

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

LCB File No. R003-14

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Rulemaking to address issues related to the General)
Revenues Adjustment mechanism.) Docket No. 12-11009
_____)

**NOTICE OF INTENT TO ACT UPON A REGULATION,
NOTICE OF WORKSHOP AND NOTICE OF HEARING FOR THE ADOPTION,
AMENDMENT, AND REPEAL OF REGULATIONS OF THE
PUBLIC UTILITIES COMMISSION OF NEVADA**

On October 31, 2012, the Public Utilities Commission of Nevada (“Commission”) voted to open a rulemaking to address the issue of future exemptions related to the General Revenues Adjustment (“GRA”) mechanism. This matter was designated as Docket No. 12-11009. This rulemaking was opened in response to the issues presented in Docket Nos. 12-02019 and 12-04005 regarding future exemptions from the GRA and whether the regulations should be modified to provide such exemptions other than negotiated contracts. On May 29, 2013, the scope of the docket was expanded to address all issues related to the GRA mechanism.

The Commission conducts this rulemaking pursuant to the Nevada Revised Statutes (“NRS”) and Nevada Administrative Code (“NAC”) Chapters 233B, 703, 704, and 705.

Interested persons may file written COMMENTS and/or PROPOSED LANGUAGE regarding the attached proposed regulation on or before WEDNESDAY, AUGUST 6, 2014, and REPLY COMMENTS in response to the initial comments and proposed language on or before WEDNESDAY, AUGUST 13, 2014.

NOTICE IS HEREBY GIVEN that the Commission will hold a public WORKSHOP to be held as follows:

MONDAY, AUGUST 18, 2014
10:00 A.M.
Hearing Room A
Public Utilities Commission of Nevada
9075 West Diablo Drive, Suite 250
Las Vegas, Nevada 89148

VIA VIDEOCONFERENCE TO:

Hearing Room A
Public Utilities Commission of Nevada
1150 East William Street
Carson City, Nevada 89701

The purpose of the workshop is to solicit comments from all interested persons on the proposed regulation regarding the issue of future exemptions related to the GRA mechanism, and other issues related thereto. A period will be provided for comments by the general public and discussion of those comments. Public comments may be limited to two (2) minutes per person at the discretion of the Presiding Officer.

NOTICE IS HEREBY GIVEN that the Commission will hold a public HEARING to be held as follows:

MONDAY, AUGUST 25, 2014
10:00 A.M.
Hearing Room A
Public Utilities Commission of Nevada
9075 West Diablo Drive, Suite 250
Las Vegas, Nevada 89148

VIA VIDEOCONFERENCE TO:

Hearing Room A
Public Utilities Commission of Nevada
1150 East William Street
Carson City, Nevada 89701

The purpose of the hearing is to receive comments from all interested persons concerning the proposed regulation regarding the issue of future exemptions related to the GRA mechanism,

and other issues related thereto. A period will be provided for comments by the general public and discussion of those comments. Public comments may be limited to two (2) minutes per person at the discretion of the Presiding Officer. If no person who is directly affected by the proposed regulation appears at the hearing to request time to make an oral presentation, the Commission may proceed to act upon any written submissions.

The Commission is not responsible for providing clerical or administrative assistance to parties during Commission proceedings. If necessary, parties must make other arrangements for such assistance.

The following information is provided pursuant to the requirements of NRS 233B.0603:

The proposed regulation is needed to address the issue of future exemptions related to the GRA mechanism, and other issues related thereto.

At this time, the proposed regulation does not seem to imply either an immediate or long-term adverse economic effect on the public, generally.

The proposed regulation implies a potential immediate and/or long-term beneficial economic effect on the public, generally, that may include a reduction in overall costs for customers of gas utilities.

The proposed regulation is expected to have beneficial immediate and long-term economic effects on the business which it is to regulate, gas utilities, and on small business. Regarding immediate beneficial effects, the proposed regulation calls for faster cost recovery on conservation and energy efficiency (“CEE”) programs, which may reduce overall costs for all ratepayers, with installations necessary to implement the CEE programs likely to benefit small business contractors, as well. Regarding long-term beneficial effects, similar to the foregoing short-term beneficial effects, lower carrying charges could lead to marginally lower rates for

small businesses, and the proposed regulation could encourage the implementation of CEE programs, which could use small businesses as CEE installers.

The proposed regulation is not expected to create any direct or significant immediate adverse economic effect on gas utilities. Moreover, the proposed regulation does not seem to imply any direct or significant long-term adverse economic effect on gas utilities.

The Commission used the simplified Delphi method in determining the impact on small businesses, whereby experts review the text of the proposed regulations and determine the likely impact of the proposed regulation on small businesses. These experts share their responses with each other and form a consensus view. The Commission found that the proposed regulation 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.

The Commission and/or Regulatory Operations Staff will spend some time reviewing the information filed as required by the proposed regulation, but the incremental workload will be absorbed by existing Commission resources. At this time, it appears there will be no additional cost to the Commission for the enforcement of the proposed regulation.

The proposed regulation does not overlap or duplicate any federal, state, or local regulation.

The proposed regulation is not required pursuant to federal law.

The proposed regulation is not more stringent than a federal regulation that regulates the same activity.

The proposed regulation does not directly establish any new fee or increase an existing fee.

Persons wishing to comment upon the proposed action of the Commission may appear at

the scheduled workshop and/or hearing, and/or submit written comments to the Commission at 1150 East William Street, Carson City, Nevada 89701 or 9075 West Diablo Drive, Suite 250, Las Vegas, Nevada 89148 as directed in this notice.

A copy of this notice and the proposed regulation to be adopted, amended, and/or repealed will be on file at the State Library, 100 North Stewart Street, Carson City, Nevada 89701, for inspection by members of the public during business hours. Additional copies of the notice and the proposed regulation to be adopted, amended, and/or repealed are on file and available for public viewing at the Commission's website at: <http://puc.nv.gov>, the offices of the Commission: 1150 East William Street, Carson City, Nevada 89701 and 9075 West Diablo Drive, Suite 250, Las Vegas, Nevada 89148, and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This notice, the text of the proposed regulation, and revisions to the text by the Legislative Counsel Bureau pursuant to NRS 233B.063 are available in the State of Nevada Register of Administrative Regulations (LCB File No. R003-14), which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653 and on the Internet at <http://www.leg.state.nv.us>. Copies of this notice and the proposed regulation will also be mailed to members of the public upon request. A reasonable fee may be charged for copies. This does not apply to a public body subject to the Open Meeting Law.

Upon adoption of any regulation, the Commission, if requested to do so by an interested person, either before adoption or within thirty (30) days thereafter, will issue a concise statement of the principal reasons for and against its adoption or incorporate therein its reason for overruling the consideration urged against its adoption.

Pursuant to NRS 233B.060(1), the Presiding Officer in this matter anticipates placing the

