

LCB File No. T024-99

**ADOPTED TEMPORARY REGULATION OF
THE PUBLIC UTILITIES COMMISSION OF NEVADA**

(Effective February 26, 1999)

LCB File No. 024-99

PUCN Docket No. 95-2033

(Adopted as temporary regulation February 25, 1999.)

AUTHORITY: NRS 704.095

Section 1. Chapter 704 of the NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 15, inclusive, of this regulation.

Section 2. 1. Any interested person may file a petition with the Commission to request that the Commission consider taking action to have a utility subject to the jurisdiction of the Commission as set forth in NRS 704.095 placed in receivership. Any petition filed with the Commission must be served on the utility, the Regulatory Operations Staff of the Commission, the Attorney General's Bureau of Consumer Protection/Utility Consumers Advocate, and the Bureau of Health Protection Services of the State Health Division and must be accompanied by proof of service. The Commission may initiate an investigation of this nature on its own motion.

2. The Commission will issue a public notice of such petition. A utility may file an answer to a petition within the time frame set forth in the Commission's notice.

3. On its own motion or upon the request of the utility or of any interested person who has filed comments pursuant to the notice of petition, the Commission will hold a hearing for the purpose of determining whether it should take action to have the utility placed in receivership.

4. In considering whether it should take action to have the utility placed in receivership, the Commission may consider some or all of the following factors:

(a) whether the utility has complied with a facility plan approved by the commission,

- (b) whether the utility is providing reasonably adequate service,
- (c) whether the utility can meet its financial obligations,
- (d) whether the operation of the utility affects the public health in a detrimental manner, or
- (e) any other factor which may become apparent from a petition, answers filed thereto, or evidence gathered at the hearing.

Section 3. Whenever a utility files an application pursuant to NAC 704.580:

1. The utility must make available at its place of business a complete copy of the application which can be readily accessible to and conveniently inspected by its customers.
2. The utility must, within ten days of filing the application with the commission, post a notice at its place of business which states that the application has been filed with the commission and that the application is available for inspection by customers on the premises.
3. The utility must, within 30 days of filing an application with the commission, notify its customers of its intent to seek a change in rates.
4. The utility must, within 45 days of filing an application with the commission, submit an affidavit which demonstrates that the requirements of subsections 1 through 3 of this section have been met.
5. The utility must notify its customers, either by inclusion in the regular bill of charges or by separate mailing, of a hearing to be held for the purpose of receiving comments from customers and of an evidentiary hearing. Such notice must be received by customers not less than ten days prior to the scheduled hearing. The notice must specify:

- (a) the date, time and location of any consumer hearing or evidentiary hearing which may be held, or both,

(b) the percentage of change in revenues requested in the application, and

(c) the current and proposed rates.

Section 4. A utility whose rates are subject to the jurisdiction of the commission as set forth in NRS 704.095 and whose gross annual revenues for the past twelve months did not exceed \$100,000 may elect to change its rates and charges either by following the procedures set forth in NAC 704.580 or the procedures set forth in this section.

1. A utility may request the assistance of staff in changing its rates and charges by mailing a letter to staff in which it requests that staff conduct an audit of the utility's books and review the utility's expenditures and operations in order to determine appropriate levels of rates and charges.

Any such request for staff's assistance shall be made within 45 days of the last day of the test year selected by the utility.

2. Upon receipt of such a request, staff shall initiate an audit of the utility's books and shall review its expenditures and operations.

3. Following its audit and determination of recommended rates and charges, staff shall prepare on behalf of the utility an application which requests that such rates and charges be put into effect. Before such an application is filed with the commission, staff shall provide a copy of the application to the utility.

4. Staff, with the cooperation of the utility, shall meet informally with the utility's customers in the utility's service territory for the purpose of receiving comments from customers on the quality of service they are receiving as well as on the rates and charges which staff is recommending. The utility must mail a notice of this consumer meeting, which has been prepared by staff, to all customers so that customers are notified not less than ten days prior to the date of the consumer meeting.

5. If the utility elects to proceed with the application as prepared by staff, the utility shall file the application with the commission within 180 days of the last day of the test year selected. A utility may elect not to proceed with the application in the form suggested by staff. A utility which has requested staff's assistance and has subsequently decided not to proceed with the application prepared by staff may not file an application pursuant to NAC 704.580 or another request for assistance within one year of the date of its previous request for assistance.

6. The commission will issue a public notice of an application prepared by staff and filed by a utility. If no notice of intent to intervene is filed by the Bureau of Consumer Protection/Utility Consumers Advocate or no petition for leave to intervene is filed by any interested and affected person, staff shall present the application at an agenda meeting of the commission following the date for filing of such notice or petitions.

7. If a notice of intent to intervene is filed, or if a petition for leave to intervene is granted, this matter shall be set for an evidentiary hearing.

8. The provisions of subsection 3 of section 12 of this regulation apply to any evidentiary hearing.

Section 5. NAC 703.200 is hereby amended to read as follows:

In the case of an application by a water or sewer company that is no longer exempt under NRS 704.030, in addition to the information required by NAC 703.175 and 703.190 or 703.195, an application must include:

1. A balance sheet as of the date the utility reached the statutory jurisdictional requirements of gross revenues and number of customers of NRS 704.030.
2. A schedule of accounts showing the original cost of any plant in service as of the date of the balance sheet or an estimate of the cost of any plant proposed by a new water or sewer company,

or both.

3. A depreciation schedule by account for each plant showing the method and rate of depreciation, and accumulated depreciation as of the date of the balance sheet.
4. An operating statement for the most recent 12-month period ending on the date of the balance sheet, showing operating revenues and expenses.
5. A statement showing the number of customers being served as of the date of the balance sheet.
6. A statement of the rates for service charged by the utility from the date of the utility's inception to and including the date of filing of the application for a certificate. Rates for service may not be increased without an order of the commission [for those] which approves new rates after the utility has reached the jurisdictional requirements set forth in NRS 704.030. An application pursuant to the provisions established for pleadings and motions and the requirements for public utilities requesting adjustments in rates must be filed if the utility proposes to increase its existing rates or charges. No application may be filed pursuant to NRS 704.100 until the utility has been issued a certificate of public convenience and necessity by the commission.

Section 6. NAC 704.580 is hereby amended to read as follows:

1. Whenever a utility desires to file a change in its tariff which will increase its annual revenues, the utility must submit a completed application, setting forth [its] the proposed changes in its tariff and the reasons for the changes. The application must contain recorded results of revenues, expenses, investments and costs of capital for the test year and annualization adjustments as described in written instructions provided by the staff. [Within 30 days after filing the application with the commission, t] The utility must notify its customers of its intent to seek increased rates in accordance with the provisions of section 3 of this regulation.
2. The commission will give public notice of the application in accordance with its regulations

and procedures. The commission will not consider the request for a rate increase as filed until the submittal is complete and ready for the staff's analysis.

3. An original and 10 legible copies of each application must be filed with the commission.

Section 7. NAC 704.595 is hereby amended to read as follows:

1. A utility may submit an application requesting increases in its scheduled rates to offset increased costs of fuel or power used for pumping in its water or sewer operations, or both. The utility shall comply with subsection 7 of NRS 704.110 and not file such an application more often than once every 30 days.

2. If such an application is for increases for both water and sewer operations, the information concerning those operations must be separately stated. Such an application must include:

(a) Form A, Company Information.[*]

(b) Form B, Tariff Rate Schedule.[*]

(c) Worksheets showing calculations and other information on the increased costs, incurred in the latest 12-month period, of fuel or power purchased for pumping for its water or sewer operations.

(d) Legible copies of the fuel or power bills for each well or pumping station, showing the amounts of fuel or the kilowatt-hours used and the amounts paid. These bills must cover the latest 12-month period and support the data furnished in the worksheets required by paragraph (c).

(e) A statement for the water or sewer operation, or both, showing the increase[s] in revenue which [are] is needed to offset the increased cost of fuel or power purchased for pumping.

(f) Form G[H], Customer Notice.[*] The requested increases in rates must reflect only the increased costs of fuel or power purchased for pumping which will be incurred by the utility.

[*See adopting agency for form.] Forms A through G are available from the staff of the commission.

Section 8. NAC 704.600 is hereby amended to read as follows:

1. When requested by a utility, the commission will consider a rate surcharge to finance large additions or improvements to a plant.
2. In determining whether a surcharge should be authorized, the commission will consider:
 - (a) The necessity of the additions or improvements;
 - (b) The size, in terms of capital requirements, of the additions or improvements; and
 - (c) The availability of other methods of financing.
3. The commission may make such amendments, restrictions or modifications in approving the surcharge as the public interest may require. All facilities funded by a surcharge will be considered a contribution in aid of construction. A rate surcharge will not be authorized unless the utility [**agrees, on a form provided by**] acknowledges in a written statement to the commission[,] that the value of the additions or improvements to a facility will not be considered in determining the fair market value of the utility's entire facility.
4. Any money collected by a public utility subject to the provisions of NAC 704.570 to 704.630, inclusive, pursuant to a rate surcharge authorized by the commission, must be deposited in an account separate from the utility's other funds [**in a state or federally chartered bank or savings and loan institution located in this state. The utility shall instruct the bank or savings and loan institution to submit to the staff a monthly statement of all deposits and withdrawals made during the month**]. The account shall be established as a trust account in a recognized bank, brokerage house, escrow, or title company. The trust document must be reviewed and approved by the commission prior to execution. The funds held in trust shall be deposited in interest-bearing

accounts and shall be federally insured. A copy of all statements identifying all deposits and withdrawals must be provided to the staff upon receipt by the utility.

5. The procedure for withdrawals from the account must be authorized by the commission. [The commission will authorize withdrawals from the account to be made by the licensed, professional engineer in charge of the construction financed by the surcharge. If authorized by the commission, the engineer may withdraw sufficient money to pay for completed work upon presentation to the bank or savings and loan institution of a statement containing his signature that the work has been completed according to his plans and specifications. A copy of the statement must be submitted to the staff.]

Section 9. NAC 704.605 is hereby amended to read as follows:

An applicant for a rate surcharge must submit a written plan for the replacement or expansion of the plant and its financing to the commission for its consideration. The plan must be in sufficient detail to enable the commission to determine the need and necessity for the proposed additions or improvements and must include, but is not limited to, the following information and documents:

1. A brief description of the proposed additions or improvements, together with the estimated cost and the source of that estimate, and an estimate of the time needed for construction and the estimated date of commencement and date of completion of the construction;
2. A list of the proposed projects in order of priority, which contains the reasons for the priorities;
3. The necessity of the proposed additions or improvements;
4. The size, in terms of capital requirements, of the additions or improvements;
5. Any letter of credit, loan commitment or other evidence that funds are or are not available to the applicant; and

6. The availability of other methods of financing.

Section 10. NAC 704.610 is hereby amended to read as follows:

1. In applying for a general rate increase, a utility must complete:

- (a) Form A, Company Information (pages 1-2);
- (b) Form B, Tariff Rate Schedule;
- (c) Form C, [Revenues at Current and Proposed Rates] Income Statement;
- (d) Form D, [Income Statement] Rate Base;
- (e) Form E, [Rate Base, including calculations and schedule of capital cost (pages 1-2)]

Cost of Capital;

- (f) Form F, [Schedule of Increases in Expenses and Plant Investment] Statement of

Services;

- (g) Form G, [Statement of Services; and] Customer Notice;
- (h) Form H, [Customer Notice.] Verification of Application Accuracy; and
- (I) Form I, Affidavit of Service and Posting.

The forms are available from the staff of the commission.

2. Until the utility has completed [and certified] the forms and verified their accuracy, its application will not be considered by the commission.

Section 11. NAC 704.615 is hereby amended to read as follows:

1. Upon receipt of an application for rate changes filed pursuant to NAC [704.570 to 704.630, inclusive] 704.580, the commission's division of consumer [affairs] complaint resolution will prepare a report on all service complaints received by the division subsequent to the utility's last request for a rate increase.

2. The staff will review the application to determine whether the requested rate changes are

reasonable. The staff may make [a] field investigations in conducting its review. If the staff determines that the utility's capital structure, expenses or rate base do not appear reasonable, the staff may prepare a revised summary of earnings based upon its finding of an appropriate capital structure, reasonable expenses, revenues and rate base.

3. [The staff's recommended capital structure, revenues, expenses and rate base and the report on consumer relations will be forwarded to the utility for its review. No later than 60 days a] After the staff's investigation is completed[application is filed], an informal conference [may] will be scheduled in the commission's offices [between] with the utility, the Bureau of Consumer Protection/Utility Consumers Advocate and the staff [following the] for the purpose of reviewing [of] the results of staff's [summary] investigation of the application and report from the division of consumer complaint resolution to attempt to resolve any differences [between the staff, the consumer's advocate and the utility] among the parties.

4. Following the informal conference the staff will: [place the matter before the commission so that the commission may consider the matter within 90 days after the filing of the completed application.]

(a) request that an evidentiary hearing be scheduled, or

(b) present a stipulation for the commission's consideration.

[In its consideration of the matter the commission will:

(a) Accept or reject in its entirety any written stipulation presented by the parties.

(b) Allow the filing of written comments regarding any question of policy raised by the parties if the parties agree that no public hearing is necessary to determine the question of policy.

(c) Convene a session to present any stipulation and receive comments on the quality of service from the utility's customers.

(d) Order the matter set for hearing.]

The commission shall determine if it is necessary to hold a hearing for the purpose of receiving comments from customers with respect to quality of service and other matters of interest to customers before considering a stipulation.

Section 12. NAC 704.620 is hereby amended to read as follows:

1. The commission may set the matter for hearing if, in its judgment, the public convenience and necessity require a hearing.

2. The record of a public hearing convened solely for the purpose of receiving comments from customers may be reported by the commission's sound recording equipment as provided in NRS 703.330 under the direction of the presiding commissioner. The commission secretary will file and maintain the tapes.

3. The utility must provide a stenographer for reporting and transcribing a complete record of the evidentiary hearing. The cost of recording and transcribing must be paid by the utility. The utility must notify the commission five days prior to the evidentiary hearing that arrangements for reporting have been made. The utility must provide the commission with the original and two copies of transcripts no later than ten days after the conclusion of the hearing.

[3]4. If the utility is required to present and justify its requested changes in rates it shall [submit prepared testimony to the commission and all parties of record no later than 21 days after the commission has ordered the matter set for hearing. The utility may include within the prepared testimony] be prepared to explain the information included in its application and may supplement its application with a statement of increased revenues, any increased investment in facilities, increased depreciation expenses, any other operating expenses approved by the commission and any changes in the costs of securities which are known, measurable with reasonable accuracy at

the time of filing and which will become effective within 6 months after the last month of the test year. This supplemental information shall be provided at least 90 calendar days after the utility files its application.

[4]5. [The hearing will be scheduled at least 21 days after the commission receives the prepared testimony. The transcript of reported testimony at the hearing must be filed with the commission no later than 10 days after the conclusion of the hearing.] The commission will issue its opinion and order in the matter no later than 180 days after the completed application has been filed.

Section 13. NAC 704.627 is hereby amended to read as follows:

1. [Before December 31, 1985, t] The staff will conduct a[n] periodic inspection of the facilities, books and records of each public utility subject to the provisions of NAC 704.570 to 704.630, inclusive. [Thereafter, the staff will conduct the inspection of each utility on an annual basis.]

The frequency of these inspections will be based on growth in customer base, customer satisfaction, a request by the commission, or any other change in the utility which would provide a reason for such inspection.

2. The staff will notify the utility and the Bureau of Consumer Protection/Utility Consumers Advocate [of the] that an inspection [at least 45 days before the date scheduled for the inspection] will be made in accordance with this section. Within [10] 30 days after the utility receives notice

of the inspection, the utility shall provide the commission with adhesive mailing labels individually addressed to each customer. The staff, through the division of consumer complaint resolution, will mail a survey to each customer of the utility which is scheduled for inspection.

[2]3. [Within 15 days a] After completing the inspection, the staff will submit a written report of its findings and recommendations to the commission, the utility and the Bureau of Consumer Protection/Utility Consumers Advocate [a written report of its findings and recommendations]. If

the conclusion of the report is that the utility is not in compliance with the standards of service set forth in NAC 704.628, the utility shall submit to the commission, within [15] 30 days after its receipt of the report, its written response to the staff's findings and recommendations. The utility may contest the findings and recommendations and request a hearing before the commission. If no hearing is requested, the utility's response must indicate how the utility intends to comply with the recommendations set forth in the staff's report. If expenditures for construction are required for compliance, the utility shall include a timetable for the construction, an estimate of its cost and an estimate of the effect, if any, of the expenditure on the utility's rates. Upon its receipt of the utility's response, the staff will place the matter before the commission. Whether or not a hearing is requested, the commission may schedule a session to receive comments from the utility's customers on the quality of its service. The commission will consider the survey of customers, the staff's report, the utility's response and the record of any hearing held before it approves[,] or disapproves [or amends] the findings and recommendations of the staff or makes findings and recommendations of its own.

Section 14. NAC 704.628 is hereby amended to read as follows:

[1. **Except as otherwise provided in subsection 2, e]** Each public utility subject to the provisions of NAC 704.570 to 704.630, inclusive, shall comply with the following standards of service:

[(a)] 1. **Water resources.** Water rights must be sufficient to supply adequate amounts of water to satisfy all existing [units] commitments.

[(b)] 2. [The minimum single well production or source of supply, proven by drawdown versus time plots or hydrologic data, must be sufficient to produce water flow in gallons per minute which is in excess of the annual average daily demand divided by 1,440 minutes.] **Water production.** The utility must be capable of producing from surface or groundwater sources, or

obtaining from another utility, sufficient quantities of water to meet the historic maximum daily demand of the system.

(c) The minimum combined well or source of production, proven by drawdown versus time plots or hydrologic data, must be sufficient to produce water flow in gallons per minute which is in excess of the maximum daily demand divided by 1,440 minutes.

(d) The minimum storage capacity must be equal to the annual average daily demand plus any storage necessary to comply with NAC 704.629.

(e)

(f) 2.

A utility which is not able to comply with the standards set forth in paragraphs (b), (c) and (d) of subsection 1 shall at least provide a system for pumping, storage and distribution which is capable of supplying the amount of water required:

(a) By NAC 704.629; or

(b) To satisfy a water flow in gallons per minute which is calculated by determining the highest hourly rate of consumption for the previous year according to the company's records and dividing by 60, whichever is greater.]

3. Water distribution. The distribution system shall meet each of the following requirements:

(a) Service connections from the utility must not exceed the hydraulic capabilities of the system.

(b) The pipe network shall be capable of delivering maximum day demand concurrently with required fire flows. Maximum day demand shall be determined from historical

records or, in the absence of historical data, calculated using a factor of three (3) times average day demand. Fire flow requirements and duration shall be established by the county or local agency having jurisdiction over fire protection. In the absence of any local agency exercising jurisdiction over fire protection, fire flow requirements will be established utilizing the current edition of the Uniform Fire Code hereby adopted by reference.

(c) The distribution system, in conjunction with production facilities, storage and pressure control facilities, must be capable of maintaining, during periods of maximum day demand, a minimum residual pressure of 40 psi throughout the distribution system. Static pressure shall not exceed 100 psi at the lowest elevation in any pressure zone. During periods of fire flow, the residual pressure at any point in the distribution system shall not fall below 20 psi.

(d) To deliver the quantity of water necessary to comply with the requirements of public fire protection, the utility must provide and maintain an adequate quantity of hydrants at the prescribed spacing as established by the county or local agency having jurisdiction over fire protection. In the absence of any local agency having jurisdiction over fire protection, fire hydrant spacing will be determined utilizing the current edition of the Uniform Fire Code.

(e) The utility shall not allow the amount of water lost from its distributive system because of leakage to exceed ten percent of the water required for the system.

(f) All water sources shall have a master meter.

[3. Written approval of applications for new subdivisions or other land development projects filed with the commission pursuant to NRS 704.679 will not be granted unless the application contains the following:

(a) A statement indicating the ownership and form of the utility that will provide water and sewer service and how capital investment in the physical plant was or will be funded.

(b) Evidence that the water and sewer utility will meet the standards of service set forth in subsection 1 and NAC 704.629 when it goes into operation.]

4. Storage. The utility must provide water under both of the following circumstances:

(a) Ability to sustain a mechanical failure: With the single most critical pump out of service, pumping facilities and above-ground storage must be able to maintain the average daily flow rate plus the maximum required fire flow rate for the required duration.

(b) Ability to sustain a power outage: In order to provide system reliability during a power outage, the utility must comply with at least one of the following:

(1) In the event of a power outage, pumping facilities with an alternative power source in conjunction with above-ground storage must be capable of delivering the required fire flow demand for the required duration plus maximum daily demand for a period of one day.

(2) Above-ground storage must be capable of providing the required fire flow for the required duration plus the average daily demand for the period of one day. Above-ground storage is defined as the amount of water stored above an elevation which will maintain a hydraulic gradient above 20 psi at any point within the distribution system during maximum demand.

5. Water quality must meet all existing state and federal standards for purity.

6. Administration and management.

(a) Adequately trained personnel must be available to operate the utility under all reasonable circumstances.

[(g) Connections to the utility must not exceed the proven capabilities of the system.

(h)] (b) Books and records maintained by the utility must comply with the systems of accounts established for class C water and sewer utilities prepared by the National Association of

Regulatory Utility Commissioners, which are hereby adopted by reference. A copy of the publication containing the system established for class C water utilities may be obtained[, for the price of \$5,] from the National Association of Regulatory Utility Commissioners, [1102 Interstate Commerce Commission Building,] 1201 Constitution Avenue, [and 12th Street] N.W., Suite 1102, P.O. Box 684, Washington, D.C. 20044. [A copy of the publication containing the system established for class C sewer utilities may be obtained at the same address for the price of \$5.50.

(I) The utility shall comply with all its filed tariff provisions.]

(c) Each utility shall develop and implement a written operation and maintenance program, a cross-connection control program, and an emergency plan containing procedures unique to each system.

(d) Each utility shall have on file, at an office maintained in the state of Nevada, updated drawings, maps or other permanent records to aid in the operation of the water system.

(e) The utility shall make and maintain a record of any repairs made to a distributive pipe which sets forth the location of the leak, the date it was repaired, an assessment of the cause of the leak and a description of the manner used to repair the pipe.

Section 15. NAC 704.629 is hereby repealed.

Required supply of water.

1. Except as otherwise provided in subsection 2 of NAC 704.628, each system of a public utility subject to the provisions of NAC 704.570 to 704.630, inclusive, which supplies water to an area where a single-family dwelling is located must, for the purposes of fire fighting, be capable of supplying, for at least 2 hours at a minimum residual pressure of 20 pounds per square inch, the following amount of water:

If the distance between the dwelling and the next closest building is:

Gallons per minute

More than 100 feet	500
100 feet or fewer but more than 30 feet	750
30 feet or fewer but more than 10 feet	1,000
10 feet or less	1,500

If more than half of the dwellings in the service area are covered with roofs composed of wooden shingles, the amount of water listed above must be increased by 500 gallons per minute.

2. Each system of a public utility subject to the provisions of NAC 704.570 to 704.630, inclusive, which supplies water to an area where other than single-family dwellings are located must, for the purposes of fire fighting, be capable of supplying such amount of water and under such conditions as are recommended in the Fire Suppression Rating Schedule published by the Insurance Services Office, which is hereby adopted by reference. A copy of the publication containing the schedule may be obtained, for the price of \$10, from the Insurance Services Office, 160 Water Street, New York, New York 10038.

3. The utility shall not allow the amount of water lost from its distributive system because of leakage to exceed 10 percent of the water required for the system. The utility shall make and maintain a record of any repairs made to a distributive pipe which sets forth the location of the leak, the date it was repaired, an assessment of the cause of the leak and a description of the manner used to repair the pipe.

4. The utility shall make and maintain at each of its offices a map of the system of pipes which distributes the water. The map must show the location of each pipe and include a notation of the date of each pipe's installation and the materials from which each pipe was made. The utility shall update the map at least annually.

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

In Re Commission Rulemaking on the Inspection)
of small water utilities. ^) Docket No. 95-2033

INFORMATIONAL STATEMENT
(Filed in accordance with NRS 233B.066)

In February 1995, the Commission opened Docket No. 95-2033 in order to consider amending the manner in which it regulates small water companies. The Commission conducted workshops in July and September 1996, proposed a regulation on which it held a hearing in September 1998, revised its proposed regulation, and held a final workshop and hearing in January 1999. On February 25, 1999, at a duly-noticed agenda meeting, the Commission voted to adopt a temporary regulation.

1. A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of the summary.

The Commission's notices which were issued in this docket were published in several newspapers of general circulation, mailed to city and county clerks, mailed to the Attorney General's Office, Bureau of Consumer Protection/Utility Consumers Advocate ("UCA"), mailed to all small water companies subject to the jurisdiction of the Commission, and mailed to all persons who requested inclusion on the Commission's service list.

A copy of this informational statement may be obtained by calling the Public Utilities Commission of Nevada at (775) 687-6001 or (702) 486-2600, or writing to the Commission at 1150 East William Street, Carson City, Nevada 89701 or 555 East Washington Avenue, Suite 4500, Las Vegas, Nevada 89101.

2. The number of persons who:

(a) Attended workshop #1 5

- (b) Attended workshop #2: 9
- (c) Attended hearing #1: 5
- (d) Attended workshop #3: 8
- (e) Attended hearing #2: 2
- (f) Testified at hearing #1: 4
- (g) Testified at hearing #2: 2

(h) **Submitted to the agency written comments:** Comments were submitted by the Regulatory Operations Staff of the Commission, Central Nevada Utilities Company, Inc., the Attorney General’s Bureau of Consumer Protection - Utilities Consumer Advocate, the State of Nevada Bureau of Health Protection Services, and Silver Lake Water Distribution Company.

3. A description of how comment was solicited from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.

Comments were solicited from affected businesses by the notices in the newspapers, as outlined in j#1, and by direct mail to interested persons subscribing to the Commission’s mailing list. The businesses and agencies generally supported the regulations and comments primarily focused on ways to amend the regulations to create a more effective and simplified system for regulating small water companies.

4. The estimated economic effect of the adopted regulation on the business which it is to regulate and on the public. These must be stated separately, and in each case must include:

- (a) Both adverse and beneficial effects; and
- (b) Both immediate and long-term effects.
 - a. The proposed regulations are not expected to have adverse effects on the regulated

businesses, both immediate or long-term. The proposed regulations are expected to have beneficial effects on the regulated businesses, both immediate and long-term, by providing clear and simplified compliance procedures for small water companies that may result in lower administrative costs.

- b. The proposed regulations are not expected to have adverse effects on the public, both immediate or long-term. The proposed regulations are expected to have beneficial effects on the public, both immediate and long-term, by providing clear and simplified compliance procedures for small water companies that may result in lower administrative costs.

5. The estimated cost to the agency for enforcement of the adopted regulation.

There is no additional cost to the agency for enforcement of this regulation.

6. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

There are no other state or government agency regulations which the proposed regulation duplicates.

9. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

This regulation does not provided for a new fee or increase an existing fee.