

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

LCB File No. R131-07

Effective June 17, 2008

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

AUTHORITY: §1, NRS 703.025 and 704.210.

A REGULATION relating to the Public Utilities Commission of Nevada; revising the order in which evidence is received at certain hearings of the Commission; eliminating the authority of certain persons to cross-examine witnesses at certain hearings of the Commission; authorizing certain persons to ask witnesses questions to clarify the testimony of those witnesses at certain hearings of the Commission; and providing other matters properly relating thereto.

Section 1. NAC 703.695 is hereby amended to read as follows:

703.695 1. Applicants, petitioners or complainants may present their evidence first at a hearing. Then any parties of record opposing the application, petition or complaint may present their evidence. The presiding officer ~~shall~~ *may* designate the ~~stage of the proceeding at~~ *order* *in* which each intervener or member of the Commission's staff may be heard. Evidence must be received in the following order unless the presiding officer determines that a special circumstance requires a different order:

(a) Upon an application or petition:

- (1) Applicant or petitioner;
- (2) *Interveners;*
- (3) *Consumer's Advocate;*
- (4) Commission's staff;

~~{(3) Interveners; and~~

~~—(4) and~~

(5) Rebuttal by the applicant or petitioner.

(b) Upon a complaint:

(1) Complainant;

(2) Respondent;

(3) *Interveners;*

(4) *Consumer's Advocate;*

(5) Commission's staff;

~~{(4) Interveners; and~~

~~—(5) and~~

(6) Rebuttal by complainant.

(c) Upon a complaint by the Commission or an order to show cause:

(1) Commission's staff;

(2) Respondent;

(3) Interveners; ~~{and}~~

(4) *Consumer's Advocate; and*

(5) Rebuttal by Commission's staff.

2. ~~{In addition to any cross-examination by the parties pursuant to NAC 703.685,}~~

Questions to clarify testimony provided by witnesses may be ~~{cross-examined}~~ *asked of witnesses at any time* by the presiding officer, any Commissioner, ~~{and the}~~ *or any* administrative ~~{assistants and}~~ *attorney, policy adviser or* legal counsel for the Commission.

3. If there is more than one applicant, petitioner or complainant, the witnesses of all applicants, petitioners or complainants may present direct testimony on an issue before any of these witnesses may be cross-examined on that issue, unless otherwise ordered by the presiding officer.

4. If two or more matters are set for hearing at the same time and place, the matter having the lowest docket number will be heard first, unless the presiding officer directs a different order for the convenience of the parties.

NOTICE OF ADOPTION OF PROPOSED REGULATION
LCB File No. R131-07
PUCN Docket No. 07-07034

The Public Utilities Commission of Nevada adopted regulations assigned LCB File No. R131-07 which pertain to chapter 703 of the Nevada Administrative Code on February 27, 2008.

INFORMATIONAL STATEMENT

The following informational statement is submitted for adopted amendments to Nevada Administrative Code (“NAC”) Chapter 703.

1. A description of how public comment was solicited, a summary of public response, and 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 hearings were sent by U.S. mail and email to persons who were known to have an interest in the subjects of energy efficiency programs as they relate to the integrated resource planning process, demand side management programs, and other related utility matters. These documents were also made available at the website of the Public Utilities Commission of Nevada (“PUCN”), <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

Public Utilities Commission
101 Convention Center Drive, Suite 250
Las Vegas, Nevada 89109

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

Second Judicial District Court
75 Court Street
Reno, Nevada 89501

Eighth Judicial District Court
Regional Justice Center
200 Lewis Avenue
Las Vegas, Nevada 89155

The public's comments in this matter were submitted in writing and heard during the workshop and the hearings. The comments and discussions during the workshop and the hearings focused on: (1) the order and classification of parties and/or intervenors; (2) the viability of allowing non-utility intervenors into the resource planning process; and (3) the language describing questions for clarification by the PUCN.

Copies of all documents filed in this matter, including this summary, are available at <http://pucweb1.state.nv.us/PUCN> on the PUCN's website or at the offices of the PUCN, at 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; (b) testified at each hearing; and (c) submitted to the agency written statement.

a. Attendees

- i. Workshop, October 5, 2007
 1. Regulatory Operations Staff of the PUCN ("Staff")
 2. Attorney General's Bureau of Consumer Protection ("BCP")
 3. Sierra Pacific Power Company and Nevada Power Company (collectively the "Companies")
 4. Embarq
- ii. Workshop, November 28, 2007
 1. Staff
 2. BCP
 3. Companies
 4. Newmont Mining Corporation ("Newmont")
- iii. Hearing, November 30, 2007
 1. Staff
 2. BCP
 3. Companies
 4. Newmont
- iv. Hearing, February 5, 2008
 1. Staff
 2. BCP
 3. Companies
 4. Newmont

b. Testimony

No formal testimony was offered in this matter. The above noted attendees participated in the workshop and/or hearings.

c. Written statements

On November 14, 2007, the Companies, BCP, and Staff filed comments.
On November 20, 2008, the Companies and Staff filed comments

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 as outlined in response #1.

The Companies submitted written comments and participated in the workshops and the hearings in this matter. In their comments the Companies raised their concerns regarding the creation of what they considered to be an additional proceeding to the resource planning process and urged the PUCN not to change the current language with regard to intervention in the resource planning process.

Newmont participated in a workshop and the hearings in this matter. Newmont expressed support for the creation of a mechanism for persons to be able to bring a project relating to the resource planning process before the PUCN.

Copies of all documents filed in this matter, including this summary, are available at www.puc.state.nv.us on the PUCN's website or at the offices of the PUCN, at 1150 East William Street, Carson City, Nevada 89701 and 101 Convention Center Drive, Suite 250, Las Vegas, Nevada 89109.

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 regulation adopted on February 27, 2008, reflects changes from the original proposed regulation made during the workshops and/or hearings.

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;

The proposed regulations potentially affect all regulated utilities who may become parties to a proceeding before the PUCN. At this time, the PUCN cannot quantify either the adverse or beneficial economic effects on regulated utilities, either immediate or long-term, which may result from the proposed regulations.

The proposed regulations potentially affect any member of the general public who may become a party to a proceeding before the PUCN. At this time, the PUCN cannot quantify either the adverse or beneficial economic effects on general public, either immediate or long-term, which may result from the proposed regulations.

(b) Both immediate and long-term effects.

See response to #5(a).

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

The PUCN believes there will be no significant additional or start-up costs to enforce or administer the new regulations.

7. A description of any regulation 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.

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

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.

These regulations do not establish any new fee or increase an existing fee.

10. Is 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 PUCN determined that the regulation does not impose a direct and significant burden on small businesses or directly restrict the formation, operation or expansion of a small business in Nevada. In making this determination, the PUCN adopted the findings of the Staff. The methodology used by the PUCN and its Staff to determine the impact of proposed regulations on small businesses is called the Delphi Method. The Delphi Method is a systematic, interactive, forecasting method based on independent inputs of selected Staff experts who form a consensus opinion as to the likely impact of the regulation on small businesses and the public.

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Investigation and rulemaking to adopt, amend or repeal)
regulations regarding the order of proceedings pursuant to)
NAC 703.695 and petitions or other means of addressing) Docket No. 07-07034
particular requested relief pursuant to NAC Chapter 703.)
_____)

At a general session of the Public Utilities
Commission of Nevada, held at its offices on
February 27, 2008.

PRESENT: Chairman Jo Ann P. Kelly
Commissioner Rebecca D. Wagner
Commissioner Sam A. Thompson
Commission Secretary Crystal Jackson

ORDER

The Public Utilities Commission of Nevada (“Commission”) makes the following
findings of fact and conclusions of law:

1. On August 8, 2007, the Commission voted to open an investigation and rulemaking
to adopt, amend or repeal regulations pertaining to the order of proceedings pursuant to Nevada
Administrative Code (“NAC”) 703.695 and petitions or other means of addressing particular
requested relief pursuant to NAC Chapter 703. This matter has been designated by the
Commission as Docket No. 07-07034.

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

3. On September 10, 2007, the Commission issued a Notice of Investigation and
Rulemaking and Notice of Workshop in Docket No. 07-07034 in accordance with state law and
the Commission’s rules of practice and procedure.

4. On September 14, 2007, the Presiding Officer issued a Procedural Order directing the Regulatory Operations Staff (“Staff”) of the Commission to conduct a small business impact assessment in accordance with NRS 233B.0608(1).

5. On October 5, 2007, the Commission held a duly noticed workshop in Docket No. 07-07034. Appearances were made at the workshop by Sierra Pacific Power Company (“SPPC”) and Nevada Power Company (“NPC”), Staff, the Attorney General’s Bureau of Consumer Protection (“BCP”), and Embarq. During the workshop the Presiding Officer asked the participants to consider whether to add language pertaining to petitions or other requested relief in a resource plan.

6. On October 12, 2007, the Commission issued a Request for Comments and Notice of Second Workshop in Docket No. 07-07034.

7. On October 25, 2007, the Commission issued an Order that found that the proposed regulation in Docket No. 07-07034 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.

8. On October 25, 2007, the Presiding Officer issued a Notice of Intent to Act Upon a Regulation, and Notice of Hearing for the Adoption, Amendment, or Repeal of Regulations of the Public Utilities Commission of Nevada in Docket No. 07-07034.

9. On November 14, 2007, SPPC and NPC, BCP, and Staff each filed its written comments in Docket No. 07-07034.

10. On November 20, 2007, NPC and SPPC filed reply comments in Docket No. 07-07034.

11. On November 28, 2007, the Commission held a second duly noticed workshop in Docket No. 07-07034. Appearances were made at the workshop by SPPC and NPC, Newmont Mining Corporation (“Newmont”), BCP, and Staff. The participants discussed their filed comments regarding suggested changes to the regulations in this Docket.

12. On November 30, 2007, the Commission held a duly noticed hearing in Docket No. 07-07034. Appearances were made at the hearing by SPPC and NPC, Newmont, BCP, and Staff.

13. During the hearing the discussion of the participants made clear that additional language pertaining to petitions or other requested relief in a resource plan is not necessary at this time. However, the Commission will continue to observe the resource planning process and will return to this topic as necessary to ensure that the process continues to be as efficient as possible while still providing a meaningful selection of options for resource planning purposes.

14. On February 5, 2008, the Commission held a second duly noticed hearing in Docket No. 07-07034. Appearances were made at the hearing by SPPC and NPC, Newmont, BCP, and Staff.

15. During the hearing the participants indicated their agreement to proposed changes to the description of questions by the Commission and to the reference to the Commission’s administrative attorneys in the proposed regulation.

16. The Commission finds that it is in the public interest to adopt the proposed regulations, attached hereto and incorporated herein as Attachment 1, as permanent regulations.

THEREFORE, based upon the foregoing findings of fact and conclusions of law, it is hereby ORDERED that:

1. The proposed regulations, attached hereto as Attachment 1 are ADOPTED as permanent regulations pursuant to NRS 233B.040 and 233B.060.

2. The Commission retains jurisdiction for the purpose of correcting any errors which may have occurred in the drafting or issuance of this Order.

By the Commission,

JO ANN P. KELLY, Chairman and
Presiding Officer

REBECCA D. WAGNER, Commissioner

SAM A. THOMPSON, Commissioner

Attest: _____
CRYSTAL JACKSON, Commission Secretary

Dated: Carson City, Nevada
