

LCB File No. R174-07

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

Docket 07-06026

WIND DEMONSTRATION

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

Section 1. *Chapter 701B of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 19 inclusive, of this regulation.*

Sec. 2. *“Agricultural property” has the meaning ascribed to it in Section 64 of SB 437 of the 74th Session of the Nevada Legislature.*

Sec. 3. *“Applicant” has the meaning ascribed to it in Section 65 of SB 437 of the 74th Session of the Nevada Legislature.*

Sec. 4. *“Category” has the meaning ascribed to it in Section 66 of SB 437 of the 74th Session of the Nevada Legislature.*

Sec. 5. *“Commission” has the meaning ascribed to it in Section 67 of SB 437 of the 74th Session of the Nevada Legislature.*

Sec. 6. *“Participant” has the meaning ascribed to it in Section 70 of SB 437 of the 74th Session of the Nevada Legislature.*

Sec. 7. *“Program year” has the meaning ascribed to it in Section 72 of SB 437 of the 74th Session of the Nevada Legislature.*

Sec. 8. *“Public and other property” has the meaning ascribed to it in Section 73 of SB 437 of the 74th Session of the Nevada Legislature.*

Sec. 9. *“School property” has the meaning ascribed to it in Section 74 of SB 437 of the 74th Session of the Nevada Legislature.*

Sec. 10. *“Small business” has the meaning ascribed to it in Section 75 of SB 437 of the 74th Session of the Nevada Legislature.*

Sec. 11. *“Task Force” has the meaning ascribed to it in Section 75.5 of SB 437 of the 74th Session of the Nevada Legislature.*

Sec. 12. *“Utility” has the meaning ascribed to it in Section 76 of SB 437 of the 74th Session of the Nevada Legislature.*

Sec. 13. *“Wind Demonstration Program” has the meaning ascribed to it in Section 77 of SB 437 of the 74th Session of the Nevada Legislature.*

Sec. 14. *“Wind energy system” has the meaning ascribed to it in Section 78 of SB 437 of the 74th Session of the Nevada Legislature.*

Sec. 15. 1. *A utility shall offer each participant in the Wind Demonstration Program the following incentives in the form of a rebate for installing and operating a wind energy system unless the Commission approves a different incentive level for a program year.*

(a) For the school property and the public and other property categories for program years 2008, 2009 and 2010:

1. An incentive of \$3.00 per watt of installed capacity of the wind energy system for the first 10 kilowatts, but not more than 60 percent of the eligible installed system cost.

2. An incentive of \$2.00 per watt for each watt of installed capacity of a wind energy system greater than 10 kilowatts, but not more than 30 percent of the eligible installed system cost.

(b) For the private residential property, small business property and agricultural property categories for program years 2008, 2009 and 2010:

1. An incentive of \$2.50 per watt of installed capacity of the wind energy system for the first 10 kilowatts, but not more than 60 percent of the eligible installed system cost.

2. An incentive of \$1.50 per watt for each watt of installed capacity of a wind energy system greater than 10 kilowatts, but not more than 30 percent of the eligible installed system cost.

2. The incentives in effect at the time an application is approved by the Task Force determines the incentive level which the applicant shall be eligible to receive at the completion of the applicant's project if the project meets all of the requirements of the Wind Demonstration Program for that program year.

Sec. 16. 1. *On or before February 1, 2008 and each year on or before February 1 thereafter, a utility shall file with the Commission its annual plan for carrying out and administering the Wind Demonstration Program within its service area for a program year.*

2. The annual plan shall include the following:

(a) Schedule describing major program milestones;

(b) Budget broken down by the following categories,

(1) Incentives;

(2) Contractor costs;

(3) Marketing costs;

(4) Training costs; and

(5) Utility administrative costs.

(c) Report on previous program years and status update on current program year including the following:

(1) Number of applications by category;

- (2) Drop outs;*
- (3) Budgets and expenditures;*
- (4) Remaining financial obligations;*
- (5) List of completed installations;*
- (6) Marketing results summary;*
- (7) Training and educational activities; and*
- (8) Results of the participant survey.*

(d) Application process:

- (1) Procedures to be followed by the utility and the applicant;*
 - (2) Selection criteria and basis for acceptance in the program and the waiting list;*
 - (3) Applications and forms;*
 - (4) Application process schedule including estimated dates when the utility will forward recommendations for approval of applications to the Task Force;*
 - (5) Evaluation criteria;*
 - (6) Criteria for promoting applicants from the waiting list to the approved list;*
- and*
- (7) Template of the recommendation for approval of applications and waiting list by the Task Force.*

(e) Proposed program year incentives;

(f) Detailed advertising plan;

(g) Education/Training plan;

(h) Inspection and verification plan including the requirements an applicant must fulfill to receive incentive payment;

(i) Conditions and requirements which must be met to allow the utility to request and the Task Force to approve the reallocation unsubscribed capacity from one category to another category in the program year;

(j) A survey for participants that includes, but is not limited to the following:

(1) Operational experience of the wind energy system, including the total kilowatt hours of electricity generated in a year;

(2) Environmental issues, including but not limited to bird kill, noise, aesthetic and other issues that resulted from the operation of a wind energy system; and,

(3) Any other information detailing the effectiveness of the Wind Demonstration Program.

(k) Administrative processes,

(1) Agreements; and

(2) Reports.

Sec. 17. *1. The qualifications and requirements an applicant must meet to be eligible to participate in each applicable category, are as follows:*

(a) School property, public and other property must be located within the Nevada service territory of a utility.

(b) Private residential property, small business property and agricultural property:

(1) Be the owner of the property at which the wind energy system will be installed, and

(2) Be located within the Nevada service territory of a utility.

2. To be eligible for an incentive, the applicant must demonstrate that the wind energy system on which the incentive will be based has not been installed at any other location at any time.

Sec. 18. *1. The master application which a utility must submit to the Task Force must include the following:*

(a) The annual plan for the applicable program year, as modified and approved by the Commission;

(b) The completed application for each applicant;

(c) The recommended criteria for approving applications and establishing priority for the waiting list;

(d) A list of those applications recommended for approval indicating that are new applications and that are proposed to be promoted from the waiting list;

(e) A list of applicants recommended for the waiting list in priority order; and

(f) A tabulation by program category for the program year showing the capacity allowed for each category, the capacity previously approved for each category, the capacity recommended for approval for each category, the capacity represented by the waiting list for each category, and the balance of capacity not yet committed.

Sec. 19 *In the event that the Task Force is unable to resolve a dispute resulting from the alleged non-compliance of a participant, the Task Force may request that the Commission, after notice, provide the participant an opportunity for a hearing. The Commission may withdraw the participant from the Wind Demonstration Program or take any other action it deems necessary.*