

Senate Bill No. 448—Senators Brooks, Donate, Cannizzaro, Lange;
Denis, Neal, Ohrenschall, Scheible and Spearman

Joint Sponsors: Assemblymen Monroe-Moreno, Frierson, Carlton,
Marzola, Watts; Bilbray-Axelrod, Brown-May, Duran,
Flores, González, Gorelow, Jauregui, C.H. Miller, Nguyen,
Orentlicher, Peters, Thomas, Torres and Yeager

CHAPTER.....

AN ACT relating to utilities; revising provisions governing partial tax abatements for certain renewable energy facilities; revising provisions governing the use of money in the Renewable Energy Account; repealing provisions governing the Electric Vehicle Infrastructure Demonstration Program; requiring an electric utility to submit a plan to accelerate transportation electrification in this State; requiring an electric utility to file a plan for certain high-voltage transmission infrastructure projects; requiring the Public Utilities Commission of Nevada to require a transmission provider to join a regional transmission organization; creating and setting forth the powers, duties and membership of the Regional Transmission Coordination Task Force; providing that there is no presumption that the expenditures of a utility were prudently incurred for certain purposes; revising the definition of public utility; revising provisions governing the disposal of generation assets; revising provisions governing the Economic Development Electric Rate Rider Program; revising requirements for the energy efficiency plan of an electric utility; abolishing the New Energy Industry Task Force; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law authorizes a person who intends to locate a facility for the generation of process heat from solar renewable energy or a wholesale facility for the generation of renewable energy in this State to apply to the Director of the Office of Energy within the Office of the Governor for a partial abatement of certain sales and use taxes or property taxes. (NRS 701A.360) **Section 7** of this bill authorizes a person who intends to locate a facility for the storage of energy from renewable generation or a hybrid renewable generation and energy storage facility in this State to apply for this partial tax abatement as well. **Sections 3-5** of this bill define additional terms related to this partial tax abatement. **Section 8** of this bill makes a conforming change to reflect that a partial tax abatement may be granted for a facility for the storage of energy from renewable generation or a hybrid renewable generation and energy storage facility and revises the meaning of the term “wages” for the purposes of determining the eligibility of certain renewable energy facilities for certain partial tax abatements.



Existing law creates the Renewable Energy Account and requires that not less than 75 percent of the money in the Account be used to offset the cost of electricity to or the use of electricity by certain retail electric customers. (NRS 701A.450) **Section 8.5** of this bill removes this requirement and instead provides that the money in the Account must be used for such purposes as the Director may establish by regulation.

Existing law creates an Electric Vehicle Infrastructure Demonstration Program, in connection with which a utility is required to submit to the Public Utilities Commission of Nevada an annual plan for carrying out the Program in the service area of the utility. (NRS 701B.670) **Section 10** of this bill removes the requirement for a utility to submit an annual plan for carrying out the Program. **Section 56** of this bill repeals the remaining provisions of law relating to the Program. **Sections 9 and 48** of this bill remove provisions of law which reference the Program.

Existing law requires each electric utility to submit to the Public Utilities Commission of Nevada every 3 years an integrated resource plan to increase the utility's supply of electricity or decrease the demands made on its system by its customers. Existing law provides that the integrated resource plan must include certain components, including, without limitation, a plan for the construction or expansion of transmission facilities to serve renewable energy zones and to facilitate the utility in meeting the portfolio standard. (NRS 704.741) **Sections 39 and 41** of this bill remove the requirement for an electric utility to include a plan for the construction or expansion of transmission facilities to serve renewable energy zones and to facilitate the utility in meeting the portfolio standard in its resource plan. Instead, **sections 15-24** of this bill require an electric utility, on or before September 1, 2021, to amend its most recently filed resource plan to include a plan for certain high-voltage transmission infrastructure construction projects that will be placed into service not later than December 31, 2028. **Section 39** requires the integrated resource plan, with respect to the possible sources of supply of the electric utility, to include at least one scenario of low carbon dioxide emissions that uses sources of supply that will achieve certain reductions in carbon dioxide emissions. **Sections 39 and 41** also revise provisions governing the proposal for certain expenditures related to energy efficiency and conservation programs which must be included in the integrated resource plan.

Section 30 of this bill requires the Public Utilities Commission of Nevada to require every transmission provider in this State to join a regional transmission organization on or before January 1, 2030, unless the transmission provider obtains a waiver or delay of the requirement from the Commission. **Sections 26-29** of this bill define terms related to transmission providers and regional transmission organizations.

Sections 31-34 of this bill create and set forth the membership and duties of the Regional Transmission Coordination Task Force. **Section 33** of this bill requires the Task Force to advise the Governor and the Legislature on topics and policies related to energy transmission in this State, including the costs and benefits of the transmission providers in this State joining a regional transmission organization. **Sections 26-29** of this bill define terms related to regional transmission organizations and the Task Force.

Sections 14 and 39 of this bill require an electric utility to include a plan to accelerate transportation electrification in the distributed resources plan submitted by the utility as part of its integrated resource plan. **Section 40** of this bill establishes factors which must be considered by the Commission in deciding whether to accept or modify a transportation electrification plan which has been submitted by a utility. **Section 1** of this bill sets forth certain findings of the Legislature which are relevant to the transportation electrification plan. **Section 51**



of this bill provides that an electric utility is not required to include a transportation electrification plan in its resource plan filed on or before June 1, 2021, but an electric utility is required to file an amendment to its resource plan to add a transportation electrification plan on or before September 1, 2022. **Section 38** of this bill makes a conforming change.

Section 49 of this bill requires an electric utility, on or before September 1, 2021, to file a plan to invest in certain transportation electrification programs during the period beginning January 1, 2022, and ending on December 31, 2024, and establishes requirements for the contents of the transportation electrification investment plan for that period. **Section 49** also establishes requirements for the review and the acceptance or modification of the transportation electrification investment plan by the Commission.

Section 35 of this bill provides that there is no presumption that the expenses, investments or other costs incurred by a utility were prudently incurred and places the burden on the utility to demonstrate that expenses, investments or other costs were prudently and reasonably incurred. **Section 37** of this bill makes a conforming change to indicate the proper placement of **section 35** in the Nevada Revised Statutes.

Section 36 of this bill provides that a person is not a public utility if he or she owns or operates a net metering system that provides electricity to multiple units or spaces on the same premises as the net metering system if the electricity is delivered only to units or spaces on the same premises as the net metering system, there are no individual meters measuring electricity use by the units or spaces and the persons occupying the units or spaces are not charged for electricity based upon volumetric electricity use.

Existing law authorizes an electric utility to dispose of its generation assets pursuant to an authorized merger, acquisition or transaction or pursuant to an authorized transfer of its certificate of public convenience and necessity if the merger, acquisition, transaction or transfer satisfies certain requirements, including that the other person in the merger, acquisition, transaction or transfer is not a subsidiary, affiliate or a person that holds a controlling interest in the electric company. (NRS 704.7591) **Section 42** of this bill removes the requirement that the other person involved in the merger, acquisition, transaction or transfer is not a subsidiary, affiliate or a person that holds a controlling interest in the electric utility and instead requires that the disposal of the generation assets be approved in an order issued by the Commission.

Existing law establishes the Economic Development Electric Rate Rider Program to encourage the location or relocation of new businesses in this State by providing discounted rates for electricity to eligible participants. (NRS 704.7871-704.7882) The Commission is required to establish the discounted electric rates that may be charged pursuant to the Program as a percentage of the base tariff energy rate. (NRS 704.7881) Existing law prohibits the Office of Economic Development within the Office of the Governor from accepting an application or approving an applicant for participation in the Program after the earlier of December 31, 2017, or the date on which the capacity set aside for allocation pursuant to the Program is fully allocated. (NRS 704.788) **Section 45** of this bill prohibits the Office of Economic Development from accepting an application or approving an applicant for participation in the Program after the earlier of December 31, 2024, or the date on which the capacity set aside for allocation pursuant to the Program is fully allocated. **Section 46** of this bill modifies provisions governing the maximum amount of the discount which the Commission is authorized to establish for the rate charged under the Program. **Section 47** of this bill requires the Commission to



submit a report concerning the Program on or before December 31, 2022, for transmittal to the 82nd Session of the Legislature.

Existing law requires the Commission to establish goals for energy savings for each electric utility for each calendar year and also requires each electric utility to implement an energy efficiency plan which is cost effective and designed to meet the goals for energy savings established by the Commission. Existing law further requires that at least 5 percent of the expenditures related to energy efficiency programs must be directed toward low-income customers of the electric utility. (NRS 704.741, 704.7836) **Sections 39, 41 and 44** of this bill require that at least 10 percent of the expenditures related to energy efficiency programs must be spent on energy efficiency measures for customers in low-income households and residential customers and public schools in historically underserved communities. Additionally, **section 44** provides that programs that can offer variable incentive levels must offer higher incentive levels for low-income households. **Section 54** of this bill requires an electric utility to amend its energy efficiency plan to conform with the amendatory provisions of this bill. **Sections 12 and 13** of this bill define terms relating to the energy efficiency plan. **Section 43** makes a conforming change to indicate the proper placement of **sections 12 and 13** in the Nevada Revised Statutes.

Existing law creates the New Energy Industry Task Force which is charged with advising the Director of the Office of Energy on measures to promote the development of renewable energy and energy efficiency projects. (NRS 701.500, 701.510) **Section 55** of this bill abolishes the Task Force.

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. The Legislature hereby finds and declares that:

1. Human activities, including, without limitation, the burning of fossil fuels for electricity, transportation and heat in buildings, cause the release of greenhouse gases that trap heat in the Earth's atmosphere, and these human activities have been and continue to be the primary driver of global climate change.

2. The transportation sector now accounts for the greatest percentage of greenhouse gas emission in Nevada, and, based on current policies, is projected to remain the largest contributor of greenhouse gas emissions through 2030.

3. Pursuant to NRS 445B.380, the Legislature has established goals to achieve reductions in Nevada's net greenhouse gas emissions, relative to 2005 emissions, of 28 percent by the year 2025, 45 percent by the year 2030 and zero or near-zero emissions by the year 2050.

4. Meeting these greenhouse gas emission goals will require substantial further reductions in Nevada's transportation sector



emissions below the current projected emission levels for that sector for 2025 and 2030.

5. Accelerating the use of electric vehicles will help preserve Nevada’s climate and help protect Nevadans from unhealthy air pollution.

6. Accelerating the use of electric vehicles will reduce pollution in low-income neighborhoods and communities of color that traditionally have been most affected by transportation pollution.

7. The acceleration of the use of electric vehicles will be assisted by investments in the infrastructure necessary to maximize the benefits of the expanding electric vehicle market.

8. Widespread adoption of electric vehicles requires that electric utilities increase access to electricity as a transportation fuel, including access for low-income Nevadans and historically underserved communities.

9. Widespread adoption of electric vehicles should provide consumers with fuel cost savings and electric utility customers with potential cost-saving benefits.

10. Widespread adoption of electric vehicles should stimulate innovation, competition and increased choices in charging equipment and networks and should also attract private capital investments and create high-quality jobs in Nevada.

11. Widespread adoption of electric vehicles should improve an electric utility’s electrical system efficiency and operational flexibility, including, without limitation, the ability of the electric utility to integrate variable renewable energy generation resources and to make use of off-peak generation resources.

Sec. 2. Chapter 701A of NRS is hereby amended by adding thereto the provisions set forth as sections 3, 4 and 5 of this act.

Sec. 3. *“Energy storage technology” means technology that stores energy as potential, kinetic, chemical or thermal energy that can be released at a later time, including, without limitation, batteries, flywheels, electrochemical capacitors, compressed-air storage and thermal storage devices.*

Sec. 4. 1. *“Facility for the storage of energy from renewable generation” means a facility that is constructed or installed for the sole purpose of storing electric energy received from a facility for the generation of electricity from renewable energy for release at a later time, including, without limitation, a facility that is designed to use energy storage technology.*

2. *The term does not include a facility that is located on a residential property.*



Sec. 5. *“Hybrid renewable generation and energy storage facility” means a facility that includes both a wholesale facility for the generation of electricity from renewable energy and a facility for the storage of energy from renewable generation.*

Sec. 6. NRS 701A.300 is hereby amended to read as follows:

701A.300 As used in NRS 701A.300 to 701A.390, inclusive, *and sections 3, 4 and 5 of this act*, unless the context otherwise requires, the words and terms defined in NRS 701A.305 to 701A.345, inclusive, *and sections 3, 4 and 5 of this act* have the meanings ascribed to them in those sections.

Sec. 7. 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 , ~~for~~ a wholesale facility for the generation of electricity from renewable energy , *a facility for the storage of energy from renewable generation or a hybrid renewable generation and energy storage facility* 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. An applicant may submit a copy of the application to the board of county commissioners at any time after the applicant has submitted the application to the Director.

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 ~~§~~, *and sections 3, 4 and 5 of this act.*

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

- (a) The Chief of the Budget Division of the Office of Finance;
- (b) The Department of Taxation;
- (c) The board of county commissioners;
- (d) The county assessor;
- (e) The county treasurer; and
- (f) The Office of 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 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. 8. NRS 701A.365 is hereby amended to read as follows:

701A.365 1. The Director, in consultation with the Office of Economic Development, shall approve an application for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, *and sections 3, 4 and 5 of this act* if the Director, in consultation with the Office of Economic Development, makes the following determinations:

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

(1) State that the facility will, after the date on which the abatement becomes effective, continue in operation in this State for a period specified by the 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) Except as otherwise provided in paragraph (e), 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 Director for good cause, at least 50 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 in capital assets that will be retained at the location of the facility until at least the date which is 5 years after the date on which the abatement becomes effective;

(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) Except as otherwise provided in subsection 6, the average hourly wage of the employees working on the construction of the facility will be at least 175 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 is provided by a third-party administrator and includes 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 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, in an area of a county whose population is 100,000 or more that is located within the geographic boundaries of an area that is designated as rural by the United States Department of Agriculture and at least 20 miles outside of the geographic boundaries of an area designated as urban by the United States Department of Agriculture, or in 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 Director for good cause, at least 50 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 in capital assets that will be retained at the location of the facility until at least the date which is 5 years after the date on which the abatement becomes effective;

(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) Except as otherwise provided in subsection 6, the average hourly wage of the employees working on the construction of the



facility will be at least 175 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 is provided by a third-party administrator and includes 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 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.

(g) The facility is consistent with the State Plan for Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of NRS 231.053.

2. The 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 process heat from solar renewable energy , ~~for~~ a wholesale facility for the generation of electricity from renewable energy , *a facility for the storage of energy from renewable generation or a hybrid renewable generation and energy storage facility* unless the application is approved or deemed approved pursuant to this subsection. The board of county commissioners of a county must provide notice to the Director that the board intends to consider an application and, if such notice is given, 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:

(a) Shall, in considering an application pursuant to this subsection, make a recommendation to the Director regarding the application;

(b) May, in considering an application pursuant to this subsection, deny an application only if the board of county commissioners determines, based on relevant information, that:

(1) The projected cost of the services that the local government is required to provide to the facility will exceed the amount of tax revenue that the local government is projected to receive as a result of the abatement; or



(2) The projected financial benefits that will result to the county from the employment by the facility of the residents of this State and from capital investments by the facility in the county will not exceed the projected loss of tax revenue that will result from the abatement;

(c) Must not condition the approval of the application on a requirement that the facility 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; and

(d) May, without regard to whether the board has provided notice to the Director of its intent to consider the application, make a recommendation to the Director regarding the application.

➔ If the board of county commissioners does not approve or deny the application within 30 days after the board receives from the Director a copy of the application, the application shall be deemed approved.

3. Notwithstanding the provisions of subsection 1, the Director, in consultation with the Office of Economic Development, may, if the Director, in consultation with the Office, determines that such action is necessary:

(a) Approve an application for a partial abatement for a facility that does not meet any requirement set forth in subparagraph (1) or (2) of paragraph (d) of subsection 1 or subparagraph (1) or (2) of paragraph (e) of subsection 1; or

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

4. The Director shall cooperate with the Office of Economic Development in carrying out the provisions of this section.

5. The Director shall submit to the Office of Economic Development an annual report, at such a time and containing such information as the Office may require, regarding the partial abatements granted pursuant to this section.

6. The provisions of subparagraph (4) of paragraph (d) of subsection 1 and subparagraph (4) of paragraph (e) of subsection 1 concerning the average hourly wage of the employees working on the construction of a facility do not apply to the wages of an apprentice as that term is defined in NRS 610.010.

7. As used in this section, “wage” or “wages”:

(a) Means ~~the~~ :

(1) *The* basic hourly rate of pay ~~+~~; and



(2) The amount of any hourly contribution made to a third-party administrator pursuant to a pension plan or vacation plan which is for the benefit of the employee.

(b) ~~Does~~ *Except as provided in paragraph (a), does* not include the amount of any health insurance plan, pension or other bona fide fringe benefits which are a benefit to the employee.

Sec. 8.5. NRS 701A.450 is hereby amended to read as follows:

701A.450 1. The Renewable Energy Account is hereby created in the State General Fund.

2. The Director of the Office of Energy appointed pursuant to NRS 701.150 shall administer the Account.

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

4. ~~[Not less than 75 percent of the]~~ *The* money in the Account must be used ~~[to offset the cost of electricity to or the use of electricity by 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.]~~ *for such purposes as the Director of the Office of Energy may establish by regulation.*

5. Any money remaining in the Account at the end of a fiscal year does not revert to the State General Fund, and the balance in the Account must be carried forward to the next fiscal year.

6. The Director ~~[of the Office of Energy]~~ may by regulation establish ~~[-~~

~~—(a) Other uses of the money in the Account; and~~

~~—(b) A] a~~ procedure by which any officer or employee of the State to whom the Director has made a loan or other distribution of money from the Account may enter into an agreement with the Director pursuant to which repayment of the loan or other distribution of money may be made through payroll deductions.

Sec. 9. NRS 701B.005 is hereby amended to read as follows:

701B.005 1. For the purposes of carrying out the Solar Energy Systems Incentive Program created by NRS 701B.240, and subject to the limitations prescribed by subsections 2 and 3, the Public Utilities Commission of Nevada shall set incentive levels and schedules, with a goal of approving solar energy systems totaling at least 250,000 kilowatts of capacity in this State for the period beginning on July 1, 2010, and ending on December 31, 2021.

2. Subject to the limitation prescribed by subsection 3, the Commission may authorize the payment of an incentive pursuant to the Solar Energy Systems Incentive Program created by NRS 701B.240, the Wind Energy Systems Demonstration Program



created by NRS 701B.580 [~~the Electric Vehicle Infrastructure Demonstration Program created by NRS 701B.670~~] and the Waterpower Energy Systems Demonstration Program created by NRS 701B.820 if the payment of the incentive would not cause the total amount of incentives paid by all utilities in this State for the installation of [~~electric vehicle infrastructure,~~] solar energy systems, solar distributed generation systems, energy storage systems, wind energy systems and waterpower energy systems to exceed \$295,270,000 for the period beginning on July 1, 2010, and ending on December 31, 2025.

3. For the period beginning on January 1, 2018, and ending on December 31, 2023, the Commission shall, from the money allocated for the payment of an incentive pursuant to subsection 2, authorize the payment of incentives in an amount of not more than \$1,000,000 per year for the installation of solar energy systems and distributed generation systems at locations throughout the service territories of utilities in this State that benefit low-income customers, including, without limitation, homeless shelters, low-income housing developments and public entities, other than municipalities, that serve significant populations of low-income residents.

4. The Commission may, subject to the limitations prescribed by subsections 2 and 3, authorize the payment of performance-based incentives for the period ending on December 31, 2025.

5. A utility may file with the Commission one combined annual plan which meets the requirements set forth in NRS 701B.230, 701B.610 and 701B.850. The Commission shall review and approve any plan submitted pursuant to this subsection in accordance with the requirements of NRS 701B.230, 701B.610 and 701B.850, as applicable.

6. As used in this section:

(a) “Distributed generation system” has the meaning ascribed to it in NRS 701B.055.

(b) [~~“Electric vehicle infrastructure” has the meaning ascribed to it in NRS 701B.670.~~

~~(c)~~ “Energy storage system” has the meaning ascribed to it in NRS 701B.057.

~~(d)~~ (c) “Municipality” means any county or city in this State.

~~(e)~~ (d) “Utility” means a public utility that supplies electricity in this State.

Sec. 10. NRS 701B.670 is hereby amended to read as follows:

701B.670 1. The Legislature hereby finds and declares that it is the policy of this State to expand and accelerate the development



of electric vehicles and supporting infrastructure throughout this State.

2. The Electric Vehicle Infrastructure Demonstration Program is hereby created.

3. The Commission shall adopt regulations to carry out the provisions of the Electric Vehicle Infrastructure Demonstration Program . ~~[, including, without limitation, regulations that require a utility to submit to the Commission an annual plan for carrying out the Program in its service area. The annual plan submitted by a utility may include any measure to promote or incentivize the deployment of electric vehicle infrastructure, including, without limitation:~~

~~—(a) The payment of an incentive to a customer of the utility that installs or provides electric vehicle infrastructure;~~

~~—(b) Qualifications and requirements an applicant must meet to be eligible to be awarded an incentive;~~

~~—(c) The imposition of a rate by the utility to require the purchase of electric service for the charging of an electric vehicle at a rate which is based on the time of day, day of the week or time of year during which the electricity is used, or which otherwise varies based upon the time during which the electricity is used, if a customer of the utility participates in the Electric Vehicle Infrastructure Demonstration Program;~~

~~—(d) The establishment of programs directed by the utility to promote electric vehicle infrastructure, including, without limitation, education and awareness programs for customers of the utility, programs to provide technical assistance related to the charging of electric vehicles to governmental entities or the owners or operators of large fleets of motor vehicles and programs to create partnerships with private organizations to promote the development of electric vehicle infrastructure; and~~

~~—(e) The payment of an incentive to a customer of the utility that is a public school, as defined in NRS 385.007, that installs electric vehicle infrastructure on the property of the public school or purchases electric vehicles dedicated to the transportation of students, not to exceed 75 percent of the cost to install such infrastructure or purchase such vehicles.]~~

4. ~~[The Commission shall:~~

~~—(a) Review each annual plan submitted by a utility pursuant to the regulations adopted pursuant to subsection 3 for compliance with the requirements established by the Commission; and~~

~~—(b) Approve each annual plan with such modifications and upon such terms and conditions as the Commission finds necessary or~~



~~appropriate to facilitate the Electric Vehicle Infrastructure Demonstration Program.~~

~~—5.]~~ Each utility:

(a) Shall carry out and administer the Electric Vehicle Infrastructure Demonstration Program within its service area ~~[in accordance with its annual plan]~~ as approved by the Commission ; ~~[pursuant to subsection 4;]~~ and

(b) May recover its reasonable and prudent costs, including, without limitation, customer incentives, that are associated with carrying out and administering the Program within its service area by seeking recovery of those costs in an appropriate proceeding before the Commission pursuant to NRS 704.110.

~~[6.]~~ 5. As used in this section:

(a) “Electric vehicle” means a vehicle powered solely by one or more electric motors.

(b) “Electric vehicle infrastructure” includes, without limitation, electric vehicles and the charging stations for the recharging of electric vehicles.

Sec. 11. Chapter 704 of NRS is hereby amended by adding thereto the provisions set forth as sections 12 to 35, inclusive, of this act.

Sec. 12. 1. “Historically underserved community” means:

(a) A census tract:

(1) Designated as a qualified census tract by the Secretary of Housing and Urban Development pursuant to 26 U.S.C. § 42(d)(5)(B)(ii); or

(2) In which, in the immediately preceding census, at least 20 percent of households were not proficient in the English language;

(b) A public school in this State:

(1) In which 75 percent or more of the enrolled pupils in the school are eligible for free or reduced-price lunches pursuant to 42 U.S.C. §§ 1751 et seq.; or

(2) That participates in universal meal service in high poverty areas pursuant to Section 104 of the Healthy, Hunger-Free Kids Act of 2010, Public Law 111-296; or

(c) Qualified tribal land, as defined in NRS 370.0325.

2. As used in this section:

(a) “Block” means the smallest geographical unit whose boundaries were designated by the Bureau of the Census of the United States Department of Commerce in its topographically integrated geographic encoding and referencing system.



(b) *“Block group” means a combination of blocks whose numbers begin with the same digit.*

(c) *“Census tract” means a combination of block groups.*

Sec. 13. *“Low-income household” means a household, which may include one or more persons, with a median household income of not more than 80 percent of the area median household income, based on the guidelines published by the United States Department of Housing and Urban Development.*

Sec. 14. *1. An electric utility in this State shall file with the Commission, as part of the distributed resources plan required to be submitted pursuant to NRS 704.741, a plan to accelerate transportation electrification in this State. Two or more electric utilities that are affiliated through common ownership and that have an interconnected system for the transmission of electricity shall submit a joint plan.*

2. A plan submitted pursuant to subsection 1 may include:

(a) Investments or incentives to facilitate the deployment of charging infrastructure and associated electrical equipment which supports transportation electrification across all customer classes including, without limitation, investments or incentives for residential charging infrastructure at single-family homes and multi-unit dwellings for both shared and assigned parking spaces;

(b) Investments or incentives to facilitate the electrification of public transit and publicly owned vehicle fleets;

(c) Investments or incentives to increase access to the use of electricity as a transportation fuel in historically underserved communities;

(d) Rate designs, programs or management systems that encourage the charging of vehicles in a manner that supports the operation and optimal integration of transportation electrification into the electric grid, including, without limitation, proposed schedules necessary to implement the rate designs or programs; and

(e) Customer education and culturally competent and linguistically appropriate outreach programs that increase awareness of investments, incentives, rate designs and programs of the type listed in paragraphs (a) to (d), inclusive, and of the benefits of transportation electrification.

3. During the 9 months immediately before an electric utility files its first plan pursuant to subsection 1 and during the 12 months immediately before an electric utility files any subsequent plan pursuant to subsection 1, the electric utility shall conduct at least one stakeholder engagement meeting each calendar quarter



to discuss the development of the plan and to solicit comments and gather ideas for improvements or additions to the plan which support transportation electrification. Each stakeholder engagement meeting must be open to participation by the Regulatory Operations Staff of the Commission, personnel from the Bureau of Consumer Protection in the Office of the Attorney General and any other interested person. Each plan filed pursuant to subsection 1 must include a summary of the stakeholder engagement meetings conducted in the 9- or 12-month period, as applicable, immediately preceding the filing of the plan, which must include, without limitation, summaries of the comments and ideas provided by the participants.

4. Not more than 60 days after the issuance of an order by the Commission pursuant to NRS 704.751 approving or modifying a plan submitted pursuant to subsection 1, an electric utility which supplies electricity in this State shall file with the Commission any schedules necessary to implement the rate designs and programs included in the plan.

5. The Commission shall adopt regulations necessary to carry out the provisions of this section. The regulations adopted pursuant to this section may require an annual review of the progress and budgets of an approved plan submitted pursuant to this section.

6. To the extent that a plan submitted pursuant to subsection 1 includes programs in which customers may participate, eligibility for participation by customers in such programs must be offered by the electric utility on a nondiscriminatory basis to both bundled retail customers and eligible customers, as defined in NRS 704B.080, who purchase or plan to purchase electricity from a provider of new electric resources, as defined in NRS 704B.130.

7. As used in this section:

(a) "Block" means the smallest geographical unit whose boundaries were designated by the Bureau of the Census of the United States Department of Commerce in its topographically integrated geographic encoding and referencing system.

(b) "Block group" means a combination of blocks whose numbers begin with the same digit.

(c) "Census tract" means a combination of block groups.

(d) "Electric utility" has the meaning ascribed to it in NRS 704.187.

(e) "Historically underserved community" means:

(1) A census tract:



(I) Designated as a qualified census tract by the Secretary of Housing and Urban Development pursuant to 26 U.S.C. § 42(d)(5)(B)(ii); or

(II) In which, in the immediately preceding census, at least 20 percent of households were not proficient in the English language;

(2) A public school in this State:

(I) In which 75 percent or more of the enrolled pupils in the school are eligible for free or reduced-price lunches pursuant to 42 U.S.C. §§ 1751 et seq.; or

(II) That participates in universal meal service in high poverty areas pursuant to Section 104 of the Healthy, Hunger-Free Kids Act of 2010, Public Law 111-296; or

(3) Qualified tribal land, as defined in NRS 370.0325.

(f) "Transportation electrification" means the use of electricity from external sources to power, wholly or in part, passenger vehicles, trucks, buses, trains, boats or other equipment that transports goods or people.

Sec. 15. *As used in sections 15 to 24, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 16 to 20, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 16. *"Electric utility" has the meaning ascribed to it in NRS 704.187.*

Sec. 17. *"Electric utility that primarily serves densely populated counties" has the meaning ascribed to it in NRS 704.110.*

Sec. 18. *"Electric utility that primarily serves less densely populated counties" has the meaning ascribed to it in NRS 704.110.*

Sec. 19. *"High-voltage transmission infrastructure" means bulk transmission lines capable of transmitting electricity at a voltage of 345 kilovolts or more, and associated electrical substations and substation expansions to accommodate the transmission lines.*

Sec. 20. *"Transmission infrastructure for a clean energy economy plan" or "plan" means a plan filed by an electric utility with the Commission pursuant to section 21 of this act.*

Sec. 21. *1. On or before September 1, 2021, an electric utility shall file an amendment to its most recent resource plan filed pursuant to NRS 704.741 to incorporate into the resource plan a transmission infrastructure for a clean energy economy plan which sets forth a plan for the construction of high-voltage*



transmission infrastructure that will be placed into service not later than December 31, 2028, to:

(a) Assure a reliable and resilient transmission network in this State to serve the existing and currently projected transmission service obligations of the electric utility;

(b) Assist the utility in meeting the portfolio standard established by NRS 704.7821 and the goals for the reduction of greenhouse gas emissions set forth in NRS 445B.380 and 704.7820;

(c) Promote economic development in this State, including, without limitation, by creating jobs, expanding the tax base or providing other economic benefits;

(d) Expand transmission access to renewable energy zones designated by the Commission pursuant to subsection 2 of NRS 704.741 to promote the development and use of renewable energy resources in this State;

(e) Use federally granted rights-of-way within designated renewable energy transmission corridors before the expiration of such rights-of-way; and

(f) Support the development of regional transmission interconnections that may be required for:

(1) This State to cost-effectively achieve the goals for the reduction of greenhouse gas emissions set forth in NRS 445B.380 and 704.7820; and

(2) The electric utility to participate fully in any future organized competitive regional wholesale electricity market on the Western Interconnection.

↳ Two or more utilities that are affiliated through common ownership and that have an interconnected system for the transmission of electricity shall submit a joint plan.

2. The plan submitted pursuant to subsection 1 must not include any project other than the following high-voltage transmission infrastructure projects for which the Commission has previously approved conceptual designs, permitting and land acquisition:

(a) A project for the implementation of high-voltage transmission infrastructure interconnecting northwest and northeast Nevada, which will increase the transmission import capacity of northern Nevada by not less than 800 megawatts.

(b) A project for the implementation of high-voltage transmission infrastructure located in southern Nevada and accessing a federally designated renewable energy transmission



corridor that will accommodate future renewable energy development and increased demand for electricity.

3. Except as otherwise provided in this subsection, if an electric utility that primarily serves densely populated counties and an electric utility that primarily serves less densely populated counties submit a joint plan pursuant to subsection 1, 70 percent of the costs of high-voltage transmission infrastructure projects included in the plan must be allocated to the electric utility that primarily serves densely populated counties and 30 percent of such costs must be allocated to the electric utility that primarily serves less densely populated counties. The Commission may review and reassess the allocation of costs between electric utilities based on the actual benefits that accrue to the electric utilities after the projects are in service. The Commission retains full authority to decide any request by an electric utility for the recovery of such costs before a high-voltage transmission infrastructure project is placed into service, and to determine if any proposed financial incentive will be provided on the recovery of such costs.

4. The plan submitted pursuant to subsection 1 must include an evaluation of the impact that the implementation of the plan will have on:

- (a) The reliability of the transmission network of the utility;*
- (b) The resilience of the transmission network of the utility, including, without limitation, the ability of the transmission network to withstand natural or manmade events that could otherwise disrupt the provision of electric service in this State;*
- (c) The development and use of renewable energy resources in this State;*
- (d) Economic activity and economic development in this State over a period of not less than 20 years from the date of the plan, including, without limitation, capital investments, the direct or indirect creation of jobs and additions to the tax base of this State;*
- (e) The projected carbon dioxide emissions of the utility resulting from the generation of electricity, including, without limitation, carbon dioxide emissions from the generation of electricity that is purchased by the electric utility;*
- (f) The ability of the utility to diversify its supply portfolio of renewable energy resources by including larger amounts of geothermal energy generation and hydrogeneration;*
- (g) The ability of the utility to reliably integrate into its supply portfolio larger amounts of electricity from variable renewable*



energy resources, including, without limitation, solar and wind energy resources;

(h) The ability of the utility to reduce its energy supply costs by selling to other states electricity generated in this State from renewable energy during periods when the utility's supply of electricity exceeds the demand for electricity by the customers of the utility;

(i) The ability of the utility to reduce its energy supply costs by purchasing electricity generated in other states from renewable energy during periods when the demand for electricity by the customers of the utility exceeds the availability of electricity from renewable generation in this State;

(j) The utility's provision of open access to interstate and intrastate transmission services, in accordance with the utility's open access transmission tariff, to other persons in this State using the utility's transmission network, including, without limitation, eligible customers, as defined in NRS 704B.080, and providers of new electric resources, as defined in NRS 704B.130, who are or intend to become customers of the utility's interstate transmission services;

(k) The ability of the utility to accommodate requests for access to renewable energy resources that will allow customers who want to acquire all of their energy from zero carbon dioxide emission resources to do so;

(l) The development of regional transmission interconnections that may be required for this State to cost-effectively achieve the goals for the reduction of greenhouse gas emissions set forth in NRS 445B.380 and 704.7820 or for the electric utility to participate fully in any future organized competitive regional wholesale electricity market on the Western Interconnection;

(m) The rates charged to the bundled retail customers of the utility; and

(n) The financial risk to the customers of the utility.

5. *As used in this section, "Western Interconnection" means the synchronously operated electric transmission grid located in the western part of North America, including parts of Montana, Nebraska, New Mexico, South Dakota, Texas, Wyoming and Mexico and all of Arizona, California, Colorado, Idaho, Nevada, Oregon, Utah, Washington and the Canadian Provinces of British Columbia and Alberta.*

Sec. 22. 1. *In implementing a transmission infrastructure for a clean energy economy plan, an electric utility shall mitigate costs to the extent possible by utilizing available federal tax*



incentives and federal funding, including, without limitation, direct and indirect grants and loan guarantees.

2. If, in any general rate proceeding filed by an electric utility pursuant to NRS 704.110 or 704.7621, the electric utility includes a request for recovery of any amount related to the implementation of a transmission infrastructure for a clean energy economy plan and the recovery of such an amount would result in an increase in the electric utility's total revenue requirement of more than 10 percent, the utility must propose a method or mechanism by which such an increase may be mitigated. The Commission may accept or reject such a rate method or mechanism and is not obligated to implement any proposed mitigation plan. If a mechanism is implemented to mitigate an increase in the electric utility's total revenue requirement pursuant to this section, the electric utility is entitled to recover all of its prudently and reasonably incurred costs and a return on its investment. Nothing in this subsection shall be construed as requiring the Commission to provide a financial incentive to an electric utility.

Sec. 23. *An electric utility may file an amendment to a transmission infrastructure for a clean energy economy plan as an amendment to its resource plan as provided in NRS 704.751.*

Sec. 24. *If the Commission deems inadequate any portion of a transmission infrastructure for a clean energy economy plan or any amendment to the plan, the Commission, as provided in NRS 704.751, may recommend to the electric utility a modification of that portion of the plan or amendment, and the electric utility may:*

- 1. Accept the modification; or*
- 2. Withdraw the proposed plan or amendment.*

Sec. 25. *As used in sections 25 to 34, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 26 to 29, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 26. *“Regional transmission organization” means an entity established for the purpose of coordinating and efficiently managing the dispatch and transmission of electricity among public utilities on a multistate or regional basis that:*

- 1. Is approved by the Federal Energy Regulatory Commission;*
- 2. Effectuates separate control of transmission facilities from control of generation facilities;*



3. *Implements, to the extent reasonably possible, policies and procedures designed to minimize pancaked transmission rates;*

4. *Improves service reliability within this State;*

5. *Achieves the objectives of an open and competitive wholesale electric generation marketplace, elimination of barriers to market entry and preclusion of control of bottleneck electric transmission facilities in the provision of retail electric service;*

6. *Is of sufficient scope or otherwise operates to substantially increase economical supply options for customers;*

7. *Has a structure of governance or control that is independent of the users of the transmission facilities, and no member of its board of directors has an affiliation with a user or with an affiliate of a user during the member's tenure on the board so as to unduly affect the regional transmission organization's performance;*

8. *Operates under policies that promote positive performance designed to satisfy the electricity requirements of customers;*

9. *Has an inclusive and open stakeholder process that does not place unreasonable burdens on or preclude meaningful participation by any stakeholder group;*

10. *Promotes and assists new economic development in this State; and*

11. *Is capable of maintaining real-time reliability of the transmission system, ensuring comparable and nondiscriminatory access and necessary service, minimizing system congestion and further addressing real or potential transmission constraints.*

Sec. 27. *“Task Force” means the Regional Transmission Coordination Task Force created by section 31 of this act.*

Sec. 28. *“Transmission provider” means a public utility that owns, controls or operates facilities used for the transmission of electricity in interstate commerce and provides transmission service under a tariff approved by the Federal Energy Regulatory Commission.*

Sec. 29. *“User” means any entity or affiliate of an entity that buys or sells electricity in the regional transmission organization's region or in a neighboring region.*

Sec. 30. 1. *Except as otherwise provided in subsection 2, the Commission shall require every transmission provider in this State to join a regional transmission organization on or before January 1, 2030.*

2. *Upon application by a transmission provider, the Commission may waive or delay the requirement in subsection 1 if:*



(a) *The transmission provider files an application with the Commission on or before January 1, 2027, requesting the waiver or delay;*

(b) *The transmission provider demonstrates:*

(1) *That the transmission provider has made all reasonable efforts to comply with the requirement but is unable to find a viable and available regional transmission organization that the transmission provider can join on or before January 1, 2030; or*

(2) *That it would not be in the best interests of the transmission provider and its customers to join a regional transmission organization on or before January 1, 2030; and*

(c) *The Commission determines that it is in the public interest to grant the requested waiver or delay.*

Sec. 31. 1. *The Regional Transmission Coordination Task Force is hereby created.*

2. *The Governor shall appoint a person to act as the Chair of the Task Force who serves at the pleasure of the Governor. The Chair is a voting member of the Task Force.*

3. *In addition to the Chair, the Task Force consists of:*

(a) *The following voting members, appointed by the Governor:*

(1) *A representative of an electric utility that primarily serves densely populated counties, as defined in NRS 704.110;*

(2) *A representative of an organization that represents rural electric cooperatives and municipally owned electric utilities in this State;*

(3) *A representative of the Colorado River Commission;*

(4) *A representative of a transmission line development company operating in this State;*

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

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

(7) *A representative of the data center businesses in this State;*

(8) *A representative of an organization that represents the mining industry in this State;*

(9) *A representative of an organization that represents the gaming and resort businesses in this State;*

(10) *A representative of a labor organization in this State;*

(11) *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;*



- (12) *A representative of the Nevada Indian Commission;*
- (13) *A representative of the Office of Energy;*
- (14) *A representative of the Office of Economic Development;*
- (15) *Two members of the Senate, nominated by the Majority Leader of the Senate, at least one of whom must be a member of the minority political party;*
- (16) *Two members of the Assembly, nominated by the Speaker of the Assembly, at least one of whom must be a member of the minority political party; and*
- (17) *Not more than three persons who represent the general public.*

(b) The following nonvoting members, appointed by the Governor:

- (1) A representative of the Public Utilities Commission of Nevada; and*
- (2) A representative of the Bureau of Consumer Protection in the Office of the Attorney General.*

Sec. 32. *1. The Task Force shall meet at least two times each year at the call of the Chair.*

2. The Chair may appoint working groups, chaired by one or more members of the Task Force and composed of persons with subject matter expertise, to aid in the work of the Task Force.

3. The Chair may issue guidelines for the operation of the Task Force and amend those guidelines as needed for the management and governance of the Task Force. The Chair shall identify and approve the scope of work and issues to be addressed by the Task Force and any working group.

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

5. The members of the Task Force serve at the pleasure of the Governor.

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

Sec. 33. *1. The Task Force shall advise the Governor and the Legislature on:*

(a) The potential costs and benefits to transmission providers and their customers in this State of forming or joining a regional transmission organization which provides access to an organized competitive regional wholesale electricity market;



(b) Policies that will accommodate entrance by transmission providers in this State into a regional transmission organization by January 1, 2030;

(c) Policies that will site transmission facilities necessary to achieve this State's clean energy and economic development goals;

(d) Potential areas in this State where growth in demand for electricity or growth in renewable energy generation would be accommodated by additional transmission or regional market opportunities; and

(e) Businesses and industries that could locate in this State as a result of this State's position in an organized competitive regional wholesale electricity market.

2. The Task Force shall, not later than November 30, 2022, and every 2 years thereafter, submit to the Governor and the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature a report on its activities, including any recommended legislation needed to enable entrance by transmission providers in this State into a regional transmission organization.

Sec. 34. *1. The Office of Energy shall provide the personnel, facilities, equipment and supplies required by the Task Force to carry out the provisions of sections 31 to 34, inclusive, of this act.*

2. To aid and inform the Task Force in carrying out its duties pursuant to section 33 of this act, the Commission, in consultation with the Task Force, may engage a knowledgeable and independent third party to analyze all factors deemed necessary to assess the potential costs and benefits to transmission providers and their customers of forming or joining a regional transmission organization.

Sec. 35. *Except as otherwise provided in this chapter, when the Commission reviews an application to make changes in any schedule, there is no presumption that any recorded expenses, investments or other costs included in the application were prudently incurred, unless the Commission has previously determined that such expenses, investments or other costs were prudently incurred. The public utility has the burden of proving that an expense, investment or cost was reasonably and prudently incurred.*

Sec. 36. NRS 704.021 is hereby amended to read as follows:
704.021 "Public utility" or "utility" does not include:



1. Persons engaged in the production and sale of natural gas, other than sales to the public, or engaged in the transmission of natural gas other than as a common carrier transmission or distribution line or system.

2. Persons engaged in the business of furnishing, for compensation, water or services for the disposal of sewage, or both, to persons within this State if:

(a) They serve 25 persons or less; and

(b) Their gross sales for water or services for the disposal of sewage, or both, amounted to \$25,000 or less during the immediately preceding 12 months.

3. Persons not otherwise engaged in the business of furnishing, producing or selling water or services for the disposal of sewage, or both, but who sell or furnish water or services for the disposal of sewage, or both, as an accommodation in an area where water or services for the disposal of sewage, or both, are not available from a public utility, cooperative corporations and associations or political subdivisions engaged in the business of furnishing water or services for the disposal of sewage, or both, for compensation, to persons within the political subdivision.

4. Persons who are engaged in the production and sale of energy, including electricity, to public utilities, cities, counties or other entities which are reselling the energy to the public.

5. Persons who are subject to the provisions of NRS 590.465 to 590.645, inclusive.

6. Persons who are engaged in the sale or use of special fuel as defined in NRS 366.060.

7. Persons who provide water from water storage, transmission and treatment facilities if those facilities are for the storage, transmission or treatment of water from mining operations.

8. Persons who are video service providers, as defined in NRS 711.151, except for those operations of the video service provider which consist of providing a telecommunication service to the public, in which case the video service provider is a public utility only with regard to those operations of the video service provider which consist of providing a telecommunication service to the public.

9. Persons who own or operate a net metering system described in paragraph (c) of subsection 1 of NRS 704.771.

10. *Persons who own or operate a net metering system or systems described in paragraph (a) of subsection 1 of NRS 704.771 and deliver electricity to multiple persons, units or spaces on the premises if:*



(a) The electricity is delivered only to persons, units or spaces located on the premises on which the net metering system or systems are located;

(b) The residential or commercial units or spaces do not have individual meters measuring electricity use by an individual unit or space; and

(c) Persons occupying the individual units or spaces are not charged for electricity based upon volumetric usage at the person's individual unit or space.

11. Persons who for compensation own or operate individual systems which use renewable energy to generate electricity and sell the electricity generated from those systems to not more than one customer of the public utility per individual system if each individual system is:

(a) Located on the premises of another person;

(b) Used to produce not more than 150 percent of that other person's requirements for electricity on an annual basis for the premises on which the individual system is located; and

(c) Not part of a larger system that aggregates electricity generated from renewable energy for resale or use on premises other than the premises on which the individual system is located.

↳ As used in this subsection, "renewable energy" has the meaning ascribed to it in NRS 704.7715.

~~[11.]~~ **12.** Persons who own, control, operate or manage a facility that supplies electricity only for use to charge electric vehicles.

~~[12.]~~ **13.** Any plant or equipment that is used by a data center to produce, deliver or furnish electricity at agreed-upon prices for or to persons on the premises of the data center for the sole purpose of those persons storing, processing or distributing data, but only with regard to those operations which consist of providing electric service. As used in this subsection, "data center" has the meaning ascribed to it in NRS 360.754.

Sec. 37. NRS 704.061 is hereby amended to read as follows:

704.061 As used in NRS 704.061 to 704.110, inclusive, *and section 35 of this act*, unless the context otherwise requires, the words and terms defined in NRS 704.062, 704.065 and 704.066 have the meanings ascribed to them in those sections.

Sec. 38. NRS 704.100 is hereby amended to read as follows:

704.100 1. Except as otherwise provided in NRS 704.075, 704.68861 to 704.68887, inclusive, and 704.7865, *and section 14 of this act*, or as may otherwise be provided by the Commission pursuant to NRS 704.095, 704.097 or 704.7621:



(a) A public utility shall not make changes in any schedule, unless the public utility:

(1) Files with the Commission an application to make the proposed changes and the Commission approves the proposed changes pursuant to NRS 704.110; or

(2) Files the proposed changes with the Commission using a letter of advice in accordance with the provisions of paragraph (f) or (g).

(b) A public utility shall adjust its rates on a quarterly basis between annual rate adjustment applications pursuant to subsection 8 of NRS 704.110 based on changes in the public utility's recorded costs of natural gas purchased for resale.

(c) An electric utility shall, between annual deferred energy accounting adjustment applications filed pursuant to NRS 704.187, adjust its rates on a quarterly basis pursuant to subsection 10 of NRS 704.110.

(d) A public utility shall post copies of all proposed schedules and all new or amended schedules in the same offices and in substantially the same form, manner and places as required by NRS 704.070 for the posting of copies of schedules that are currently in force.

(e) A public utility may not set forth as justification for a rate increase any items of expense or rate base that previously have been considered and disallowed by the Commission, unless those items are clearly identified in the application and new facts or considerations of policy for each item are advanced in the application to justify a reversal of the prior decision of the Commission.

(f) Except as otherwise provided in paragraph (g), if the proposed change in any schedule does not change any rate or will result in an increase in annual gross operating revenue in an amount that does not exceed \$15,000:

(1) The public utility may file the proposed change with the Commission using a letter of advice in lieu of filing an application; and

(2) The Commission shall determine whether it should dispense with a hearing regarding the proposed change.

↳ A letter of advice filed pursuant to this paragraph must include a certification by the attorney for the public utility or an affidavit by an authorized representative of the public utility that to the best of the signatory's knowledge, information and belief, formed after a reasonable inquiry, the proposed change in schedule does not



change any rate or result in an increase in the annual gross operating revenue of the public utility in an amount that exceeds \$15,000.

(g) If the applicant is a small-scale provider of last resort and the proposed change in any schedule will result in an increase in annual gross operating revenue in an amount that does not exceed \$50,000 or 10 percent of the applicant's annual gross operating revenue, whichever is less:

(1) The small-scale provider of last resort may file the proposed change with the Commission using a letter of advice in lieu of filing an application if the small-scale provider of last resort:

(I) Includes with the letter of advice a certification by the attorney for the small-scale provider of last resort or an affidavit by an authorized representative of the small-scale provider of last resort that to the best of the signatory's knowledge, information and belief, formed after a reasonable inquiry, the proposed change in schedule does not change any rate or result in an increase in the annual gross operating revenue of the small-scale provider of last resort in an amount that exceeds \$50,000 or 10 percent, whichever is less;

(II) Demonstrates that the proposed change in schedule is required by or directly related to a regulation or order of the Federal Communications Commission; and

(III) Except as otherwise provided in subsection 2, files the letter of advice not later than 5 years after the Commission has issued a final order on a general rate application filed by the applicant in accordance with subsection 3 of NRS 704.110; and

(2) The Commission shall determine whether it should dispense with a hearing regarding the proposed change.

➔ Not later than 10 business days after the filing of a letter of advice pursuant to subparagraph (1), the Regulatory Operations Staff of the Commission or any other interested party may file with the Commission a request that the Commission order an applicant to file a general rate application in accordance with subsection 3 of NRS 704.110. The Commission may hold a hearing to consider such a request.

(h) In making the determination pursuant to paragraph (f) or (g), the Commission shall first consider all timely written protests, any presentation that the Regulatory Operations Staff of the Commission may desire to present, the application of the public utility and any other matters deemed relevant by the Commission.

2. An applicant that is a small-scale provider of last resort may submit to the Commission a written request for a waiver of the 5-year period specified in sub-subparagraph (III) of subparagraph (1) of paragraph (g) of subsection 1. The Commission shall, not later



than 90 days after receipt of such a request, issue an order approving or denying the request. The Commission may approve the request if the applicant provides proof satisfactory to the Commission that the applicant is not earning more than the rate of return authorized by the Commission and that it is in the public interest for the Commission to grant the request for a waiver. The Commission shall not approve a request for a waiver if the request is submitted later than 7 years after the issuance by the Commission of a final order on a general rate application filed by the applicant in accordance with subsection 3 of NRS 704.110. If the Commission approves a request for a waiver submitted pursuant to this subsection, the applicant shall file the letter of advice pursuant to subparagraph (1) of paragraph (g) of subsection 1 not earlier than 120 days after the date on which the applicant submitted the request for a waiver pursuant to this subsection, unless the order issued by the Commission approving the request for a waiver specifies a different period for the filing of the letter of advice.

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

Sec. 39. NRS 704.741 is hereby amended to read as follows:

704.741 1. A utility which supplies electricity in this State shall, on or before June 1 of every third year, in the manner specified by the Commission, submit a plan to increase its supply of electricity or decrease the demands made on its system by its customers to the Commission. Two or more utilities that are affiliated through common ownership and that have an interconnected system for the transmission of electricity shall submit a joint plan.

2. The Commission shall, by regulation:

(a) Prescribe the contents of such a plan, including, but not limited to, the methods or formulas which are used by the utility or utilities to:

(1) Forecast the future demands, except that a forecast of the future retail electric demands of the utility or utilities must not include the amount of energy and capacity proposed pursuant to subsection ~~6~~ 5 as annual limits on the total amount of energy and capacity that eligible customers may be authorized to purchase from providers of new electric resources through transactions approved by the Commission pursuant to an application submitted pursuant to NRS 704B.310 on or after May 16, 2019; and

(2) Determine the best combination of sources of supply to meet the demands or the best method to reduce them; and



(b) Designate renewable energy zones and revise the designated renewable energy zones as the Commission deems necessary.

3. The Commission shall require the utility or utilities to include in the plan:

(a) An energy efficiency program for residential customers which reduces the consumption of electricity or any fossil fuel and which includes, without limitation, the use of new solar thermal energy sources.

(b) A proposal for the expenditure of not less than ~~5~~ 10 percent of the total expenditures related to energy efficiency and conservation programs on energy efficiency ~~and conservation programs directed to low income~~ *measures for customers of the electric utility in low-income households and residential customers and public schools in historically underserved communities, through both targeted programs and programs directed at residential customers and public schools in general.*

(c) A comparison of a diverse set of scenarios of the best combination of sources of supply to meet the demands or the best methods to reduce the demands, which must include at least one scenario of low carbon ~~intensity~~ *dioxide emissions* that ~~includes~~ :

(1) Uses sources of supply that result in, by 2050, an amount of energy production from zero carbon dioxide emission resources that equals the forecasted demand for electricity by customers of the utility;

(2) Includes the deployment of distributed generation ~~in~~ ;
and

(3) If the plan is submitted on or before June 1, 2027, uses sources of supply that result in, by the year 2030, an 80 percent reduction in carbon dioxide emissions from the generation of electricity to meet the demands of customers of the utility as compared to the amount of such emissions in the year 2005.

(d) An analysis of the effects of the requirements of NRS 704.766 to 704.776, inclusive, on the reliability of the distribution system of the utility or utilities and the costs to the utility or utilities to provide electric service to all customers. The analysis must include an evaluation of the costs and benefits of addressing issues of reliability through investment in the distribution system.

(e) A list of the utility's or utilities' assets described in NRS 704.7338.

(f) A surplus asset retirement plan as required by NRS 704.734.

4. ~~The Commission shall require the utility or utilities to include in the plan a plan for construction or expansion of~~



~~transmission facilities to serve renewable energy zones and to facilitate the utility or utilities in meeting the portfolio standard established by NRS 704.7821.~~

~~5.]~~ The Commission shall require the utility or utilities to include in the plan a distributed resources plan. The distributed resources plan must:

(a) Evaluate the locational benefits and costs of distributed resources. This evaluation must be based on reductions or increases in local generation capacity needs, avoided or increased investments in distribution infrastructure, safety benefits, reliability benefits and any other savings the distributed resources provide to the electricity grid for this State or costs to customers of the electric utility or utilities.

(b) Propose or identify standard tariffs, contracts or other mechanisms for the deployment of cost-effective distributed resources that satisfy the objectives for distribution planning.

(c) Propose cost-effective methods of effectively coordinating existing programs approved by the Commission, incentives and tariffs to maximize the locational benefits and minimize the incremental costs of distributed resources.

(d) Identify any additional spending necessary to integrate cost-effective distributed resources into distribution planning consistent with the goal of yielding a net benefit to the customers of the electric utility or utilities.

(e) Identify barriers to the deployment of distributed resources, including, without limitation, safety standards related to technology or operation of the distribution system in a manner that ensures reliable service.

~~6.]~~ *(f) Include a transportation electrification plan as required by section 14 of this act.*

5. The Commission shall require the utility or utilities to include in the plan a proposal for annual limits on the total amount of energy and capacity that eligible customers may be authorized to purchase from providers of new electric resources through transactions approved by the Commission pursuant to an application submitted pursuant to NRS 704B.310 on or after May 16, 2019. In developing the proposal and the forecasts in the plan, the utility or utilities must use a sensitivity analysis that, at a minimum, addresses load growth, import capacity, system constraints and the effect of eligible customers purchasing less energy and capacity than authorized by the proposed annual limit. The proposal in the plan must include, without limitation:

(a) A forecast of the load growth of the utility or utilities;



(b) The number of eligible customers that are currently being served by or anticipated to be served by the utility or utilities;

(c) Information concerning the infrastructure of the utility or utilities that is available to accommodate market-based new electric resources;

(d) Proposals to ensure the stability of rates and the availability and reliability of electric service; and

(e) For each year of the plan, impact fees applicable to each megawatt or each megawatt hour to account for costs reflected in the base tariff general rate and base tariff energy rate paid by end-use customers of the electric utility.

~~[7.]~~ **6.** The annual limits proposed pursuant to subsection ~~[6.]~~ **5** shall not apply to energy and capacity sales to an eligible customer if the eligible customer:

(a) Was not an end-use customer of the electric utility at any time before June 12, 2019; and

(b) Would have a peak load of 10 megawatts or more in the service territory of an electric utility within 2 years of initially taking electric service.

~~[8.]~~ **7.** As used in this section:

(a) ~~“Carbon intensity” means the amount of carbon by weight emitted per unit of energy consumed.~~

~~—(b)~~ “Distributed generation system” has the meaning ascribed to it in NRS 701.380.

~~[(e)]~~ (b) “Distributed resources” means distributed generation systems, energy efficiency, energy storage, electric vehicles and demand-response technologies.

~~[(d)]~~ (c) “Eligible customer” has the meaning ascribed to it in NRS 704B.080.

~~[(e)]~~ (d) “Energy” has the meaning ascribed to it in NRS 704B.090.

~~[(f)]~~ (e) *“Historically underserved community” has the meaning ascribed to it in section 12 of this act.*

(f) *“Low-income household” has the meaning ascribed to it in section 13 of this act.*

(g) “New electric resource” has the meaning ascribed to it in NRS 704B.110.

~~[(g)]~~ (h) “Provider of new electric resources” has the meaning ascribed to it in NRS 704B.130.

~~[(h)]~~ (i) “Renewable energy zones” means specific geographic zones where renewable energy resources are sufficient to develop generation capacity and where transmission constrains the delivery of electricity from those resources to customers.



~~(j)~~ (j) “Sensitivity analysis” means a set of methods or procedures which results in a determination or estimation of the sensitivity of a result to a change in given data or a given assumption.

Sec. 40. NRS 704.746 is hereby amended to read as follows:

704.746 1. After a utility has filed its plan pursuant to NRS 704.741, the Commission shall convene a public hearing on the adequacy of the plan.

2. The Commission shall determine the parties to the public hearing on the adequacy of the plan. A person or governmental entity may petition the Commission for leave to intervene as a party. The Commission must grant a petition to intervene as a party in the hearing if the person or entity has relevant material evidence to provide concerning the adequacy of the plan. The Commission may limit participation of an intervener in the hearing to avoid duplication and may prohibit continued participation in the hearing by an intervener if the Commission determines that continued participation will unduly broaden the issues, will not provide additional relevant material evidence or is not necessary to further the public interest.

3. In addition to any party to the hearing, any interested person may make comments to the Commission regarding the contents and adequacy of the plan.

4. After the hearing, the Commission shall determine whether:

(a) The forecast requirements of the utility or utilities are based on substantially accurate data and an adequate method of forecasting.

(b) The plan identifies and takes into account any present and projected reductions in the demand for energy that may result from measures to improve energy efficiency in the industrial, commercial, residential and energy producing sectors of the area being served.

(c) The plan adequately demonstrates the economic, environmental and other benefits to this State and to the customers of the utility or utilities associated with the following possible measures and sources of supply:

- (1) Improvements in energy efficiency;
- (2) Pooling of power;
- (3) Purchases of power from neighboring states or countries;
- (4) Facilities that operate on solar or geothermal energy or wind;
- (5) Facilities that operate on the principle of cogeneration or hydrogenation;



- (6) Other generation facilities; and
- (7) Other transmission facilities.

5. The Commission shall give preference to the measures and sources of supply set forth in paragraph (c) of subsection 4 that:

- (a) Provide the greatest economic and environmental benefits to the State;
- (b) Are consistent with the provisions of this section;
- (c) Provide levels of service that are adequate and reliable;
- (d) Provide the greatest opportunity for the creation of new jobs in this State; and
- (e) Provide for diverse electricity supply portfolios and which reduce customer exposure to the price volatility of fossil fuels and the potential costs of carbon.

↳ In considering the measures and sources of supply set forth in paragraph (c) of subsection 4 and determining the preference given to such measures and sources of supply, the Commission shall consider the cost of those measures and sources of supply to the customers of the electric utility or utilities.

6. The Commission shall:

- (a) Adopt regulations which determine the level of preference to be given to those measures and sources of supply; and
- (b) Consider the value to the public of using water efficiently when it is determining those preferences.

7. The Commission shall:

- (a) Consider the level of financial commitment from developers of renewable energy projects in each renewable energy zone, as designated pursuant to subsection 2 of NRS 704.741; and
- (b) Adopt regulations establishing a process for considering such commitments including, without limitation, contracts for the sale of energy, leases of land and mineral rights, cash deposits and letters of credit.

8. The Commission shall, after a hearing, review and accept or modify an emissions reduction and capacity replacement plan which includes each element required by NRS 704.7316. In considering whether to accept or modify an emissions reduction and capacity replacement plan, the Commission shall consider:

- (a) The cost to the customers of the electric utility or utilities to implement the plan;
- (b) Whether the plan provides the greatest economic benefit to this State;
- (c) Whether the plan provides the greatest opportunities for the creation of new jobs in this State; and



(d) Whether the plan represents the best value to the customers of the electric utility or utilities.

9. In considering whether to accept or modify a proposal for annual limits on the total amount of energy and capacity that eligible customers may be authorized to purchase from providers of new electric resources through transactions approved by the Commission pursuant to an application submitted pursuant to NRS 704B.310 after May 16, 2019, which is included in the plan pursuant to subsection ~~6~~ 5 of NRS 704.741, the Commission shall consider whether the proposed annual limits:

(a) Further the public interest, including, without limitation, whether the proposed annual limits promote safe, economic, efficient and reliable electric service to all customers of electric service in this State;

(b) Align an economically viable utility model with state public policy goals; and

(c) Encourage the development and use of renewable energy resources located in this State and, in particular, renewable energy resources that are coupled with energy storage.

10. In considering whether to accept or modify a plan to accelerate transportation electrification submitted pursuant to section 14 of this act, the Commission shall consider:

(a) Whether the proposed investments, incentives, rate designs, systems and programs are reasonably expected to achieve one or more of the following:

(1) Improve the efficiency of the electric utility's electrical system, operational flexibility or system utilization during off-peak hours;

(2) Improve the ability of the electric utility to integrate renewable energy resources which generate electricity on an intermittent basis into the transmission and distribution grid;

(3) Reduce greenhouse gas emissions and air pollution;

(4) Improve air quality in communities most affected by air pollution from the transportation sector;

(5) Support increased consumer choice in electric vehicle charging and related infrastructure and services;

(6) Increase access to the use of electricity as a transportation fuel by low-income users by including investments, incentives or programs for those users, or for entities operating in communities or at locations that will benefit low-income users;

(7) Foster the investment of private capital in transportation electrification, as defined in section 14 of this act, and the demand for skilled jobs in related services; and



(8) Provide information and education on the benefits of transportation electrification to customers.

(b) Whether the proposed investments, incentives, rate designs, systems and programs provide electric services and pricing that customers value.

(c) Whether the proposed investments, incentives, systems and programs incorporate public reporting requirements which will serve to inform program design and Commission policy.

(d) The cost to the customers of the electric utility to implement the plan.

Sec. 41. NRS 704.751 is hereby amended to read as follows:

704.751 1. After a utility has filed the plan required pursuant to NRS 704.741, the Commission shall issue an order accepting or modifying the plan or specifying any portions of the plan it deems to be inadequate:

(a) Within 135 days for any portion of the plan relating to the energy supply plan for the utility for the 3 years covered by the plan; and

(b) Within 210 days for all portions of the plan not described in paragraph (a).

➤ If the Commission issues an order modifying the plan, the utility or utilities may consent to or reject some or all of the modifications by filing with the Commission a notice to that effect. Any such notice must be filed not later than 30 days after the date of issuance of the order. If such a notice is filed, any petition for reconsideration or rehearing of the order must be filed with the Commission not later than 10 business days after the date the notice is filed.

2. If a utility files an amendment to a plan, the Commission shall issue an order accepting or modifying the amendment or specifying any portions of the amendment it deems to be inadequate:

(a) Within 165 days after the filing of the amendment; or

(b) Within 180 days after the filing of the amendment for all portions of the amendment which contain an element of the emissions reduction and capacity replacement plan.

➤ If the Commission issues an order modifying the amendment, the utility or utilities may consent to or reject some or all of the modifications by filing with the Commission a notice to that effect. Any such notice must be filed not later than 30 days after the date of issuance of the order. If such a notice is filed, any petition for reconsideration or rehearing of the order must be filed with the Commission not later than 10 business days after the date the notice is filed.



3. Any order issued by the Commission accepting or modifying a plan required pursuant to NRS 704.741 or an amendment to such a plan must include the justification of the Commission for the preferences given pursuant to subsection 5 of NRS 704.746 to the measures and sources of supply set forth in paragraph (c) of subsection 4 of NRS 704.746.

4. All prudent and reasonable expenditures made to develop the utility's or utilities' plan, including environmental, engineering and other studies, must be recovered from the rates charged to the utility's or utilities' customers.

5. The Commission may accept an energy efficiency plan containing an energy efficiency program submitted pursuant to paragraph (a) of subsection 3 of NRS 704.741 and energy efficiency and conservation programs submitted pursuant to paragraph (b) of subsection 3 of NRS 704.741 that are not cost effective if the energy efficiency plan as a whole is cost effective. Any order issued by the Commission accepting or modifying an energy efficiency plan or an amendment to such a plan must, if the energy efficiency plan remains cost effective, require that not less than ~~5~~ 10 percent of the total expenditures of the utility or utilities on approved energy efficiency and conservation programs in the energy efficiency plan must be specifically directed to energy efficiency ~~and conservation programs for low-income~~ *measures for customers of the utility or utilities in low-income households and residential customers and public schools in historically underserved communities, through both targeted programs and programs directed at residential customers and public schools in general.*

6. The Commission may accept ~~the~~

~~—(a) A transmission plan submitted pursuant to subsection 4 of NRS 704.741 for a renewable energy zone if the Commission determines that the construction or expansion of transmission facilities would facilitate the utility or utilities meeting the portfolio standard, as defined in NRS 704.7805.~~

~~—(b) A~~ *a* distributed resources plan submitted pursuant to subsection ~~5~~ 4 of NRS 704.741 if the Commission determines that the plan includes each element required by that subsection.

7. ~~The Commission shall adopt regulations establishing the criteria for determining the adequacy of a transmission plan submitted pursuant to subsection 4 of NRS 704.741.~~

~~8.]~~ Any order issued by the Commission accepting or modifying an element of an emissions reduction and capacity replacement plan must include provisions authorizing the electric utility or utilities to construct or acquire and own electric generating



plants necessary to meet the capacity amounts approved in, and carry out the provisions of, the plan. As used in this subsection, “capacity” means an amount of firm electric generating capacity used by the electric utility or utilities for the purpose of preparing a plan filed with the Commission pursuant to NRS 704.736 to 704.754, inclusive.

8. The Commission shall accept a transmission infrastructure for a clean energy economy plan that conforms to the requirements of subsections 1 and 2 of section 21 of this act and includes the evaluations required by subsection 4 of section 21 of this act.

9. As used in this section:

(a) “Historically underserved community” has the meaning ascribed to it in section 12 of this act.

(b) “Low-income household” has the meaning ascribed to it in section 13 of this act.

Sec. 42. NRS 704.7591 is hereby amended to read as follows:

704.7591 1. An electric utility may dispose of its generation assets pursuant to a merger, acquisition or transaction that is authorized pursuant to NRS 704.329 or pursuant to a transfer of its certificate of public convenience and necessity that is authorized pursuant to NRS 704.410, if:

(a) The electric utility disposes of substantially all of its generation assets and substantially all of its other assets to the other person in the merger, acquisition, transaction or transfer; and

(b) The ~~other person in the merger, acquisition, transaction or transfer is not a subsidiary or affiliate of the electric utility or a holding company or other person that holds a controlling interest in the electric utility.~~ *Commission approves of the disposal of the generation assets in an order issued pursuant to NRS 704.7588.*

2. Any person who assumes or has assumed ownership, possession, control, operation, administration or maintenance of a generation asset pursuant to a merger, acquisition, transaction or transfer described in subsection 1 is subject to the provisions of NRS 704.7561 to 704.7595, inclusive.

Sec. 43. NRS 704.783 is hereby amended to read as follows:

704.783 As used in NRS 704.783 to 704.7836, inclusive, *and sections 12 and 13 of this act*, unless the context otherwise requires, the words and terms defined in NRS 704.7831 to 704.7834, inclusive, *and sections 12 and 13 of this act* have the meanings ascribed to them in those sections.



Sec. 44. NRS 704.7836 is hereby amended to read as follows:

704.7836 1. The Commission shall establish by regulation for each electric utility goals for energy savings resulting from energy efficiency programs implemented by the electric utility each year, which must be included in the resource plan filed by the electric utility pursuant to NRS 704.741.

2. The Commission may:

(a) Modify a goal for energy savings it has previously established for an electric utility.

(b) Upon receipt of a petition submitted by an electric utility, temporarily lower a goal for energy savings it has previously established for the electric utility if the electric utility demonstrates that economic reasons which are not reasonably within the control of the electric utility will prevent the electric utility from meeting the goal for energy savings established pursuant to subsection 1.

3. Upon establishment or modification by the Commission of a goal for energy savings for an electric utility pursuant to this section, the affected electric utility may file an amendment to its most recent resource plan filed pursuant to NRS 704.741 to incorporate the goal for energy savings into the resource plan.

4. Each electric utility shall develop and include in its most recent resource plan filed pursuant to NRS 704.741 an energy efficiency plan that:

(a) Is designed to meet or exceed the goals for energy savings established by the Commission pursuant to this section;

(b) Includes one or more energy efficiency programs; and

(c) Is cost effective.

5. In approving an energy efficiency plan developed by an electric utility to meet the goals for energy savings established by the Commission pursuant to this section, the Commission shall approve an energy efficiency plan that is:

(a) Designed to meet or exceed the goals for energy savings established by the Commission pursuant to this section; and

(b) Cost effective.

6. The Commission may approve an energy efficiency plan submitted pursuant to NRS 704.741 that consists of energy efficiency and conservation programs that are not cost effective if the Commission determines that the energy efficiency plan as a whole is cost effective.

7. Unless the Commission determines that it is not cost effective, any energy efficiency plan approved by the Commission must provide that not less than ~~5~~ 10 percent of the total expenditures related to energy efficiency programs must be



~~[directed to]~~ *spent on* energy efficiency ~~[programs]~~ *measures* for ~~[low income]~~ *customers of the electric utility* ~~[]~~ *in low-income households and residential customers and public schools in historically underserved communities, through both targeted programs and programs directed at residential customers and public schools in general. For the purposes of this subsection, programs that can offer variable incentive levels must offer higher incentive levels for low-income households.*

Sec. 45. NRS 704.788 is hereby amended to read as follows:

704.788 The Office of Economic Development shall not accept an application or give initial approval to any applicant for participation in the Program, and the Commission shall not approve an applicant for participation in the Program, after the earlier of December 31, ~~[2017,]~~ **2024**, or the date on which the capacity set aside for allocation pursuant to the Program is fully allocated.

Sec. 46. NRS 704.7881 is hereby amended to read as follows:

704.7881 The Commission, in consultation with the Office of Economic Development:

1. Shall adopt regulations:

(a) Establishing the discounted electric rates that may be charged by an electric utility pursuant to the Program, which must be established as a percentage of the base tariff energy rate and for which:

(1) In the first and second year of a contract entered into pursuant to NRS 704.7877, ~~[the reduction in the rates as a result of the]~~ *there shall be no* discount ~~[must not exceed 30 percent]~~ of the base tariff energy rate;

(2) In the third ~~[]~~ *and* fourth ~~[, fifth and sixth]~~ year of a contract entered into pursuant to NRS 704.7877, the reduction in the rates as a result of the discount must not exceed ~~[20]~~ **30** percent of the base tariff energy rate; ~~[and]~~

(3) In the *fifth, sixth*, seventh and eighth year of a contract entered into pursuant to NRS 704.7877, the reduction in the rates as a result of the discount must not exceed ~~[10]~~ **20** percent of the base tariff energy rate; *and*

(4) In the ninth and tenth year of a contract entered into pursuant to NRS 704.7877, the reduction in the rates as a result of the discount must not exceed 10 percent of the base tariff energy rate;

(b) Prescribing the form and content of the contract entered into pursuant to NRS 704.7877;

(c) Prescribing the procedure by which an electric utility is authorized to recover through a deferred energy accounting



adjustment application the amount of the discount provided to a participant in the Program; and

(d) Prescribing any additional information which must be submitted by an applicant for participation in the Program.

2. May adopt any other regulations it determines are necessary to carry out the provisions of NRS 704.7871 to 704.7882, inclusive.

Sec. 47. NRS 704.7882 is hereby amended to read as follows:

704.7882 The Commission shall, on or before December 31, ~~2014,~~ **2022**, prepare a written report concerning the Program and submit the report to the Director of the Legislative Counsel Bureau for transmittal to the ~~78th~~ **82nd** Session of the Legislature. The report must include, without limitation, information concerning:

1. The number of participants in the Program;
2. The amount of electricity allocated pursuant to the Program;
3. The total amount of the discounts provided pursuant to the Program; and

4. The remaining amount of electricity available for allocation pursuant to the Program.

Sec. 48. NRS 704B.310 is hereby amended to read as follows:

704B.310 1. An eligible customer shall not purchase energy, capacity or ancillary services from a provider of new electric resources unless:

(a) The eligible customer files an application with the Commission between January 2 and February 1 of any year and not later than 280 days before the date on which the eligible customer intends to begin purchasing energy, capacity or ancillary services from the provider;

(b) The Commission approves the application by a written order issued in accordance with the provisions of this section; and

(c) The provider holds a valid license.

2. Except as otherwise provided in subsection 3, each application filed pursuant to this section must include:

(a) Specific information demonstrating that the person filing the application is an eligible customer;

(b) Information demonstrating that the proposed provider will provide energy, capacity or ancillary services from a new electric resource;

(c) Specific information concerning the terms and conditions of the proposed transaction that is necessary for the Commission to evaluate the impact of the proposed transaction on customers and the public interest, including, without limitation, information concerning the duration of the proposed transaction, the point of receipt of the energy, capacity or ancillary services and the amount



of energy, capacity or ancillary services to be purchased from the provider;

(d) Specific information identifying transmission requirements associated with the proposed transaction and the extent to which the proposed transaction requires transmission import capacity; and

(e) Any other information required pursuant to the regulations adopted by the Commission.

3. The Commission shall not require the eligible customer or provider to disclose:

(a) The price that is being paid by the eligible customer to purchase energy, capacity or ancillary services from the provider; or

(b) Any other terms or conditions of the proposed transaction that the Commission determines are commercially sensitive.

4. The Commission shall provide public notice of the application of the eligible customer and an opportunity for a hearing on the application in a manner that is consistent with the provisions of NRS 703.320 and the regulations adopted by the Commission.

5. The Commission shall not approve the application of the eligible customer unless the Commission finds that the proposed transaction:

(a) Will be in the public interest; and

(b) Will not cause the total amount of energy and capacity that eligible customers purchase from providers of new electric resources through transactions approved by the Commission pursuant to an application submitted pursuant to this section on or after May 16, 2019, to exceed an annual limit set forth in a plan filed with the Commission pursuant to NRS 704.741 and accepted by the Commission pursuant to NRS 704.751.

6. In determining whether the proposed transaction will be in the public interest, the Commission shall consider, without limitation:

(a) Whether the electric utility that has been providing electric service to the eligible customer will experience increased costs as a result of the proposed transaction;

(b) Whether any remaining customer of the electric utility will pay increased costs for electric service or forgo the benefit of a reduction of costs for electric service as a result of the proposed transaction; and

(c) Whether the proposed transaction will impair system reliability or the ability of the electric utility to provide electric service to its remaining customers.

7. If the Commission approves the application of the eligible customer:



(a) The eligible customer shall not begin purchasing energy, capacity or ancillary services from the provider pursuant to the proposed transaction sooner than 280 days after the date on which the application was filed, unless the Commission allows the eligible customer to begin purchasing energy, capacity or ancillary services from the provider at an earlier date; and

(b) The Commission shall order such terms, conditions and payments as the Commission deems necessary and appropriate to ensure that the proposed transaction will be in the public interest. Except as otherwise provided in subsection 8, such terms, conditions and payments:

(1) Must be fair and nondiscriminatory as between the eligible customer and the remaining customers of the electric utility, except that the terms, conditions and payments must assign all identifiable but unquantifiable risk to the eligible customer;

(2) Must include, without limitation:

(I) Payment by the eligible customer to the electric utility of the eligible customer's load-share portion of any unrecovered balance in the deferred accounts of the electric utility; and

(II) Payment by the eligible customer, or the provider of new electric resources, as applicable, of the annual assessment and any other tax, fee or assessment required by NRS 704B.360;

(3) Must establish payments calculated in a manner that provides the eligible customer with only its load-ratio share of the benefits associated with forecasted load growth if load growth is utilized to mitigate the impact of the eligible customer's proposed transaction; and

(4) Must ensure that the eligible customer pays its load-ratio share of the costs associated with the electric utility's obligations that were incurred as deviations from least-cost resource planning pursuant to the laws of this State including, without limitation, costs incurred to satisfy the requirements of NRS 704.7821 and implement the provisions of NRS 701B.240, 701B.336, 701B.580, ~~701B.670,~~ 701B.820, 702.160, 704.773, 704.7827, 704.7836, 704.785, 704.7865, 704.7983 and 704.7985.

8. An eligible customer who:

(a) Was not an end-use customer of the electric utility at any time before June 12, 2019; and

(b) Would have a peak load of 10 megawatts or more in the service territory of an electric utility within 2 years of initially taking electric service,



↳ is required to pay only those costs, fees, charges or rates which apply to current and ongoing legislatively mandated public policy programs, as determined by the Commission.

9. If the Commission does not enter a final order on the application of the eligible customer within 210 days after the date on which the application was filed with the Commission, the application shall be deemed to be denied by the Commission.

Sec. 49. 1. An electric utility in this State shall, on or before September 1, 2021, file with the Public Utilities Commission of Nevada a plan to accelerate transportation electrification in this State for the period beginning January 1, 2022, and ending on December 31, 2024. The plan filed for this period must be designed to provide the greatest economic recovery benefits and opportunities for the creation of new jobs in this State.

2. Two or more utilities that are affiliated through common ownership and that have an interconnected system for the transmission of electricity shall submit a joint plan pursuant to this section. The joint plan must include a plan for investments to accelerate transportation electrification in an amount not to exceed \$100,000,000.

3. A plan filed pursuant to this section must include a plan to invest in the following programs:

(a) An Interstate Corridor Charging Depot Program, whereby the electric utility shall supplement the work of the Office of Energy, the Department of Transportation and the Division of Environmental Protection of the State Department of Conservation and Natural Resources in Phase I and Phase II of the Nevada Electric Highway project to increase the availability of public electric vehicle charging infrastructure along Nevada's highways in the service territory of the electric utility and to support electric vehicle tourism traffic to Las Vegas, the Reno-Tahoe area and across the State. The plan must set forth the intended scope and general location for each proposed charging depot. The Interstate Corridor Charging Depot Program:

(1) Must include the establishment of direct-current fast chargers and level 2 chargers, which may be owned by the electric utility or a third-party provider.

(2) May include the establishment of electric utility-owned energy storage systems or renewable energy systems which minimize the impact to the grid by reducing the peak demand for electricity.

(b) An Urban Charging Depot Program aimed at providing increased access to public electric vehicle charging infrastructure in



metropolitan areas of this State, particularly for customers who are unable to charge vehicles at their home or business. The Urban Charging Depot Program must also be designed to address the needs of tourists, delivery services and businesses that require access to public charging for fleet electrification. The plan must set forth the intended scope and general location for each proposed charging depot. The Urban Charging Depot Program:

(1) Must include the establishment of direct-current fast chargers, level 2 chargers and, where relevant, charging for shared mobility services, including, without limitation, electric scooters and bicycles, which may be owned by the electric utility or a third-party provider.

(2) May include the establishment of electric utility-owned energy storage systems or renewable energy systems which minimize the impact to the grid by reducing the peak demand for electricity.

(c) A Public Agency Electric Vehicle Charging Program to serve the public, workplace and fleet electric charging needs of federal, state and local governmental agencies by reducing the financial barrier for the deployment of electric vehicle charging infrastructure for governmental agencies. The electric utility shall set forth in the plan specific targets and allocations for level 2 electric vehicle charging infrastructure, which must be developed in coordination with the Department of Administration, the State Department of Conservation and Natural Resources, the Department of Transportation and the Office of Energy with the aim of maximizing the Program's effectiveness and utilization. An electric vehicle charging station which is installed under the Program may be owned by a public agency, the electric utility or a third-party provider.

(d) A Transit, School Bus and Transportation Electrification Custom Program to serve the electric vehicle charging infrastructure, energy supply and energy storage needs of transit agencies, metropolitan planning organizations, the Department of Transportation, public school districts and nongovernmental commercial customers in this State. The electric utility shall not allow a nongovernmental commercial customer to participate in the Transit, School Bus and Transportation Electrification Custom Program unless, as a condition of participation, the nongovernmental commercial customer electrifies more than 50 company vehicles or more than 25 percent of its fleet, and satisfies such additional qualifications as the electric utility may establish. As part of the Transit, School Bus and Transportation Electrification



Custom Program, an electric utility may partner with a commercial site to allow for multiple ownership options for the electrical supply, storage and charging equipment, including, without limitation, ownership by the electric utility.

(e) An Outdoor Recreation and Tourism Program to serve the electric vehicle charging infrastructure, energy supply and energy storage needs of the tourism and outdoor recreation economy of this State. Eligibility for any customer participation in the Outdoor Recreation and Tourism Program must be offered by the electric utility on a nondiscriminatory basis to both the utility's bundled retail customers and eligible customers, as defined in NRS 704B.080, who purchase or plan to purchase electricity from a provider of new electric resources, as defined in NRS 704B.130. As part of the Outdoor Recreation and Tourism Program, an electric utility may partner with a commercial site to allow for multiple ownership options for the electrical supply, storage and charging equipment, including, without limitation, ownership by the electric utility.

4. The plan filed pursuant to this section must include any proposed schedules necessary to implement the programs set forth in subsection 3.

5. Not less than:

(a) Forty percent of the total program expenditures proposed in a plan submitted pursuant to this section must be dedicated to investments made in or for the benefit of historically underserved communities.

(b) Twenty percent of the total program expenditures proposed in a plan submitted pursuant to this section must be dedicated to investments in the Outdoor Recreation and Tourism Program pursuant to paragraph (e) of subsection 3.

(c) Twenty percent of the total program expenditures proposed in a plan submitted pursuant to this section must be dedicated to incentives for behind-the-meter investments in electric vehicle charging infrastructure or stations.

6. An electric utility shall submit to the Commission any program, software, contract or other instrument that may be used for the billing, control, operation or maintenance of the public and private chargers installed under a plan filed pursuant to this section. The prudent and reasonable expenditures made by the electric utility to evaluate the need for any program, software, contract or other instrument to facilitate the billing, control, operation or maintenance of the public and private chargers installed under the plan may be



recovered by the utility through rates charged to the customers of the utility.

7. Any electric vehicle charging infrastructure that is installed as part of a plan which is accepted by the Commission pursuant to this section and which is not installed by employees of the electric utility must be installed by a contractor who holds a valid license in the classification required to perform such work issued by the State Contractors' Board pursuant to regulations adopted by the Board and at least one electrician holding a certification from the Electric Vehicle Infrastructure Training Program.

8. Not later than 90 days after a plan is filed pursuant to subsection 1, the Commission shall issue an order accepting or modifying the plan. If the Commission issues an order modifying the plan, the utility may consent to or reject some or all of the modifications by filing with the Commission a notice to that effect. Any such notice must be filed not later than 10 days after the date of issuance of the order. If such a notice is filed, any petition for reconsideration or rehearing of the order must be filed with the Commission not later than 10 business days after the date the notice is filed.

9. If the Commission fails to enter a final order on a plan filed pursuant to subsection 1 within 90 days after the date on which the plan was filed, the plan shall be deemed to be accepted.

10. Not later than 60 days after the Commission issues an order accepting or modifying a plan, or a plan is deemed accepted pursuant to subsection 9, the electric utility shall file with the Commission any schedules necessary to implement the rate designs and programs approved in the plan. Any tariff filing made pursuant to this section is not subject to the provisions of NRS 704.100.

11. Acceptance by the Commission of a plan submitted pursuant to this section constitutes a finding that the investments contained in the plan, including, without limitation, any proposed incentives to be provided to customers, are prudent and that the utility may recover from the rates charged to the utility's customers all costs that the utility prudently and reasonably incurs to operate, maintain, develop and implement the plan, including, without limitation, any costs associated with acquiring the right to use and develop private or public land. An electric utility may recover the costs that it prudently and reasonably incurs as follows:

(a) The electric utility shall begin recording in a regulatory asset, with carrying charges, an amount that reflects the electric utility's investment in facilities under the plan, including, without limitation:

(1) Any incentives provided to customers;



- (2) The electric utility’s authorized rate of return;
- (3) Any depreciation of the utility’s investment in the facilities; and
- (4) The cost of operating and maintaining the facilities.

(b) Carrying charges shall not accrue for any month in which the electric utility earns in excess of its last authorized rate of return. For the purposes of this paragraph, the electric utility’s earned rate of return must be calculated quarterly using the 12-month period ending with the last month of the quarter and will apply to the carrying charge calculation in each month of that quarter.

(c) An electric utility shall include a rate to recover all prudent and reasonable expenditures made by the electric utility to develop and implement the plan, including, without limitation, the electric utility’s authorized rate of return, in the electric utility’s general rate application filed pursuant to NRS 704.110. The rate must be charged to all of the customers in the service territory of the electric utility in which the plan assets reside and reflect all costs incurred in the electric utility’s service territory.

12. As used in this section:

(a) “Electric utility” has the meaning ascribed to it in section 14 of this act.

(b) “Historically underserved community” has the meaning ascribed to it in section 12 of this act.

(c) “Transportation electrification” means the use of electricity from external sources to power, wholly or in part, passenger vehicles, trucks, buses, trains, boats or other equipment that transports goods or people.

Sec. 50. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.

Sec. 51. 1. A resource plan filed by an electric utility pursuant to NRS 704.741, as amended by section 39 of this act, on or before June 1, 2021, is not required to include, at the time the plan is filed, the transportation electrification plan required by section 14 of this act and NRS 704.741, as amended by section 39 of this act.

2. An electric utility shall, on or before September 1, 2022, file an amendment to its most recent resource plan filed pursuant to NRS 704.741, as amended by section 39 of this act, to incorporate into the resource plan a transportation electrification plan that complies with the provisions of section 14 of this act.

3. As used in this section, “electric utility” has the meaning ascribed to it in NRS 704.187.



Sec. 52. The amendatory provisions of section 48 of this act do not apply to an order issued by the Public Utilities Commission of Nevada pursuant to NRS 704B.310 before July 1, 2023.

Sec. 53. The amendatory provisions of section 46 of this act do not apply to a contract entered into before the effective date of section 46 of this act.

Sec. 53.5. The provisions of section 35 of this act apply prospectively. The provisions of this section shall not be construed as a statement, clarification or interpretation of Nevada law as it existed prior to the effective date of this section or a statement of the intent of the Nevada Legislature concerning Nevada law as it existed prior to the effective date of this section.

Sec. 54. 1. An electric utility in this State shall, on or before July 1, 2022, file with the Public Utilities Commission of Nevada an amendment to its most recently filed energy efficiency plan filed pursuant to NRS 704.7836 to ensure the energy efficiency plan complies with the amendatory provisions of sections 39 and 44 of this act.

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

Sec. 55. NRS 701.090, 701.500, 701.505, 701.510 and 701.515 are hereby repealed.

Sec. 56. NRS 701B.670 is hereby repealed.

Sec. 57. Notwithstanding the provisions of NRS 218D.430 and 218D.435, a committee may vote on this act before the expiration of the period prescribed for the return of a fiscal note in NRS 218D.475. This section applies retroactively from and after March 22, 2021.

Sec. 58. 1. This section and sections 1 to 8.5, inclusive, 11 to 47, inclusive, 49 to 55, inclusive, and 57 of this act become effective upon passage and approval.

2. Section 10 of this act becomes effective on January 1, 2023, and expires by limitation on June 30, 2023.

3. Sections 9, 48 and 56 of this act become effective on July 1, 2023.

4. Section 9 of this act expires by limitation on December 31, 2025.

5. Sections 27 and 31 to 34, inclusive, of this act expire by limitation on December 31, 2031.

6. Sections 3 to 8, inclusive, of this act expire by limitation on June 30, 2049.

7. Sections 45, 46 and 47 of this act expire by limitation on the date on which the last contract entered into pursuant to the Program,



as defined in NRS 704.7874, terminates, whether termination is by expiration of the terms of the contract or otherwise.

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