnecessary hearings will be eliminated for railroad crossings. Previous statutory authority required a hearing even when the matter was uncontested. There will also be a reduction of public confusion with the elimination of references to telegraphs and community antennae, which the Commission no longer regulates.

(b) Both immediate and long-term effects:

See Item #5(a).

6. The estimated cost to the agency for enforcement of the adopted regulation.

There is no additional cost to the agency for enforcement of these regulations.

7. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

These regulations do not overlap or duplicate any federal, state, or local regulations.

8. If the regulation includes provisions that are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.

N/A

9. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

N/A

10. If the proposed regulation is likely to impose a direct and significant economic burden upon a small business or directly restrict the formation, operation or expansion of a small business? What methods did the agency use in determining the impact of the regulation on a small business?

The PUC has determined that the proposed regulations do not impose a direct and significant economic burden upon a small business or restrict the formation, operation or expansion of a small business. In making this determination, the PUC adopted the findings of Staff, which conducted a Delphi Method exercise to determine the impacts. The Delphi Method is a systematic, interactive, forecasting method based on independent inputs of selected experts.