

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

LCB File No. R204-07

Effective April 17, 2008

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

AUTHORITY: §§1-15, NRS 701B.350 and 703.025.

A REGULATION relating to energy; providing definitions related to the Renewable Energy School Pilot Program; providing for a written description of the Program to be sent by a utility to a school district; providing for a letter of intent to be sent by a school district that wishes to participate in the Program; providing requirements for a renewable energy system or combination of renewable energy systems used in the Program; providing requirements for transactions related to the Program involving a renewable energy system generator, school district or utility; and providing other matters properly relating thereto.

Section 1. Chapter 701B of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 15, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 15, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 to 10, inclusive, of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Generating capacity” means the sum total of the nameplate capacities of the electrical generating units and associated facilities of a particular renewable energy system or combination of renewable energy systems.*

Sec. 4. *“Nameplate capacity” means maximum output capacity as set forth on the nameplate attached to an electrical generating unit by the manufacturer.*

Sec. 5. *“Renewable Energy School Pilot Program” or “Program” means the program created by NRS 701B.350.*

Sec. 6. *“Renewable energy system” has the meaning ascribed to it in NRS 701B.350.*

Sec. 7. *“Renewable energy system generator” means an entity that may take advantage of any tax benefits available for the installation and operation of a renewable energy system or combination of renewable energy systems under the Renewable Energy School Pilot Program. The term does not include a school district or utility.*

Sec. 8. *“School district” has the meaning ascribed to it in NRS 701B.350.*

Sec. 9. *“School property” has the meaning ascribed to it in NRS 701B.350.*

Sec. 10. *“Utility” has the meaning ascribed to it in NRS 701B.350.*

Sec. 11. *1. A utility shall provide to each school district within its service area a written description of the Renewable Energy School Pilot Program on or before:*

(a) May 1, 2008; and

(b) February 1 of each calendar year thereafter for as long as the Program is in existence.

2. The written description of the Renewable Energy School Pilot Program must include, without limitation, the following:

(a) A summary of any applicable Nevada laws and regulations related to the Program;

(b) A copy of any applicable Nevada laws and regulations related to the Program;

(c) A description of any incentives available for participation in the Program; and

(d) The contact information for a person within the utility who shall provide additional information and answer questions about the Program.

Sec. 12. *A school district may apply to participate in the Renewable Energy School Pilot Program by delivering to a person designated by the applicable utility a letter of intent, which must include, without limitation, the following information:*

1. The name and address of the school and the school property at which the proposed renewable energy system or combination of renewable energy systems will be located;

2. The name, address, telephone number and electronic mail address of the person or persons charged with implementing and managing the Program at the school district;

3. The size and type of the proposed renewable energy system or combination of renewable energy systems;

4. A project timeline for the installation of the proposed renewable energy system or combination of renewable energy systems, including, without limitation, a list of project milestones for the process of installation;

5. The name and contact information for any renewable energy system generator involved in the implementation or management of the Program; and

6. A summary of the material terms of any proposed transaction or agreement involving a renewable energy system generator.

Sec. 13. *A renewable energy system or combination of renewable energy systems used for the Program must be located on the school property where the electricity generated will be consumed.*

Sec. 14. *1. Under the Renewable Energy School Pilot Program, a school district shall not install a renewable energy system or combination of renewable energy systems that has a generating capacity that exceeds 150 percent of the peak demand of the school.*

2. If a renewable energy system used in the Program meets the requirements of NRS 704.766 to 704.775, inclusive, the school district is entitled to participate in net metering pursuant to the provisions of NRS 704.766 to 704.775, inclusive.

Sec. 15. 1. *The transactions allowed under the Renewable Energy School Pilot Program are limited to:*

(a) If the renewable energy system or combination of renewable energy systems is owned by the school district, a transaction between the school district and the utility in which the school district sells to the utility the energy generated by the renewable energy system or combination of renewable energy systems;

(b) If the renewable energy system or combination of renewable energy systems is located on school property and is owned by a renewable energy system generator, one or more transactions in which:

(1) The renewable energy system generator sells to the utility the energy generated by the renewable energy system or combination of renewable energy systems;

(2) The school district purchases the electricity from the utility according to the appropriate tariff; and

(3) The rate for energy and capacity purchased by the utility from the renewable energy system generator and resold to the school district must be the same rate as that negotiated between the renewable energy system generator and the school district; or

(c) Such other transactions as the Commission may approve from time to time, including, without limitation, partnerships or joint ventures with renewable energy system generators, based upon the submission of the applicable tariffs for the proposed transactions.

2. A utility shall file for approval by the Commission a tariff that sets forth further requirements for transactions under the Program, as administered in the service area of the utility.

NOTICE OF ADOPTION OF REGULATION

The Public Utilities Commission of Nevada adopted regulations assigned LCB File No. R204-07, which pertain to chapter 701B of the Nevada Administrative Code

INFORMATIONAL STATEMENT

1. A description of how public comment was solicited, a summary of public response, and explanation of 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 subject of the Renewable Energy School Pilot Program (“Program”). These documents were also made available at the website of the Public Utilities Commission (“Commission”), <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, NV 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, NV 89155

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

Second Judicial District Court
75 Court Street
Reno, NV 89501

Participants in the workshops and hearing discussed the types of transactions to be allowed in the Program, the appropriate accounting by the utility for the program costs, the type of proceeding in which the utility may apply to recover its costs, contents of the tariff applicable to the Program, the purchase of renewable energy credits by the utility, and the appropriate size of a renewable energy system to be installed at a school site.

A copy of the transcript of the proceedings is available for review at the office 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: January 29, 2008 - 7

(b) testified at each hearing: December 12, 2007 - 4

(c) submitted to the agency written comments: 4

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 February 27, 2008. The regulations were revised pursuant to discussion at the workshop and hearing to add a third allowed transaction, to remove unnecessary language, and to clarify existing language.

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;

(b) Both immediate and long-term effects;

(a) Both adverse and beneficial effects:

No adverse effects of the proposed regulations on small businesses or the public are anticipated. Rates could increase slightly due to Program costs, but the Program may also provide societal benefits that are difficult to quantify.

(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 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.

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 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 the Regulatory Operations 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.