

LCB File No. R207-97

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Investigation of issues to be considered)
as a result of restructuring of the) Docket No. 97-8001
electric industry.)

**NOTICE OF HEARING FOR THE ADOPTION
OF REGULATIONS OF THE PUBLIC UTILITIES COMMISSION OF NEVADA**

The Public Utilities Commission of Nevada (“Commission”) will hold a public hearing at 10:00 a.m. on Wednesday, January 14, 1998, at the Offices of the Commission, 727 Fairview Drive, Carson City, Nevada 89710 and, via videoconference, at 555 East Washington Avenue, Suite 4500, Las Vegas, Nevada, 89101. The purpose of the hearing is to receive comments from all interested persons regarding the adoption of regulations. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Commission may proceed immediately to act upon any written submissions.

The Commission opened an investigatory docket, Docket No. 97-8001, for the purpose of considering the issues raised by the restructuring of the electric industry as set forth in Chapter 482, Statutes of Nevada, 1997. At an agenda meeting held on November 14, 1997, the Commission voted to issue a proposed rule for comment and hearing. The proposed rule consists of new regulations which are intended to describe the process by which components of electric service may be classified as potentially competitive.

The proposed rule is needed in order to set standards for the contents of applications for classification of components of electric service as potentially competitive. The purpose of the proposed rule is to establish these standards.

At this time, the Commission does not anticipate adverse economic effects for the entities affect by these regulations, either immediate or long-term, to result from these regulations. No adverse economic effects, either immediate or long-term, are expected at this time to inure to the public. The entities affected by these regulations may experience beneficial economic effects, both immediate and long-term, which cannot be quantified at this time, as a result of the rule as proposed, because applications for designation of components of electric service as potentially competitive can be addressed on a standardized basis. Accordingly, the public may also experience beneficial economic effects.

The Commission also at this time does not envision any increased costs associated with enforcement of these proposed regulations. These regulations do not overlap or duplicate any other state or local government regulations. The proposed regulations do not establish any new fee or increase an existing fee.

Persons wishing to comment upon the proposed action of the Commission may appear at the scheduled public hearing or may address their comments, data, view or arguments, in written form, to the Commission Secretary, Public Utilities Commission of Nevada, 727 Fairview Drive, Carson city, Nevada 89710, or to the Commission Secretary, Public Utilities Commission of Nevada, 555 East Washington Avenue, Suite 4500, Las Vegas, Nevada 89101. Written submissions must be received by the Commission on or before Wednesday, January 7, 1998.

A copy of this notice and the regulations to be adopted will be on file at the State Library, 100 Stewart Street, Carson city, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulations to be

adopted will be available at the Offices of the Commission, 727 Fairview Drive, Carson city, Nevada 89710, and 555 East Washington Avenue, Suite 4500, Las Vegas, Nevada 89101, and, in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. Copies will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

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

This notice of hearing has been posted at the county courthouses in Carson city, Reno, and Las Vegas, Nevada.

By the Commission,

Jeanne Reynolds /s/
JEANNE REYNOLDS, Commission Secretary

Dated: Carson City, Nevada

(SEAL) 12/3/97

PROPOSED REGULATION OF THE PUBLIC UTILITIES COMMISSION OF NEVADA

Docket No. 97-8001

LCB File No. R207-97

Authority: Section 39, Chapter 482, Statutes of Nevada, 1997.

Section 1. Chapter 704 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this regulation.

Section 2. "Noncompetitive service" has the meaning ascribed to it in Section 38, Chapter 482, Statutes of Nevada, 1997.

Section 3. "Potentially competitive service" has the meaning ascribed to it in Section 37, Chapter 482, Statutes of Nevada, 1997.

Section 4. The provisions of sections 2 to 7, inclusive, of this regulation apply to a provider of electric service as that term is defined in section 34, Chapter 482, statutes of Nevada, 1997, and to any alternative seller as that term is defined in section 30, Chapter 482, Statutes of Nevada, 1997.

Section 5. Any person may apply to the commission to classify a component of electric service as a potentially competitive service. An application must:

(a) Fully identify and describe the service to be classified as potentially competitive service, including the:

(1) Technical and common names of the service;

(2) Facilities and equipment used in providing the service; and

(3) Nature and extent of the market in which the service is or will be provided,

including the type of subscribers for that service, the source of revenues for that service and the geographic regions in which the service is or will be provided.

(b) Provide all facts necessary to support classification of the service as a potentially competitive service, including facts to support the findings required in section 6 of this regulation.

(c) Specify the specific market area for which the classification of the service as a potentially competitive service is being sought.

Section 6. The commission will classify a service as a potentially competitive service if it finds that the service meets the requirements set forth in subsection 3 of Section 39, Chapter 482, Statutes of Nevada, 1997.

Section 7. Any service not classified as a potentially competitive service will be considered a noncompetitive service.