

CHAPTER.....

AN ACT relating to energy; eliminating the Renewable Energy and Energy Efficiency Authority and the position of Nevada Energy Commissioner; requiring the Office of Energy and its Director to assume certain responsibilities of the repealed entities; transferring authority for the program to track the use of energy in buildings occupied by state agencies to the Office of Energy; revising provisions governing certain contracts necessary to carry out the program; revising provisions relating to the partial abatement of certain taxes for qualified energy systems; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law establishes a Renewable Energy and Energy Efficiency Authority and creates the position of Nevada Energy Commissioner as its head. (NRS 701.330-701.400) This bill repeals the position of Nevada Energy Commissioner and the Renewable Energy and Energy Efficiency Authority and requires the Office of Energy and its Director to assume the duties of those entities. **Sections 15 and 19** of this bill give the Director of the Office of Energy the authority to add not more than three members to the State and Local Government Panel on Renewable and Efficient Energy and the New Energy Industry Task Force, respectively. **Section 34** of this bill transfers responsibility for the program to track the use of energy in buildings occupied by state agencies from the Buildings and Grounds Division of the Department of Administration to the Office of Energy and authorizes the Director of the Office of Energy to enter into certain contracts to carry out the program.

Section 23.5 of this bill revises certain provisions relating to eligibility for the partial abatement of certain taxes for certain energy systems that are used to heat or cool buildings or the water used by such buildings or to provide electricity to certain buildings or irrigation systems.

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

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 701.020 is hereby amended to read as follows:
701.020 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS ~~701.025~~ **701.030** to 701.090, inclusive, have the meanings ascribed to them in those sections.

Sec. 2. NRS 701.160 is hereby amended to read as follows:
701.160 The Director shall prepare a report concerning the status of energy in the State of Nevada and submit it to:



1. The Governor ~~[and the Commissioner]~~ on or before ~~[July 1]~~ **January 30** of each year; and

2. The Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature on or before ~~[July 1]~~ **January 30** of each ~~[even-numbered]~~ **odd-numbered** year.

Sec. 3. NRS 701.180 is hereby amended to read as follows:

701.180 The Director shall:

1. Acquire and analyze information relating to energy and to the supply, demand and conservation of its sources, including, without limitation:

(a) Information relating to the Solar Energy Systems Incentive Program created pursuant to NRS 701B.240 including, without limitation, information relating to:

(1) The development of distributed generation systems in this State pursuant to participation in the Solar Energy Systems Incentive Program;

(2) The use of carbon-based energy in residential and commercial applications due to participation in the Program; and

(3) The average cost of generation on a kilowatt-hour basis for residential and commercial applications due to participation in the Program; and

(b) Information relating to any money distributed pursuant to NRS 702.270.

2. Review and evaluate information which identifies trends and permits forecasting of the energy available to the State. Such forecasts must include estimates on:

(a) The level of demand for energy in the State for 5-, 10- and 20-year periods;

(b) The amount of energy available to meet each level of demand;

(c) The probable implications of the forecast on the demand and supply of energy; and

(d) The sources of renewable energy and other alternative sources of energy which are available and their possible effects.

3. Study means of reducing wasteful, inefficient, unnecessary or uneconomical uses of energy and encourage the maximum utilization of existing sources of energy in the State.

4. Solicit and serve as the point of contact for grants and other money from the Federal Government, including, without limitation, any grants and other money available pursuant to any program administered by the United States Department of Energy, and other sources : ~~[to cooperate with the Commissioner and the Authority:]~~



(a) To promote energy projects that enhance the economic development of the State;

(b) To promote the use of renewable energy in this State;

(c) To promote the use of measures which conserve or reduce the demand for energy or which result in more efficient use of energy;

(d) To develop a comprehensive program for retrofitting public buildings in this State with energy efficiency measures; and

(e) If the ~~Commissioner~~ *Director* determines that it is feasible and cost-effective, to enter into contracts with researchers from the Nevada System of Higher Education for the design of energy efficiency and retrofit projects to carry out the comprehensive program for retrofitting public buildings in this State developed pursuant to paragraph (d).

5. Coordinate the activities and programs of the Office of Energy with the activities and programs of the ~~Authority, the~~ Consumer's Advocate and the Public Utilities Commission of Nevada, and with other federal, state and local officers and agencies that promote, fund, administer or operate activities and programs related to the use of renewable energy and the use of measures which conserve or reduce the demand for energy or which result in more efficient use of energy.

6. If requested to make a determination pursuant to NRS 111.239 or 278.0208, make the determination within 30 days after receiving the request. If the Director needs additional information to make the determination, the Director may request the information from the person making the request for a determination. Within 15 days after receiving the additional information, the Director shall make a determination on the request.

7. Carry out all other directives concerning energy that are prescribed by the Governor.

Sec. 4. NRS 701.190 is hereby amended to read as follows:

701.190 1. The ~~Commissioner~~ *Director* shall prepare a comprehensive state energy plan which provides for the promotion of:

(a) Energy projects that enhance the economic development of the State;

(b) The use of renewable energy;

(c) The use of measures which conserve or reduce the demand for energy or which result in more efficient use of energy; and

(d) A program for the safe disposal and recycling of electronic waste, electrical equipment and other waste, including, without



limitation, a program for the safe disposal and recycling of compact fluorescent light bulbs.

2. The comprehensive state energy plan must include provisions for:

(a) The assessment of the potential benefits of proposed energy projects on the economic development of the State.

(b) The education of persons and entities concerning renewable energy and measures which conserve or reduce the demand for energy or which result in more efficient use of energy.

(c) The creation of incentives for investment in and the use of renewable energy and measures which conserve or reduce the demand for energy or which result in more efficient use of energy.

(d) Grants and other money to establish programs and conduct activities which promote:

(1) Energy projects that enhance the economic development of the State;

(2) The use of renewable energy;

(3) The use of measures which conserve or reduce the demand for energy or which result in more efficient use of energy; and

(4) The recycling of electronic waste, electrical equipment and other waste, including, without limitation, a program for the safe disposal and recycling of compact fluorescent light bulbs.

(e) The development or incorporation by reference of model and uniform building and energy codes and standards which are written in language that is easy to understand and which include performance standards for conservation of energy and efficient use of energy.

(f) The promotion of the development in this State of a curriculum for a program of renewable energy education and recycling education in kindergarten through grade 12.

(g) The promotion of the development by institutions of higher education in this State of research and educational programs relating to renewable energy.

(h) Oversight and accountability with respect to all programs and activities described in this subsection.

(i) Any other matter that the ~~Commissioner~~ *Director* determines to be relevant to the issues of energy resources, energy use, energy conservation and energy efficiency.

Sec. 5. NRS 701.200 is hereby amended to read as follows:

701.200 1. The ~~Commissioner~~ *Director* may recommend to state agencies, local governments and appropriate private persons



and entities, standards for conservation of energy and its sources and for carrying out the comprehensive state energy plan.

2. In recommending such standards, the ~~{Commissioner}~~ *Director* shall consider the usage of energy and its sources in the State and the methods available for conservation of those sources.

Sec. 6. NRS 701.210 is hereby amended to read as follows:

701.210 The ~~{Commissioner}~~ *Director* shall:

1. Prepare, subject to the approval of the Governor, petroleum allocation and rationing plans for possible energy contingencies. The plans shall be carried out only by executive order of the Governor.

2. Carry out and administer any federal programs which authorize state participation in fuel allocation programs.

Sec. 7. NRS 701.220 is hereby amended to read as follows:

701.220 1. The ~~{Commissioner}~~ *Director* shall adopt regulations for the conservation of energy in buildings, including manufactured homes. Such regulations must include the adoption of the most recent version of the International Energy Conservation Code, issued by the International Code Council, and any amendments to the Code that will not materially lessen the effective energy savings requirements of the Code and are deemed necessary to support effective compliance and enforcement of the Code, and must establish the minimum standards for:

(a) The construction of floors, walls, ceilings and roofs;

(b) The equipment and systems for heating, ventilation and air-conditioning;

(c) Electrical equipment and systems;

(d) Insulation; and

(e) Other factors which affect the use of energy in a building.

↪ The regulations must provide for the adoption of the most recent version of the International Energy Conservation Code, and any amendments thereto, every third year.

2. The ~~{Commissioner}~~ *Director* may exempt a building from a standard if the ~~{Commissioner}~~ *Director* determines that application of the standard to the building would not accomplish the purpose of the regulations.

3. The regulations must authorize allowances in design and construction for sources of renewable energy used to supply all or a part of the energy required in a building.

4. The standards adopted by the ~~{Commissioner}~~ *Director* are the minimum standards for the conservation of energy and energy efficiency in buildings in this State. The governing body of a local



government that is authorized by law to adopt and enforce a building code:

(a) Except as otherwise provided in paragraph (b), shall incorporate the standards adopted by the ~~Commissioner~~ *Director* in its building code;

(b) May adopt higher or more stringent standards and must report any such higher or more stringent standards, along with supporting documents, to the ~~Commissioner~~ *Director*; and

(c) Shall enforce the standards adopted.

5. The ~~Commissioner~~ *Director* shall solicit comments regarding the adoption of regulations pursuant to this section from:

(a) Persons in the business of constructing and selling homes;

(b) Contractors;

(c) Public utilities;

(d) Local building officials; and

(e) The general public,

↳ before adopting any regulations. The ~~Commissioner~~ *Director* must conduct at least three hearings in different locations in the State, after giving 30 days' notice of each hearing, before the ~~Commissioner~~ *Director* may adopt any regulations pursuant to this section.

Sec. 8. NRS 701.240 is hereby amended to read as follows:

701.240 1. The ~~Commissioner~~ *Director* shall develop a program to distribute money, within the limits of legislative appropriation, in the form of grants, incentives or rebates to persons to pay or defray, in whole or in part, the costs for those persons to acquire, install or improve net metering systems, if the ~~Commissioner~~ *Director* determines that the distribution of money to a person for that purpose will encourage, promote or stimulate:

(a) The development or use of sources of renewable energy in the State or the development of industries or technologies that use sources of renewable energy in the State;

(b) The conservation of energy in the State, the diversification of the types of energy used in the State or any reduction in the dependence of the State on foreign sources of energy;

(c) The protection of the natural resources of the State or the improvement of the environment;

(d) The enhancement of existing utility facilities or any other infrastructure in the State or the development of new utility facilities or any other infrastructure in the State; or

(e) The investment of capital or the expansion of business opportunities in the State or any growth in the economy of the State.



2. The ~~Commissioner~~ *Director* may adopt any regulations that are necessary to carry out the provisions of this section.

3. The ~~Commissioner~~ *Director* shall not distribute money to any person pursuant to this section unless:

(a) The person complies with any requirements that the ~~Commissioner~~ *Director* adopts by regulation; and

(b) The distribution of the money is consistent with one or more of the public purposes set forth in paragraphs (a) to (e), inclusive, of subsection 1.

4. As used in this section, “person” includes, without limitation, any state or local governmental agency or entity.

Sec. 9. NRS 701.250 is hereby amended to read as follows:

701.250 1. The ~~Commissioner~~ *Director* shall adopt regulations establishing a program for evaluating the energy consumption of residential property in this State.

2. The regulations must include, without limitation:

(a) Standards for evaluating the energy consumption of residential property; and

(b) Provisions prescribing a form to be used pursuant to NRS 113.115, including, without limitation, provisions that require a portion of the form to provide information on programs created pursuant to NRS 702.275 and other programs of improving energy conservation and energy efficiency in residential property.

3. As used in this section:

(a) “Dwelling unit” means any building, structure or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one person who maintains a household or by two or more persons who maintain a common household.

(b) “Residential property” means any land in this State to which is affixed not less than one or more than four dwelling units.

Sec. 10. NRS 701.260 is hereby amended to read as follows:

701.260 1. Between January 1, 2012, and December 31, 2015, inclusive, no general purpose light may be sold in this State unless it produces at least 25 lumens per watt of electricity consumed.

2. On and after January 1, 2016, no general purpose light may be sold in this State unless it meets or exceeds the minimum standard of energy efficiency established by the ~~Commissioner~~ *Director* pursuant to subsection 3 for lumens per watt of electricity consumed.

3. The ~~Commissioner~~ *Director* shall adopt regulations to carry out the provisions of this section. The regulations must, without limitation:



(a) Establish a minimum standard of energy efficiency for lumens per watt of electricity consumed that must be produced by general purpose lights sold in this State on and after January 1, 2016. The minimum standard of energy efficiency established by the ~~[Commissioner]~~ *Director* must exceed 25 lumens per watt of electricity consumed.

(b) Attempt to minimize the overall cost to consumers for general purpose lighting, considering the needs of consumers relating to lighting, technological feasibility and anticipated product availability and performance.

4. As used in this section, "general purpose light" means lamps, bulbs, tubes or other devices that provide functional illumination for indoor or outdoor use. The term does not include "specialty lighting" or "lighting necessary to provide illumination for persons with special needs," as defined by the ~~[Commissioner]~~ *Director* by regulation.

Sec. 11. NRS 701.370 is hereby amended to read as follows:

701.370 1. The Trust Fund for Renewable Energy and Energy Conservation is hereby created in the State Treasury.

2. The ~~[Authority]~~ *Director* shall administer the Fund. As administrator of the Fund, the ~~[Authority:]~~ *Director:*

(a) Shall maintain the financial records of the Fund;

(b) Shall invest the money in the Fund as the money in other state funds is invested;

(c) Shall manage any account associated with the Fund;

(d) Shall maintain any instruments that evidence investments made with the money in the Fund;

(e) May contract with vendors for any good or service that is necessary to carry out the provisions of this section; and

(f) May perform any other duties that are necessary to administer the Fund.

3. The interest and income earned on the money in the Fund must, after deducting any applicable charges, be credited to the Fund. All claims against the Fund must be paid as other claims against the State are paid.

4. Not more than 2 percent of the money in the Fund may be used to pay the costs of administering the Fund.

5. The money in the Fund remains in the Fund and does not revert to the State General Fund at the end of any fiscal year.

6. All money that is deposited or paid into the Fund may only be expended pursuant to an allocation made by the ~~[Authority:]~~ *Director*. Money expended from the Fund must not be used to



supplant existing methods of funding that are available to public agencies.

Sec. 12. NRS 701.380 is hereby amended to read as follows:
701.380 1. The **[Authority] Director** shall:

(a) Coordinate **[its] the** activities and programs **of the Office of Energy** with the activities and programs of the **[Office of Energy, the]** Consumer's Advocate and the Public Utilities Commission of Nevada, and with other federal, state and local officers and agencies that promote, fund, administer or operate activities and programs related to the use of renewable energy and the use of measures which conserve or reduce the demand for energy or which result in more efficient use of energy.

(b) Spend the money in the Trust Fund for Renewable Energy and Energy Conservation to:

(1) Educate persons and entities concerning renewable energy and measures which conserve or reduce the demand for energy or which result in more efficient use of energy.

(2) Create incentives for investment in and the use of renewable energy and measures which conserve or reduce the demand for energy or which result in more efficient use of energy.

(3) Distribute grants and other money to establish programs and projects which incorporate the use of renewable energy and measures which conserve or reduce the demand for energy or which result in more efficient use of energy.

(4) Conduct feasibility studies, including, without limitation, any feasibility studies concerning the establishment or expansion of any grants, incentives, rebates or other programs to enable or assist persons to reduce the cost of purchasing distributed generation systems and on-site generation systems and net metering systems that use renewable energy.

(c) Take any other actions that the **[Authority] Director** deems necessary to carry out **[its] the** duties **[] of the Office of Energy,** including, without limitation, contracting with consultants, if necessary, for the purposes of program design or to assist the **[Authority] Director** in carrying out **[its] the** duties **[] of the Office.**

2. The **[Authority] Director** shall prepare an annual report concerning **[its] the** activities and programs **of the Office of Energy** and submit the report to the Legislative Commission and the Governor on or before January 30 of each year. The annual report must include, without limitation:

(a) A description of the objectives of each activity and program;



(b) An analysis of the effectiveness and efficiency of each activity and program in meeting the objectives of the activity or program;

(c) The amount of money distributed for each activity and program from the Trust Fund for Renewable Energy and Energy Conservation and a detailed description of the use of that money for each activity and program;

(d) An analysis of the coordination between the ~~[Authority]~~ *Office of Energy* and other officers and agencies; and

(e) Any changes planned for each activity and program.

3. As used in this section:

(a) "Distributed generation system" means a facility or system for the generation of electricity that is in close proximity to the place where the electricity is consumed:

(1) That uses renewable energy as defined in NRS 704.7811 to generate electricity;

(2) That is located on the property of a customer of an electric utility;

(3) That is connected on the customer's side of the electricity meter;

(4) That provides electricity primarily to offset customer load on that property; and

(5) The excess generation from which is periodically exported to the grid in accordance with the provisions governing net metering systems used by customer-generators pursuant to NRS 704.766 to 704.775, inclusive.

(b) "Electric utility" has the meaning ascribed to it in NRS 704.7571.

Sec. 13. NRS 701.390 is hereby amended to read as follows:

701.390 The ~~[Commissioner]~~ *Director* shall:

1. Utilize all available public and private means to:

(a) Provide information to the public about issues relating to energy and to explain how conservation of energy and its sources may be accomplished; and

(b) Work with educational and research institutions, trade associations and any other public and private entities in this State to create a database for information on technological development, financing opportunities and federal and state policy developments regarding renewable energy and energy efficiency.

2. Encourage the development of any sources of renewable energy and any energy projects which will benefit the State and any measures which conserve or reduce the demand for energy or which



result in more efficient use of energy, including, without limitation, by:

(a) Identifying appropriate areas in this State for the development of sources of renewable energy, based on:

- (1) Assessments of solar, wind and geothermal potential;
- (2) Evaluations of natural resource constraints;
- (3) Current electric transmission infrastructure and capacity;

and

(4) The feasibility of the construction of new electric transmission lines;

(b) Working with renewable energy developers to locate their projects within appropriate areas of this State, including, without limitation, assisting the developers to interact with the Bureau of Land Management, the Department of Defense and other federal agencies in:

- (1) Expediting land leases;
- (2) Resolving site issues; and
- (3) Receiving permits for projects on public lands within the appropriate areas of this State;

(c) Coordinating the planning of renewable energy projects in appropriate areas of this State to establish a mix of solar, wind and geothermal renewable energy systems that create a reliable source of energy and maximize the use of current or future transmission lines and infrastructure; and

(d) Developing proposals for the financing of future electric transmission projects for renewable energy if no such financing proposals exist.

3. Review jointly with the Nevada System of Higher Education the policies of this State relating to the research and development of the geothermal energy resources in this State and make recommendations to the appropriate state and federal agencies concerning methods for the development of those resources.

4. If the ~~Commissioner~~ *Director* determines that it is feasible and cost-effective, enter into contracts with researchers from the Nevada System of Higher Education:

(a) To conduct environmental studies relating to the identification of appropriate areas in this State for the development of renewable energy resources, including, without limitation, hydrologic studies, solar resource mapping studies and wind power modeling studies; and

(b) For the development of technologies that will facilitate the energy efficiency of the electricity grid for this State, including,



without limitation, meters that facilitate energy efficiency for consumers of electricity.

(c) For the design of energy efficiency and retrofit projects to carry out the comprehensive program for retrofitting public buildings in this State with energy efficiency measures.

5. ~~Cooperate with the Director:~~

~~—(a) To promote energy projects that enhance the economic development of the State;~~

~~—(b) To promote the use of renewable energy in this State;~~

~~—(c) To promote the use of measures which conserve or reduce the demand for energy or which result in more efficient use of energy;~~

~~—(d) To develop a comprehensive program for retrofitting public buildings in this State with energy efficiency measures; and~~

~~—(e) If the Commissioner determines that it is feasible and cost-effective, to enter into contracts with researchers from the Nevada System of Higher Education for the design of energy efficiency and retrofit projects to carry out the comprehensive program for retrofitting public buildings in this State developed pursuant to paragraph (d).~~

~~6. Coordinate the activities and programs of the Authority with the activities and programs of the Office of Energy, the Consumer's Advocate and the Public Utilities Commission of Nevada, and with other federal, state and local officers and agencies that promote, fund, administer or operate activities and programs related to the use of renewable energy and the use of measures which conserve or reduce the demand for energy or which result in more efficient use of energy.~~

~~7.] Carry out all other directives concerning energy that are prescribed by the Legislature.~~

Sec. 14. NRS 701.400 is hereby amended to read as follows:

701.400 The ~~Commissioner~~ **Director** may:

1. ~~Administer any gifts or grants which the Authority is authorized to accept.~~

~~2. To the extent not inconsistent with the terms or conditions of a gift, grant, appropriation or authorization, expend money received from those gifts or grants or from any money received through legislative appropriations or authorizations to contract with qualified persons or institutions for research in the production and efficient use of energy resources.~~

~~3. Enter into any cooperative agreement with any federal or state agency or political subdivision.~~



~~4.] Participate in any program established by the Federal Government relating to sources of energy and adopt regulations to carry out such a program.~~

~~5.] 2. Assist developers of renewable energy systems in preparing and making requests to obtain money for development through the issuance of industrial development revenue bonds pursuant to NRS 349.400 to 349.670, inclusive.~~

~~6. Adopt any regulations that the Commissioner determines are necessary to carry out the duties of the Commissioner or the Authority.~~

~~7. Within the limits of legislative appropriations and other money authorized for expenditure for such purposes, negotiate and execute agreements with public or private entities which are necessary to the exercise of the powers and duties of the Commissioner or the Authority.]~~

Sec. 15. NRS 701.450 is hereby amended to read as follows:

701.450 1. The State and Local Government Panel on Renewable and Efficient Energy is hereby created.

2. ~~[The]~~ *Except as otherwise provided in subsection 3, the Panel consists of the ~~[Commissioner]~~ Director and the following seven members appointed by the ~~[Commissioner:]~~ Director:*

- (a) A representative of the State Public Works Board;
- (b) A representative of the Housing Division of the Department of Business and Industry;
- (c) A representative of the Buildings and Grounds Division of the Department of Administration;
- (d) A representative of the Department of Wildlife;
- (e) A representative of the Nevada Association of Counties or its successor organization;
- (f) A representative of the Nevada League of Cities or its successor organization; and
- (g) A representative of the Nevada Association of School Boards or its successor organization.

3. The Director may appoint not more than three additional members to the Panel to represent state and local government agencies or private industry in the field of renewable energy or energy efficiency.

Sec. 16. NRS 701.455 is hereby amended to read as follows:

701.455 1. The ~~[Commissioner]~~ Director is the Chair of the Panel.

2. The members of the Panel shall meet at the call of the ~~[Commissioner:]~~ Director. The Panel shall prescribe regulations for its management and government.



3. A majority of the members of the Panel constitutes a quorum, and a quorum may exercise all the powers conferred on the Panel.

4. The members of the Panel serve at the pleasure of the ~~{Commissioner:}~~ *Director*.

5. The members of the Panel serve without compensation.

6. The members of the Panel who are state employees:

(a) Must be relieved from their duties without loss of their regular compensation to perform their duties relating to the Panel in the most timely manner practicable; and

(b) May not be required to make up the time they are absent from work to fulfill their obligations as members of the Panel or to take annual leave or compensatory time for the absence.

Sec. 17. NRS 701.460 is hereby amended to read as follows:

701.460 The Panel:

1. Shall advise the ~~{Commissioner and the Authority}~~ *Director* on the viability and progress of energy efficiency and renewable energy retrofit projects at public buildings and schools; and

2. May apply for any available grants and accept any gifts, grants or donations to assist the Panel in carrying out its duties pursuant to this section.

Sec. 18. NRS 701.465 is hereby amended to read as follows:

701.465 The ~~{Authority}~~ *Office of Energy* shall provide the personnel, facilities, equipment and supplies required by the Panel to carry out the provisions of NRS 701.450 to 701.465, inclusive.

Sec. 19. NRS 701.500 is hereby amended to read as follows:

701.500 1. The New Energy Industry Task Force is hereby created.

2. ~~{The}~~ *Except as otherwise provided in subsection 3, the* Task Force consists of the ~~{Commissioner}~~ *Director* and the following eight members who must be appointed by the ~~{Commissioner:}~~ *Director*:

(a) A representative of the large-scale solar energy industry in this State;

(b) A representative of the geothermal energy industry in this State;

(c) A representative of the wind energy industry in this State;

(d) A representative of the distributed generation industry, energy efficiency equipment and installation industry or manufacturers of equipment for renewable energy power plants in this State;

(e) A representative of an electric utility in this State;



(f) A representative of an organization in this State that advocates on behalf of environmental or public lands issues who has expertise in or knowledge of environmental or public lands issues;

(g) A representative of a labor organization in this State; and

(h) A representative of an organization that represents contractors in this State.

3. The Director may appoint not more than three additional members to the Task Force to represent state and local government agencies or private industry in the field of renewable energy or energy efficiency.

Sec. 20. NRS 701.505 is hereby amended to read as follows:

701.505 1. The ~~Commissioner~~ **Director** is the Chair of the Task Force.

2. The members of the Task Force shall meet at the call of the ~~Commissioner~~ **Director**. The Task Force shall prescribe regulations for its management and government.

3. A majority of the members of the Task Force constitutes a quorum, and a quorum may exercise all the powers conferred on the Task Force.

4. The members of the Task Force serve at the pleasure of the ~~Commissioner~~ **Director**.

5. The members of the Task Force serve without compensation.

Sec. 21. NRS 701.510 is hereby amended to read as follows:

701.510 The Task Force:

1. Shall advise the ~~Commissioner and the Authority~~ **Director** on measures to promote the development of renewable energy and energy efficiency projects in this State; and

2. May apply for any available grants and accept any gifts, grants or donations to assist the Task Force in carrying out its duties pursuant to this section.

Sec. 22. NRS 701.515 is hereby amended to read as follows:

701.515 The ~~Authority~~ **Director** shall provide the personnel, facilities, equipment and supplies required by the Task Force to carry out the provisions of NRS 701.500 to 701.515, inclusive.

Sec. 23. NRS 701A.110 is hereby amended to read as follows:

701A.110 1. Except as otherwise provided in this section, the Director shall grant a partial abatement from the portion of the taxes imposed pursuant to chapter 361 of NRS, other than any taxes imposed for public education, on a building or other structure that is determined to meet the equivalent of the silver level or higher by an independent contractor authorized to make that determination in



accordance with the Green Building Rating System adopted by the Director pursuant to NRS 701A.100, if:

(a) No funding is provided by any governmental entity in this State for the acquisition, design or construction of the building or other structure or for the acquisition of any land therefor. For the purposes of this paragraph:

(1) Private activity bonds must not be considered funding provided by a governmental entity.

(2) The term "private activity bond" has the meaning ascribed to it in 26 U.S.C. § 141.

(b) The owner of the property:

(1) Submits an application for the partial abatement to the Director. If such an application is submitted for a project that has not been completed on the date of that submission and there is a significant change in the scope of the project after that date, the application must be amended to include the change or changes.

(2) Except as otherwise provided in this subparagraph, provides to the Director, within 48 months after applying for the partial abatement, proof that the building or other structure meets the equivalent of the silver level or higher, as determined by an independent contractor authorized to make that determination in accordance with the Green Building Rating System adopted by the Director pursuant to NRS 701A.100. The Director may, for good cause shown, extend the period for providing such proof.

(3) Files a copy of each application and amended application submitted to the Director pursuant to subparagraph (1) with the:

(I) Chief of the Budget Division of the Department of Administration;

(II) Department of Taxation;

(III) County assessor;

(IV) County treasurer;

(V) Commission on Economic Development;

(VI) Board of county commissioners; and

(VII) City manager and city council, if any.

2. As soon as practicable after the Director receives the application and proof required by subsection 1, the Director shall determine whether the building or other structure is eligible for the abatement and, if so, forward a certificate of eligibility for the abatement to the:

(a) Department of Taxation;

(b) County assessor;

(c) County treasurer; and

(d) Commission on Economic Development.



3. ~~[As soon as practicable after receiving a copy of:~~

~~(a) An application pursuant to subparagraph (3) of paragraph (b) of subsection 1:~~

~~(1)]~~ The *Director may, with the assistance of the* Chief of the Budget Division ~~[shall]~~ *and the Department of Taxation,* publish a fiscal note that indicates an estimate of the fiscal impact of the partial abatement on the State ~~[-and]~~

~~(2) The Department of Taxation shall publish a fiscal note that indicates an estimate of the fiscal impact of the partial abatement]~~ *and* on each affected local government . ~~[-and]~~ *If the Director publishes a fiscal note that estimates the fiscal impact of the partial abatement on local government, the Director shall* forward a copy of the fiscal note to each affected local government.

~~[(b) A]~~ *As soon as practicable after receiving a copy of a* certificate of eligibility pursuant to subsection 2, the Department of Taxation shall forward a copy of the certificate to each affected local government.

4. The partial abatement:

(a) Must be for a duration of not more than 10 years and in an annual amount that equals, for a building or other structure that meets the equivalent of:

(1) The silver level, 25 percent of the portion of the taxes imposed pursuant to chapter 361 of NRS, other than any taxes imposed for public education, that would otherwise be payable for the building or other structure, excluding the associated land;

(2) The gold level, 30 percent of the portion of the taxes imposed pursuant to chapter 361 of NRS, other than any taxes imposed for public education, that would otherwise be payable for the building or other structure, excluding the associated land; or

(3) The platinum level, 35 percent of the portion of the taxes imposed pursuant to chapter 361 of NRS, other than any taxes imposed for public education, that would otherwise be payable for the building or other structure, excluding the associated land.

(b) Does not apply during any period in which the owner of the building or other structure is receiving another abatement or exemption pursuant to this chapter or NRS 361.045 to 361.159, inclusive, from the taxes imposed pursuant to chapter 361 of NRS.

(c) Terminates upon any determination by the Director that the building or other structure has ceased to meet the equivalent of the silver level or higher. The Director shall provide notice and a reasonable opportunity to cure any noncompliance issues before making a determination that the building or other structure has



ceased to meet that standard. The Director shall immediately provide notice of each determination of termination to the:

(1) Department of Taxation, who shall immediately notify each affected local government of the determination;

(2) County assessor;

(3) County treasurer; and

(4) Commission on Economic Development.

5. The Director shall adopt regulations:

(a) Establishing the qualifications and methods to determine eligibility for the abatement;

(b) Prescribing such forms as will ensure that all information and other documentation necessary to make an appropriate determination is filed with the Director; and

(c) Prescribing the criteria for determining when there is a significant change in the scope of a project for the purposes of subparagraph (1) of paragraph (b) of subsection 1,

↳ and the Department of Taxation shall adopt such additional regulations as it determines to be appropriate to carry out the provisions of this section.

6. As used in this section:

(a) "Building or other structure" does not include any building or other structure for which the principal use is as a residential dwelling for not more than four families.

(b) "Director" means the Director of the Office of Energy appointed pursuant to NRS 701.150.

(c) "Taxes imposed for public education" means:

(1) Any ad valorem tax authorized or required by chapter 387 of NRS;

(2) Any ad valorem tax authorized or required by chapter 350 of NRS for the obligations of a school district, including, without limitation, any ad valorem tax necessary to carry out the provisions of subsection 5 of NRS 350.020; and

(3) Any other ad valorem tax for which the proceeds thereof are dedicated to the public education of pupils in kindergarten through grade 12.

Sec. 23.5. NRS 701A.200 is hereby amended to read as follows:

701A.200 1. For purposes of the assessment of property pursuant to chapter 361 of NRS:

(a) Except as otherwise provided in paragraph (b), ~~[the value of] a qualified system [must not be included in the assessed value of a building.]~~ *is exempt from taxation.*



(b) ~~[Any value added by a]~~ A qualified system ~~[must be included in the assessed value of a commercial or industrial building during]~~ *is not exempt from taxation:*

(1) *During* any period in which the ~~[business that owns the commercial or industrial building]~~ *qualified system* is ~~[receiving]~~ *subject to* another abatement or exemption pursuant to this chapter or NRS 361.045 to 361.159, inclusive, from the taxes imposed pursuant to chapter 361 of NRS ~~[.]~~; *or*

(2) *If the system is constructed after July 1, 2009, and is part of a facility which is eligible for a partial abatement of taxes pursuant to NRS 701A.360.*

2. The ~~[Department of Taxation]~~ *Nevada Tax Commission* shall adopt such regulations as it determines to be necessary for the administration of this section.

3. As used in this section, “qualified system” means any system, method, construction, installation, machinery, equipment, device or appliance which is designed, constructed or installed in ~~[a residential, commercial or industrial building]~~ *or adjacent to one or more buildings or an irrigation system in an agricultural operation* to heat or cool the building *or buildings* or water used in the building ~~[.]~~ *or buildings*, or to provide electricity used in the building ~~[.]~~ *or buildings or irrigation system regardless of whether the owner of the system, building or buildings or irrigation system participates in net metering pursuant to NRS 704.766 to 704.775, inclusive*, by using:

(a) Energy from the wind or from solar devices ; ~~[not thermally insulated from the area where the energy is used;]~~

(b) Geothermal resources;

(c) Energy derived from conversion of solid wastes; or

(d) Waterpower,

↳ which conforms to standards established by regulation of the ~~[Department of Taxation.]~~ *Nevada Tax Commission.*

Sec. 24. NRS 701A.360 is hereby amended to read as follows:

701A.360 1. A person who intends to locate a facility for the generation of process heat from solar renewable energy, a wholesale facility for the generation of electricity from renewable energy, a facility for the generation of electricity from geothermal resources or a facility for the transmission of electricity produced from renewable energy or geothermal resources in this State may apply to the Director for a partial abatement of the local sales and use taxes, the taxes imposed pursuant to chapter 361 of NRS, or both local sales and use taxes and taxes imposed pursuant to chapter 361 of NRS.



2. A facility that is owned, operated, leased or otherwise controlled by a governmental entity is not eligible for an abatement pursuant to NRS 701A.300 to 701A.390, inclusive.

3. As soon as practicable after the Director receives an application for a partial abatement, the Director shall ~~submit the application to the Commissioner and~~ forward a copy of the application to:

(a) The Chief of the Budget Division of the Department of Administration;

(b) The Department of Taxation;

(c) The board of county commissioners;

(d) The county assessor;

(e) The county treasurer; and

(f) The Commission on Economic Development.

4. With the copy of the application forwarded to the county treasurer, the Director shall include a notice that the local jurisdiction may request a presentation regarding the facility. A request for a presentation must be made within 30 days after receipt of the application.

5. The ~~Commissioner~~ Director shall hold a public hearing on the application. The hearing must not be held earlier than 30 days after all persons listed in subsection 3 have received a copy of the application.

Sec. 25. NRS 701A.365 is hereby amended to read as follows:

701A.365 1. Except as otherwise provided in subsection 2, the ~~Commissioner~~ Director shall approve an application for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, if the ~~Commissioner~~ Director makes the following determinations:

(a) The applicant has executed an agreement with the ~~Commissioner~~ Director which must:

(1) State that the facility will, after the date on which a certificate of eligibility for the abatement is issued pursuant to NRS 701A.370, continue in operation in this State for a period specified by the ~~Commissioner~~ Director, which must be at least 10 years, and will continue to meet the eligibility requirements for the abatement; and

(2) Bind the successors in interest in the facility for the specified period.

(b) The facility is registered pursuant to the laws of this State or the applicant commits to obtain a valid business license and all other permits required by the county, city or town in which the facility operates.



(c) No funding is or will be provided by any governmental entity in this State for the acquisition, design or construction of the facility or for the acquisition of any land therefor, except any private activity bonds as defined in 26 U.S.C. § 141.

(d) If the facility will be located in a county whose population is 100,000 or more or a city whose population is 60,000 or more, the facility meets the following requirements:

(1) There will be 75 or more full-time employees working on the construction of the facility during the second quarter of construction, including, unless waived by the ~~{Commissioner}~~ **Director** for good cause, at least 30 percent who are residents of Nevada;

(2) Establishing the facility will require the facility to make a capital investment of at least \$10,000,000 in this State;

(3) The average hourly wage that will be paid by the facility to its employees in this State is at least 110 percent of the average statewide hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year; and

(4) The average hourly wage of the employees working on the construction of the facility will be at least 150 percent of the average statewide hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The employees working on the construction of the facility must be provided a health insurance plan that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost of the benefits provided to the employees working on the construction of the facility will meet the minimum requirements for benefits established by the ~~{Commissioner}~~ **Director** by regulation pursuant to NRS 701A.390.

(e) If the facility will be located in a county whose population is less than 100,000 or a city whose population is less than 60,000, the facility meets the following requirements:

(1) There will be 50 or more full-time employees working on the construction of the facility during the second quarter of construction, including, unless waived by the ~~{Commissioner}~~ **Director** for good cause, at least 30 percent who are residents of Nevada;



(2) Establishing the facility will require the facility to make a capital investment of at least \$3,000,000 in this State;

(3) The average hourly wage that will be paid by the facility to its employees in this State is at least 110 percent of the average statewide hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year; and

(4) The average hourly wage of the employees working on the construction of the facility will be at least 150 percent of the average statewide hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The employees working on the construction of the facility must be provided a health insurance plan that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost of the benefits provided to the employees working on the construction of the facility will meet the minimum requirements for benefits established by the ~~Commissioner~~ *Director* by regulation pursuant to NRS 701A.390.

(f) The financial benefits that will result to this State from the employment by the facility of the residents of this State and from capital investments by the facility in this State will exceed the loss of tax revenue that will result from the abatement.

2. The ~~Commissioner~~ *Director* shall not approve an application for a partial abatement of the taxes imposed pursuant to chapter 361 of NRS submitted pursuant to NRS 701A.360 by a facility for the generation of electricity from geothermal resources unless the application is approved pursuant to this subsection. The board of county commissioners of a county must approve or deny the application not later than 30 days after the board receives a copy of the application. The board of county commissioners must not condition the approval of the application on a requirement that the facility for the generation of electricity from geothermal resources agree to purchase, lease or otherwise acquire in its own name or on behalf of the county any infrastructure, equipment, facilities or other property in the county that is not directly related to or otherwise necessary for the construction and operation of the facility. If the board of county commissioners does not approve or deny the application within 30 days after the board receives the application, the application shall be deemed denied.



3. Notwithstanding the provisions of subsection 1, the ~~{Commissioner}~~ **Director** may, if the ~~{Commissioner}~~ **Director** determines that such action is necessary:

(a) Approve an application for a partial abatement for a facility that does not meet the requirements set forth in paragraph (d) or (e) of subsection 1; or

(b) Add additional requirements that a facility must meet to qualify for a partial abatement.

Sec. 26. NRS 701A.370 is hereby amended to read as follows:

701A.370 1. If the ~~{Commissioner}~~ **Director** approves an application for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, of:

(a) Property taxes imposed pursuant to chapter 361 of NRS, the partial abatement must:

(1) Be for a duration of the 20 fiscal years immediately following the date of approval of the application;

(2) Be equal to 55 percent of the taxes on real and personal property payable by the facility each year; and

(3) Not apply during any period in which the facility is receiving another abatement or exemption from property taxes imposed pursuant to chapter 361 of NRS, other than any partial abatement provided pursuant to NRS 361.4722.

(b) Local sales and use taxes:

(1) The partial abatement must:

(I) Be for the 3 years beginning on the date of approval of the application;

(II) Be equal to that portion of the combined rate of all the local sales and use taxes payable by the facility each year which exceeds 0.25 percent; and

(III) Not apply during any period in which the facility is receiving another abatement or exemption from local sales and use taxes.

(2) The Department of Taxation shall issue to the facility a document certifying the abatement which can be presented to retailers at the time of sale. The document must clearly state that the purchaser is only required to pay sales and use taxes imposed in this State at the rate of 2.25 percent.

2. Upon approving an application for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, the ~~{Commissioner}~~ **Director** shall immediately ~~[notify the Director of the terms of the abatement and the Director shall immediately]~~ forward a certificate of eligibility for the abatement to:

(a) The Department of Taxation;



- (b) The board of county commissioners;
- (c) The county assessor;
- (d) The county treasurer; and
- (e) The Commission on Economic Development.

Sec. 27. NRS 701A.375 is hereby amended to read as follows:

701A.375 1. ~~As soon as practicable after receiving a copy of an application pursuant to NRS 701A.360:~~

~~—(a) The *Director may, with the assistance of the* Chief of the Budget Division of the Department of Administration ~~[shall] and the Department of Taxation~~, publish a fiscal note that indicates an estimate of the fiscal impact of the partial abatement on the State and ~~forward a copy of the fiscal note to the Director for submission to the Commissioner; and~~~~

~~—(b) The Department of Taxation shall publish a fiscal note that indicates an estimate of the fiscal impact of the partial abatement] on each affected local government . ~~[, and] If the Director publishes a fiscal note that estimates the fiscal impact of the partial abatement on local government, the Director shall~~ forward a copy of the fiscal note to each affected local government . ~~[and to the Director for submission to the Commissioner.]~~~~

2. As soon as practicable after receiving a copy of a certificate of eligibility pursuant to NRS 701A.370, the Department of Taxation shall forward a copy of the certificate to each affected local government.

Sec. 28. NRS 701A.380 is hereby amended to read as follows:

701A.380 1. A partial abatement approved by the ~~[Commissioner] Director~~ pursuant to NRS 701A.300 to 701A.390, inclusive, terminates upon any determination by the ~~[Commissioner] Director~~ that the facility has ceased to meet any eligibility requirements for the abatement.

2. The ~~[Commissioner] Director~~ shall provide notice and a reasonable opportunity to cure any noncompliance issues before making a determination that the facility has ceased to meet those requirements.

3. The ~~[Commissioner] Director~~ shall immediately provide notice of each determination of termination ~~[to the Director, and the Director shall immediately provide a copy of the notice]~~ to:

- (a) The Department of Taxation, which shall immediately notify each affected local government of the determination;
- (b) The board of county commissioners;
- (c) The county assessor;
- (d) The county treasurer; and
- (e) The Commission on Economic Development.



Sec. 29. NRS 701A.385 is hereby amended to read as follows:

701A.385 Notwithstanding any statutory provision to the contrary, if the ~~[Commissioner]~~ **Director** approves an application for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, of:

1. Property taxes imposed pursuant to chapter 361 of NRS, the amount of all the property taxes which are collected from the facility for the period of the abatement must be allocated and distributed in such a manner that:

(a) Forty-five percent of that amount is deposited in the Renewable Energy Fund created by NRS 701A.450; and

(b) Fifty-five percent of that amount is distributed to the local governmental entities that would otherwise be entitled to receive those taxes in proportion to the relative amount of those taxes those entities would otherwise be entitled to receive.

2. Local sales and use taxes, the State Controller shall allocate, transfer and remit an amount equal to all the sales and use taxes imposed in this State and collected from the facility for the period of the abatement in the same manner as if that amount consisted solely of the proceeds of taxes imposed by NRS 374.110 and 374.190.

Sec. 30. NRS 701A.390 is hereby amended to read as follows:

701A.390 The ~~[Commissioner:]~~ **Director:**

1. Shall adopt regulations:

(a) Prescribing the minimum level of benefits that a facility must provide to its employees if the facility is going to use benefits paid to employees as a basis to qualify for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive;

(b) Prescribing such requirements for an application for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, as will ensure that all information and other documentation necessary for the ~~[Commissioner]~~ **Director** to make an appropriate determination is filed with the Director;

(c) Requiring each recipient of a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, to file annually with the Director ~~[, for submission to the Commissioner,]~~ such information and documentation as may be necessary for the ~~[Commissioner]~~ **Director** to determine whether the recipient is in compliance with any eligibility requirements for the abatement; and

(d) Regarding the capital investment that a facility must make to meet the requirement set forth in paragraph (d) or (e) of subsection 1 of NRS 701A.365; and



2. May adopt such other regulations as the ~~Commissioner~~ *Director* determines to be necessary to carry out the provisions of NRS 701A.300 to 701A.390, inclusive.

Sec. 31. NRS 701A.450 is hereby amended to read as follows:
701A.450 1. The Renewable Energy Fund is hereby created.

2. The ~~Nevada Energy Commissioner~~ *Director of the Office of Energy* appointed pursuant to NRS ~~701.340~~ *701.150* shall administer the Fund.

3. The interest and income earned on the money in the Fund must be credited to the Fund.

4. Not less than 75 percent of the money in the Fund must be used to offset the cost of electricity to retail customers of a public utility that is subject to the portfolio standard established by the Public Utilities Commission of Nevada pursuant to NRS 704.7821.

5. The ~~Nevada Energy Commissioner~~ *Director of the Office of Energy* may establish other uses of the money in the Fund by regulation.

Sec. 32. NRS 704.764 is hereby amended to read as follows:

704.764 1. The Commission shall adopt regulations requiring each electric utility to disclose to its retail customers information about the safe disposal and recycling of electronic waste, electrical systems and other waste, including, without limitation, compact fluorescent light bulbs, in accordance with the comprehensive state energy plan established by the ~~Nevada Energy Commissioner~~ *Director of the Office of Energy* pursuant to NRS 701.190. The disclosure must:

(a) Be in a standard, uniform format established by the Commission by regulation; and

(b) Be included:

(1) At least two times each calendar year, as an insert in the bills that the electric utility sends to its retail customers; and

(2) If the electric utility maintains a website on the Internet or any successor to the Internet, on that website.

2. As used in this section, "electric utility" has the meaning ascribed to it in NRS 704.187.

Sec. 33. NRS 113.115 is hereby amended to read as follows:

113.115 1. Except as otherwise provided in subsection 3, the seller shall have the energy consumption of the residential property evaluated pursuant to the program established in NRS 701.250.

2. Except as otherwise provided in subsection 4, before closing a transaction for the conveyance of residential property, the seller shall serve the purchaser with the completed evaluation required pursuant to subsection 1, if any, on a form to be provided by the



~~[Nevada Energy Commissioner,]~~ *Director of the Office of Energy*, as prescribed in regulations adopted pursuant to NRS 701.250.

3. Subsection 1 does not apply to a sale or intended sale of residential property:

(a) By foreclosure pursuant to chapter 107 of NRS.

(b) Between any co-owners of the property, spouses or persons related within the third degree of consanguinity.

(c) By a person who takes temporary possession or control of or title to the property solely to facilitate the sale of the property on behalf of a person who relocates to another county, state or country before title to the property is transferred to a purchaser.

(d) If the seller and purchaser agree to waive the requirements of subsection 1.

4. If an evaluation of a residential property was completed not more than 5 years before the seller and purchaser entered into the agreement to purchase the residential property, the seller may serve the purchaser with that evaluation.

Sec. 34. NRS 331.095 is hereby amended to read as follows:

331.095 1. The ~~[Chief]~~ *Director of the Office of Energy* shall establish a program to track the use of energy in buildings owned by the State and in other buildings which are occupied by a state agency and whose owners comply with the program pursuant to subsection 6.

2. The program established pursuant to this section must:

(a) Record utility bills for each building for each month and preserve those records indefinitely;

(b) Allow for the comparison of utility bills for a building from month to month and year to year;

(c) Allow for the comparison of utility bills between buildings, including comparisons between similar buildings or types of buildings;

(d) Allow for adjustments to the information based upon variations in weather conditions, the length of the billing period and other changes in relevant conditions;

(e) Facilitate identification of errors in utility bills and meter readings;

(f) Allow for the projection of costs for energy for a building; and

(g) Identify energy and cost savings associated with efforts to conserve energy.

3. The ~~[Chief]~~ *Director of the Office of Energy* may apply for any available grants and accept any gifts, grants or donations to assist in establishing and carrying out the program.



4. In accordance with, and out of any money received pursuant to, the American Recovery and Reinvestment Act of 2009, Public Law 111-5, the Interim Finance Committee may determine an amount of money to be used by the ~~[Chief]~~ *Director of the Office of Energy* to fulfill the requirements of subsection 1.

5. To the extent that there is not sufficient money available for the support of the program, each state agency that occupies a building in which the use of energy is tracked pursuant to the program shall reimburse the ~~[Buildings and Grounds Division]~~ *Office of Energy* for the agency's proportionate share of the unfunded portion of the cost of the program. The reimbursement must be based upon the energy consumption of the respective state agencies that occupy buildings in which the use of energy is tracked.

6. Notwithstanding any other provision of law, an owner of a building who enters into a contract with a state agency for occupancy in the building:

(a) If the contract is entered into before May 28, 2009, may comply with the program; and

(b) If the contract is entered into on or after May 28, 2009, shall, to the extent practicable as determined by the ~~[Chief]~~ *Director of the Office of Energy*, comply with the program.

➔ If an owner chooses not to comply with the program pursuant to paragraph (a), a state or local agency shall not, after May 28, 2009, enter into a contract for occupancy of a building owned by the owner, except that the Chief may authorize a state or local agency to enter into a contract for the occupancy of a building owned by an owner who does not comply with the program if the ~~[Chief]~~ *Director of the Office of Energy* determines that it is impracticable for the owner to comply with the program.

7. The Chief shall provide such assistance to the Director of the Office of Energy as is necessary to carry out the provisions of this section.

8. The Director of the Office of Energy may, pursuant to chapter 333 of NRS, enter into contracts for any engineering, procurement and construction services necessary to carry out the provisions of this section. A contract entered into pursuant to this subsection is not subject to the provisions of chapter 333A of NRS. A contractor who enters into a contract with the Director of the Office of Energy pursuant to this subsection shall submit to the State Public Works Board a copy of any building permit required for any work performed under the contract.



Sec. 35. NRS 332.430 is hereby amended to read as follows:

332.430 A qualified service company shall provide to the ~~[Renewable Energy and Energy Efficiency Authority]~~ *Office of Energy* information concerning each performance contract which the qualified service company enters into pursuant to NRS 332.300 to 332.440, inclusive, including, without limitation, the name of the project, the local government for which the project is being carried out and the expected operating cost savings. The ~~[Renewable Energy and Energy Efficiency Authority]~~ *Office of Energy* may report any energy savings realized as a result of such performance contracts to the United States Department of Energy pursuant to 42 U.S.C. § 13385.

Sec. 36. NRS 333A.080 is hereby amended to read as follows:

333A.080 1. The State Public Works Board shall determine those companies that satisfy the requirements of qualified service companies for the purposes of this chapter. In making such a determination, the State Public Works Board shall enlist the assistance of the staffs of the ~~[Renewable Energy and Energy Efficiency Authority]~~ *Office of Energy*, the Buildings and Grounds Division of the Department of Administration and the Purchasing Division of the Department of Administration. The State Public Works Board shall prepare and issue a request for qualifications to not less than three potential qualified service companies.

2. In sending out a request for qualifications, the State Public Works Board:

(a) Shall attempt to identify at least one potential qualified service company located within this State; and

(b) May consider whether and to what extent the companies to which the request for qualifications will be sent will use local contractors.

3. The State Public Works Board shall adopt, by regulation, criteria to determine those companies that satisfy the requirements of qualified service companies. The criteria for evaluation must include, without limitation, the following areas as substantive factors to assess the capability of such companies:

(a) Design;

(b) Engineering;

(c) Installation;

(d) Maintenance and repairs associated with performance contracts;

(e) Experience in conversions to different sources of energy or fuel and other services related to operating cost-savings measures



provided that is done in association with a comprehensive energy, water or waste disposal cost-savings retrofit;

- (f) Monitoring projects after the projects are installed;
- (g) Data collection and reporting of savings;
- (h) Overall project experience and qualifications;
- (i) Management capability;
- (j) Ability to access long-term financing;
- (k) Experience with projects of similar size and scope; and
- (l) Such other factors determined by the State Public Works Board to be relevant and appropriate to the ability of a company to perform the projects.

↳ In determining whether a company satisfies the requirements of a qualified service company, the State Public Works Board shall also consider whether the company holds the appropriate licenses required for the design, engineering and construction which would be completed pursuant to a performance contract.

4. The State Public Works Board shall compile a list of those companies that it determines satisfy the requirements of qualified service companies.

Sec. 37. NRS 333A.140 is hereby amended to read as follows:

333A.140 A qualified service company shall provide to the ~~[Renewable Energy and Energy Efficiency Authority]~~ *Office of Energy* information concerning each performance contract which the qualified service company enters into pursuant to this chapter, including, without limitation, the name of the project, the using agency for which the project is being carried out and the expected operating cost savings. The ~~[Renewable Energy and Energy Efficiency Authority]~~ *Office of Energy* may report any energy savings realized as a result of such performance contracts to the United States Department of Energy pursuant to 42 U.S.C. § 13385.

Sec. 38. NRS 338.1908 is hereby amended to read as follows:

338.1908 1. The governing body of each local government shall, by July 28, 2009, develop a plan to retrofit public buildings, facilities and structures, including, without limitation, traffic-control systems, and to otherwise use sources of renewable energy to serve those buildings, facilities and structures. Such a plan must:

(a) Be developed with input from one or more energy retrofit coordinators designated pursuant to NRS 338.1907, if any.

(b) Include a list of specific projects. The projects must be prioritized and selected on the basis of the following criteria:

(1) The length of time necessary to commence the project.

(2) The number of workers estimated to be employed on the project.



(3) The effectiveness of the project in reducing energy consumption.

(4) The estimated cost of the project.

(5) Whether the project is able to be powered by or otherwise use sources of renewable energy.

(6) Whether the project has qualified for participation in one or more of the following programs:

(I) The Solar Energy Systems Incentive Program created by NRS 701B.240;

(II) The Renewable Energy School Pilot Program created by NRS 701B.350;

(III) The Wind Energy Systems Demonstration Program created by NRS 701B.580; or

(IV) The Waterpower Energy Systems Demonstration Program created by NRS 701B.820.

(c) Include a list of potential funding sources for use in implementing the projects, including, without limitation, money available through the Energy Efficiency and Conservation Block Grant Program as set forth in 42 U.S.C. § 17152 and grants, gifts, donations or other sources of money from public and private sources.

2. The governing body of each local government shall transmit the plan developed pursuant to subsection 1 to the ~~[Nevada Energy Commissioner]~~ *Director of the Office of Energy* and to any other entity designated for that purpose by the Legislature.

3. As used in this section:

(a) "Local government" means each city or county that meets the definition of "eligible unit of local government" as set forth in 42 U.S.C. § 17151 and each unit of local government, as defined in subsection 11 of NRS 338.010, that does not meet the definition of "eligible entity" as set forth in 42 U.S.C. § 17151.

(b) "Renewable energy" means a source of energy that occurs naturally or is regenerated naturally, including, without limitation:

(1) Biomass;

(2) Fuel cells;

(3) Geothermal energy;

(4) Solar energy;

(5) Waterpower; and

(6) Wind.

↳ The term does not include coal, natural gas, oil, propane or any other fossil fuel, or nuclear energy.



(c) "Retrofit" means to alter, improve, modify, remodel or renovate a building, facility or structure to make that building, facility or structure more energy-efficient.

Sec. 39. NRS 701.025, 701.035, 701.330, 701.340 and 701A.310 are hereby repealed.

Sec. 40. The Legislative Counsel shall, in preparing supplements to the Nevada Administrative Code, appropriately change any references to an officer, agency or other entity whose name is changed or whose responsibilities are transferred pursuant to the provisions of this act to refer to the appropriate officer, agency or other entity.

Sec. 41. This act becomes effective on July 1, 2011.

