

Amendment No. 306

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| Senate Amendment to Senate Bill No. 334 | (BDR 58-30) |
| Proposed by: Senate Committee on Growth and Infrastructure | |
| Amends: Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes | |

| ASSEMBLY ACTION | | | Initial and Date | SENATE ACTION | | | Initial and Date | | |
|-----------------|--------------------------|------|--------------------------|---------------|--------------|--------------------------|------------------|--------------------------|-------|
| Adopted | <input type="checkbox"/> | Lost | <input type="checkbox"/> | _____ | Adopted | <input type="checkbox"/> | Lost | <input type="checkbox"/> | _____ |
| Concurred In | <input type="checkbox"/> | Not | <input type="checkbox"/> | _____ | Concurred In | <input type="checkbox"/> | Not | <input type="checkbox"/> | _____ |
| Receded | <input type="checkbox"/> | Not | <input type="checkbox"/> | _____ | Receded | <input type="checkbox"/> | Not | <input type="checkbox"/> | _____ |

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.



SENATE BILL NO. 334—SENATORS SPEARMAN, KRASNER, HAMMOND, PAZINA, STONE;
AND HANSEN

MARCH 20, 2023

Referred to Committee on Growth and Infrastructure

SUMMARY—Revises provisions relating to ~~renewable energy~~ **energy storage systems that are used to meet certain biennial energy storage targets.** (BDR 58-30)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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

AN ACT relating to energy; ~~revising the definition of “renewable energy” to include clean~~ **authorizing an energy storage system that retains, stores and delivers energy through a system that uses only green hydrogen for the purposes of meeting certain biennial storage targets;** ~~provisions governing the portfolio standard;~~ and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law requires the Public Utilities Commission of Nevada to establish ~~a portfolio~~
2 ~~standard for each provider of electric service in this State. The portfolio standard must require~~
3 ~~each provider to generate, acquire or save from renewable energy systems or energy~~
4 ~~efficiency measures a certain percentage of the total amount of electricity sold by the provider~~
5 ~~to its retail customers in this State during a calendar year. (NRS 704.7821))~~ **by regulation**
6 **biennial targets for the procurement of energy storage systems by an electric utility**
7 **which has had a gross annual operating revenue of \$250,000,000 or more in this State if**
8 **the Commission determines such targets to be in the public interest. (NRS 704.187,**
9 **704.792, 704.796) Existing regulations establish such targets, with a target for the**
10 **procurement of energy storage systems with a cumulative capacity of 1,000 megawatts**
11 **by December 31, 2030. (LCB File No. R106-19) Under existing law, to qualify as an**
12 **energy storage system for the purpose of meeting the biennial targets, an energy storage**
13 **system is required to be commercially available technology that is capable of retaining,**
14 **storing and delivering energy after storage by chemical, thermal or mechanical means.**
15 **(NRS 704.793) Section 2.8 of this bill** ~~revises the definition of “renewable energy” for the~~
16 ~~purposes of the portfolio standard to provide that the term includes~~ **authorizes technology**
17 **that retains, stores and delivers energy through hydrogen storage and use systems that**
18 **only use green hydrogen to be used to meet the existing biennial energy storage targets.**
19 ~~produced in a manner that generates an environmental impact equivalent to that of not more~~
20 ~~than 2 kilograms of carbon dioxide for each kilogram of hydrogen produced, commonly~~
21 ~~known as “clean hydrogen.”) Section 2.4 of this bill~~ ~~makes a conforming change so that~~
22 ~~the amendatory provisions of section 1 do not impact the definition of “renewable energy” for~~
23 ~~the purposes of certain provisions governing renewable natural gas activities.)~~ **defines the**
24 **term “green hydrogen” as hydrogen produced through a certain process that is**
25 **completely powered by renewable energy. Section 2.6 of this bill makes a conforming**

26 change to make this definition applicable to existing law governing biennial energy
 27 storage targets.

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

1 **Section 1.** [NRS 704.7811 is hereby amended to read as follows:

2 ~~704.7811 1. “Renewable energy” means:~~

3 ~~(a) Biomass;~~

4 ~~(b) Clean hydrogen;~~

5 ~~(c) Geothermal energy;~~

6 ~~[(c)] (d) Solar energy;~~

7 ~~[(d)] (e) Waterpower; and~~

8 ~~[(e)] (f) Wind.~~

9 ~~2. The term does not include coal, natural gas, oil, propane or any other fossil~~
 10 ~~fuel, or nuclear energy.~~

11 ~~3. As used in this section [“waterpower”]:~~

12 ~~(a) “Clean hydrogen” means hydrogen produced in a manner that generates~~
 13 ~~an environmental impact equivalent to that of not more than 2 kilograms of~~
 14 ~~carbon dioxide for each kilogram of hydrogen produced.~~

15 ~~(b) “Waterpower” means power derived from standing, running or falling~~
 16 ~~water which is used for any plant, facility, equipment or system to generate~~
 17 ~~electricity. Except as otherwise provided in this [subsection,] paragraph, the term~~
 18 ~~includes, without limitation, power derived from water that has been pumped from~~
 19 ~~a lower to a higher elevation if the generating capacity of the plant, facility,~~
 20 ~~equipment or system for which the water is used is not more than 30 megawatts,~~
 21 ~~and the plant, facility, equipment or system was in existence and used to derive~~
 22 ~~power from pumped water before January 1, 2019. The term does not include~~
 23 ~~power:~~

24 ~~[(a)] (1) That requires a new or increased appropriation or diversion of water~~
 25 ~~for its creation;~~

26 ~~[(b)] (2) That requires the use of any fossil fuel for its creation, unless the~~
 27 ~~primary purpose of the use of the fossil fuel is not the creation of the power; or~~

28 ~~[(c)] (3) That was produced before April 22, 2019, from a renewable energy~~
 29 ~~system with a generating capacity of more than 30 megawatts placed into operation~~
 30 ~~before July 1, 1997.] (Deleted by amendment.)~~

31 **Sec. 2.** [NRS 704.9994 is hereby amended to read as follows:

32 ~~704.9994 1. “Renewable energy” [has the meaning ascribed to it in NRS~~
 33 ~~704.7811.] means:~~

34 ~~(a) Biomass;~~

35 ~~(b) Geothermal energy;~~

36 ~~(c) Solar energy;~~

37 ~~(d) Waterpower; and~~

38 ~~(e) Wind.~~

39 ~~2. The term does not include coal, natural gas, oil, propane or any other~~
 40 ~~fossil fuel, or nuclear energy.~~

41 ~~3. As used in this section, “waterpower” means power derived from~~
 42 ~~standing, running or falling water which is used for any plant, facility, equipment~~
 43 ~~or system to generate electricity. Except as otherwise provided in this subsection,~~
 44 ~~the term includes, without limitation, power derived from water that has been~~
 45 ~~pumped from a lower to a higher elevation if the generating capacity of the plant,~~

~~facility, equipment or system for which the water is used is not more than 30 megawatts, and the plant, facility, equipment or system was in existence and used to derive power from pumped water before January 1, 2019. The term does not include power~~

~~— (a) That requires a new or increased appropriation or diversion of water for its creation;~~

~~— (b) That requires the use of any fossil fuel for its creation, unless the primary purpose of the use of the fossil fuel is not the creation of the power; or~~

~~— (c) That was produced before April 22, 2019, from a renewable energy system with a generating capacity of more than 30 megawatts placed into operation before July 1, 1997.] (Deleted by amendment.)~~

Sec. 2.4. Chapter 704 of NRS is hereby amended by adding thereto a new section to read as follows:

“Green hydrogen” means hydrogen that is produced by splitting water molecules into hydrogen and oxygen through an electrolysis process that is completely powered by renewable energy.

Sec. 2.6. NRS 704.791 is hereby amended to read as follows:

704.791 As used in NRS 704.791 to 704.797, inclusive, **and section 2.6 of this act**, unless the context otherwise requires, the words and terms defined in NRS 704.792, 704.793 and 704.794 **and section 2.6 of this act** have the meanings ascribed to them in those sections.

Sec. 2.8. NRS 704.793 is hereby amended to read as follows:

704.793 “Energy storage system” means commercially available technology that is capable of retaining energy, storing the energy for a period of time and delivering the energy after storage, including, without limitation, by chemical, thermal or mechanical means **or through a hydrogen storage and use system that only uses green hydrogen.**

Sec. 3. This act becomes effective upon passage and approval.