

LCB File No. R122-02

**PROPOSED REGULATION OF THE
PUBLIC UTILITIES COMMISSION OF NEVADA**

LCB File No. R125-01
June 25, 2002

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

AUTHORITY: NRS 704B.200.

Section 1. Chapter 704B of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 3, inclusive, of this regulation.

Sec. 2. NAC 704B.320 is hereby amended to read as follows:

704B.320 1. Not later than 30 calendar days before the date on which an eligible customer files an application, the eligible customer shall submit a letter of intent to file the application to:

- (a) The electric utility that is serving the eligible customer;
- (b) The regulatory operations staff; and
- (c) The bureau of consumer protection.

2. The letter of intent submitted pursuant to this section must include the following information:

(a) The name of the eligible customer, the address and other contact information for the eligible customer, and information demonstrating that the applicant is an eligible customer.

(b) The name of the provider, the address and other contact information for the provider, and information demonstrating that the provider will provide energy, capacity or ancillary services from a new electric resource.

(c) Each point of delivery at which the eligible customer intends to purchase energy from the provider and, for each such point of delivery:

- (1) The physical location of the point of delivery; and
- (2) The current account number for the point of delivery, the name on each such account and the current billing address and final billing address for each such account.

(d) A description of the proposed transaction in the executed agreement between the provider and the eligible customer or, if no executed agreement exists when the letter of intent is

submitted, a description of the terms that the eligible customer reasonably expects to be included in an executed agreement between the eligible customer and the provider for the purchase of energy, capacity or ancillary services from the provider. The description must include:

- (1) The date of commencement and the duration of the proposed transaction;
 - (2) The amount of energy, capacity and ancillary services, if any, to be purchased by the eligible customer;
 - (3) The identity of any scheduling coordinator as required by FERC to be used by the eligible customer in scheduling the delivery of energy to the eligible customer and written confirmation from the scheduling coordinator;
 - (4) The point or points of receipt;
 - (5) The maximum number of megawatts or megawatt-hours to be delivered under the proposed transaction and any load forecasts developed to determine the maximum number of megawatts or megawatt-hours to be delivered under the proposed transaction;
 - (6) Information regarding the nature of the product being purchased, including, without limitation, information regarding whether the energy or capacity is firm;
 - (7) Information regarding termination provisions and notice provisions; and
 - (8) Information regarding load ramps, both increases and decreases, over the term of the proposed transaction.
- (e) Information specifying which ancillary services will be taken from which entities.
- (f) Information indicating whether the new electric resources will be delivered from within or outside of the control area of the electric utility.

3. In addition to the information required by subsection 2, if an eligible customer is a governmental entity, the eligible customer shall include with the letter of intent information sufficient to establish that:

- (a) The eligible customer is a governmental entity; and
- (b) The facilities and other locations that will be served by the provider are operated by the eligible customer under a common budget and common control.

4. ~~The eligible customer may designate as commercially sensitive any information regarding submission of the letter of intent and any information included with the letter of intent. If the eligible customer designates such information as commercially sensitive, the regulatory operations staff, the bureau of consumer protection and the electric utility shall protect the~~

~~confidentiality of such information and shall not disclose the information to any other person or entity.~~

~~5.]~~ The electric utility may use information regarding submission of the letter of intent, information included with the letter of intent or information otherwise provided in connection with a proposed transaction governed by this chapter only for the performance of analyses required by this chapter, and the electric utility shall not use such information when conducting its sales or marketing activities. Not later than 60 calendar days after December 17, 2001, each electric utility shall file with the commission written standards, policies and procedures to ensure compliance with this subsection.

Sec. 3. NAC 704B.340 is hereby amended to read as follows:

704B.340 1. If an eligible customer files an application, the eligible customer shall include with the application all the information that the eligible customer included with the letter of intent and all the following items:

(a) Information demonstrating that the eligible customer or the provider has the ability to enter into all transmission service agreements necessary for the provider to deliver energy to the distribution system of the electric utility, and the proposed rates, terms and conditions of each such agreement. The eligible customer shall be deemed to have met the requirements of this subsection if:

(1) The eligible customer or the provider demonstrates that transmission service agreements with the electric utility will not be necessary for the provider to deliver energy to the distribution system of the electric utility; or

(2) The eligible customer demonstrates that it is an eligible customer under the OATT of the electric utility and the eligible customer agrees, to the extent applicable, to pay all costs for system impact studies, costs for construction and other costs required under the OATT of the electric utility to obtain the necessary transmission service.

(b) Information demonstrating that all energy delivered to the eligible customer will be metered through one or more time-of-use meters for each point of delivery.

(c) Any applicable system impact studies or facilities studies completed for the transmission service request.

(d) Any information which is required to update or complete the information that the eligible customer included with the letter of intent.

(e) Any other information deemed necessary by the regulatory operations staff and requested in writing.

(f) If the eligible customer is a nongovernmental commercial or industrial end-use customer whose load is in the service territory of an electric utility that primarily serves densely populated counties:

(1) Information demonstrating that the eligible customer has obtained the required contractual rights in accordance with subsection 2 of NRS 704B.320; and

(2) A binding offer to assign such contractual rights to the electric utility.

2. The eligible customer may request from the commission a protective order to protect the confidentiality of any information ~~[deemed by the eligible customer to be commercially sensitive or to otherwise require such protection.]~~ *the eligible customer believes to be commercially sensitive. The commission will determine if the requested information is commercially sensitive under Nevada law and thus requires confidential treatment.* The commission will grant a protective order at least with respect to all information concerning the price of the energy, capacity and ancillary services to be purchased by the eligible customer. *The information described in subsections 2(a) and 2(b) of NAC 704B.320, above, shall not be deemed confidential under the provisions of this section.* The regulatory operations staff, the bureau of consumer protection and the electric utility may have access to such information upon execution of a confidentiality agreement and subject to the terms of the protective order and the confidentiality agreement. Information protected by a protective order must not be disclosed on the public record or otherwise in any proceeding governed by this chapter, except as provided in the protective order.