

**LCB File No. R025-06**

**PROPOSED REGULATION OF THE OFFICE OF ENERGY**

**NOTICE OF INTENT TO ADOPT REGULATIONS, NOTICE OF WORKSHOP AND  
NOTICE OF HEARING**

**Notice of workshop and hearing for the adoption of  
Regulations for adopting the  
Leadership in Energy and Environmental Design Green Building  
Rating System for Nonpublic Buildings**

The Director of the Office of Energy is proposing the adoption of regulations to chapter 701 of the Nevada Administrative Code (NAC). The Office of Energy will hold a public workshop to solicit comments from interested persons on the proposed regulations in this matter as follows:

**WORKSHOP:**

**Tuesday, May 23, 2006**

10 a.m.

Hearing Room A

Public Utilities Commission of Nevada

1150 E. William Street

Carson City, Nevada 89701

VIA VIDEOCONFERENCE TO:

Hearing Room A

Public Utilities Commission of Nevada

101 Convention Center Drive, Suite 250

Las Vegas, Nevada 89109

The purpose of the workshop is to solicit comments from interested persons on the following general topics addressed in the proposed regulations: To adopt certain portions of the Leadership in Energy and Environmental Design Green Building Rating System for use in this State with regard to nonpublic buildings or structures for the purposes of determining eligibility for certain tax abatements or tax exemptions and providing other matters related thereto.

The Director of the Office of Energy will hold a public hearing for the purpose of ordering the adoption of regulations that pertain to chapter 701 of the Nevada Administrative Code (NAC) and soliciting comments from interested persons regarding the same. The hearing will be held on the proposed regulations in this matter as follows:

**HEARING:**

**Friday, June 9, 2006**

10 a.m.

Hearing Room A  
Public Utilities Commission of Nevada  
1150 E. William Street  
Carson City, Nevada 89701

VIA VIDEOCONFERENCE TO:

Hearing Room A  
Public Utilities Commission of Nevada  
101 Convention Center Drive, Suite 250  
Las Vegas, Nevada 89109

Persons wishing to comment upon the proposed actions and order of the Director may appear at the scheduled public hearing or may address their comments, data, views, or arguments, in written form, to the attention of Director at 727 Fairview Drive, Suite F, Carson City, Nevada 89701. Written submissions must be received, **no later than June 5, 2006**. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Director may proceed immediately to act upon any written submissions.

Members of the public who are disabled and require special accommodations or assistance at the hearing must notify the Office of Energy in writing at 727 Fairview, Suite F, Carson City, Nevada 89701, no later than 5 working days prior to the hearing. Any questions should be directed to the Office of Energy at 727 Fairview, Suite F, Carson City, Nevada 89701 or by telephone to (775) 687-9700.

The following information is provided pursuant to the requirements of NRS 233B.0603:

- 1. The need for and the purpose of the proposed regulation or amendment.** To adopt the Leadership in Energy and Environmental Design for nonpublic buildings for the purposes of determining eligibility for certain tax abatements or tax exemptions and other matters thereto.
- 2. Either the terms or the substance of the regulation to be adopted, amended, or repealed, or a description of the subjects and issues involved.** The terms of the proposed regulations to be adopted are attached hereto as proposed regulations.
- 3. The estimated economic effect of the regulation on the business which it is to regulate and on the public.** The estimated economic effect of the proposed regulations to be adopted and amended on the regulated industry and the public are as follows:

**A. Estimated economic effect on the business it regulates:** It is estimated that the proposed regulations to be adopted could have a small economic effect as follows:

**(i). Adverse and beneficial effects:** The proposed regulations to be adopted do not have an adverse effect. However, the proposed regulations provide for a beneficial effect by adopting a green building rating system for use in determining eligibility for certain tax abatements or tax exemptions.

**(ii). Immediate and long-term effects:** The proposed regulations to be adopted and amended will have similar immediate and long-term effects as the adverse and beneficial effects.

**B. Estimated economic effect on the public:** It is estimated that the proposed regulations to be adopted will not have a negative economic effect on public.

**(i). Adverse and beneficial effects:** The proposed regulations to be adopted provide a benefit to the public by encouraging the construction of high performance buildings and structures which minimize the use of water and energy.

**(ii). Immediate and long-term effects:** The proposed regulations to be adopted and amended will have similar immediate and long-term effects for the public.

**4. The estimated cost to the agency for enforcement of the proposed regulation.** The Office of Energy does not envision any increased costs associated with the enforcement of the regulations.

**5. A description of and citation to any regulations of other state or local governmental agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the proposed regulation overlaps or duplicates a federal regulation, the notice must include the name of the regulating federal agency.** The proposed regulations to be adopted do not overlap or duplicate any regulations of other state or local government agencies or of any federal agency.

**6. If the regulation is required pursuant to federal law, a citation and description of the federal law.** The proposed regulations to be adopted are not required by federal law.

7. **If the regulation includes provisions which are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.** The proposed regulations to be adopted are not more stringent than federal regulation.
8. **Whether the proposed regulation establishes a new fee or increases an existing fee.** The proposed regulations to be adopted do not establish a new fee or increase an existing fee.

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 subject regulations will be available at the Office of Energy, at 727 Fairview Drive, Suite F, Carson City, Nevada 89701 and in all counties in which an office of the agency is not maintained, at the public library, for inspection and copying by members of the public during business hours. This notice and the text of the subject regulations are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at <http://www.leg.state.nv.us> and <http://energy.state.nv.us>. Copies of this notice and the subject regulations 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 agency, if requested to do so by an interested person, either before 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 following locations:

Attn: Public Posting  
Churchill County Library  
5553 S. Maine Street  
Fallon, NV 89406

Attn: Public Posting  
Tonopah Public Library  
P.O. Box 449  
Tonopah, NV 89049  
(171 Central Street)

Attn: Public Posting  
Las Vegas – Clark County Library  
833 Las Vegas Blvd. N.  
Las Vegas, NV 89101

Attn: Public Posting  
Pershing County Library  
P.O. Box 781; (1125 Central Avenue)  
Lovelock, NV 89419

Attn: Public Posting  
Elko County Library  
720 Court Street  
Elko, NV 89801

Attn: Public Posting  
Storey County Library  
P.O. Box 14; (95 South R Street)  
Virginia City, NV 89449

Attn: Public Posting  
Esmeralda County Library  
P.O. Box 430; (Fourth & Crook Sts.)  
Goldfield, NV 89316

Attn: Public Posting  
Washoe County Library  
P.O. Box 2151; (301 S. Center)  
Reno, NV 89505

Attn: Public Posting  
Eureka Branch Library  
P.O. Box 293  
Eureka, NV 89316

Attn: Public Posting  
White Pine County Library  
950 Campton St.  
Ely, NV 89301

Attn: Public Posting  
Humboldt County Library  
85 East 5<sup>th</sup> St.  
Winnemucca, NV 89445

Attn: Public Posting  
Battle Mountain Branch Library (Lander County)  
P.O. Box 141  
Battle Mountain, NV 89820

Attn: Public Posting  
93 Main St.  
P.O. Box 330  
Pioche, NV 89043

Attn: Public Posting  
Carson City Library  
900 N. Roop Street  
Carson City, NV 89701

Attn: Public Posting  
Lyon County Library  
20 Nevin Way  
Yerington, NV 89447

Attn: Public Posting  
Douglas County Library  
P.O. Box 337  
Minden, NV 89423

Attn: Public Posting  
Mineral County Library  
P.O. Box 1390; (First & A Streets)  
Hawthorne, NV 89415

Attn: Public Posting  
Goldfield Public Library  
P.O. Box 430  
Goldfield, NV 89013

Public Utilities Commission of Nevada  
1150 E. William Street  
Carson City, NV 89701

Public Utilities Commission of Nevada  
101 Convention Center Dr. Suite 250  
Las Vegas, NV 89109

Nevada State Office of Energy  
727 Fairview Drive Suite F  
Carson City NV 89701

Nevada State Library  
100 Stewart Street  
Carson City, NV 89701

**LCB File No. R025-06**

**PROPOSED REGULATION OF THE OFFICE OF ENERGY**

PROPOSED ADOPTION OF REGULATIONS  
FOR A GREEN BUILDING RATING SYSTEM

**Explanation:** Matter in *italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

**Purpose:** To adopt regulations under chapter 701 of the Nevada Administrative Code.

**General Authority:** NRS 701.170 and Assembly Bill 3 (2005 Special Session)

**Section 1.** *Chapter 701 of the NAC is hereby amended by adding thereto the provisions set forth as sections 2 through 7.*

**Section 2.** *Definitions*

*“Director” means the director of the office of energy.*

*“Commission” means the commission on economic development.*

*“Leadership in Energy and Environmental Design (LEED) Green Building Rating System” means a national standard for developing high-performance sustainable buildings as established by the United States Green Building Council.*

*“Leadership in Energy and Environmental Design (LEED) certification” means the process by which the US Green Building Council determines if a building has demonstrated that it is operating to its design standards as prescribed by the LEED Green Building Rating System.*

*“Leadership in Energy and Environmental Design (LEED) Certification Level” means the level of certification achieved by a building that is based on a point system that includes the Certified Level, the Silver Level, the Gold Level and the Platinum Level.*

*“Leadership in Energy and Environmental Design – New Construction (LEED-NC)” means the rating system applicable to new commercial construction and major renovation projects.*

*“Leadership in Energy and Environmental Design – Existing Buildings (LEED-EB)” means the rating system that is a set of voluntary performance standards for the sustainable upgrades and operation of buildings not undergoing major renovations.*

*“Leadership in Energy and Environmental Design (LEED) Accredited Professional” means a person who has received professional accreditation from the US Green Building Council.*

*“Non-public building” means a building or structure that is not owned by a governmental entity.*

*“Project” means the proposed construction or retrofit of a building or structure.*

*“Registered Project” means a project that has been registered with the office of energy.*

**Section 3. Applicability of Chapter**

- 1. This chapter applies to buildings or structures that are not public buildings or structures.*
- 2. The green building rating system is to be used only for the purposes of determining eligibility for tax abatements or tax exemptions authorized by law. The provisions of this chapter do not apply to any:
  - (a) Buildings owned by the state*
  - (b) Buildings owned by a local government*
  - (c) Buildings owned by a school district*
  - d. Buildings owned by any other governmental entity or quasi-governmental entity.**

**Section 4 Adoption by Reference of the Leadership in Energy and Environmental Design (LEED) Green Building Rating System**

- 1. The current version of the LEED Green Building Rating System for new construction (LEED-NC) and existing buildings (LEED-EB) as established by the United States Green Building Council are hereby adopted by reference.*
- 2. A copy of the LEED Green Building Rating System may be obtained at no cost from the US Green Building Council, 1015 18th Street, NW, Suite 508, Washington DC 20036 or on the Internet at <http://www.usgbc.org>.*

**Section 5 Registration of Project**

- 1. A project must be registered with the office of energy and the US Green Building Council to qualify for property tax abatement pursuant to NRS 361.XXX (§ 6 of AB 3) or sales tax exemptions pursuant to NRS 374.307 (d) (§ 7 of AB 3). The following information shall be submitted to the director:
  - a. The name, address and phone number of applicant*
  - b. The name, address of owner if the applicant is not the owner.*
  - c. Project title and physical address*
  - d. Rating System and version*
  - e. Expected Level of Certification*
  - f. The date of occupancy*
  - g. Gross square footage of building*
  - h. Proposed building use*
  - i. The name and contact information of a LEED Accredited Professional assigned to the design team.**

2. *The applicant shall provide evidence that the project has been registered with the US Green Building Council.*
3. *The applicant shall provide an evaluation from a LEED Accredited Professional that includes:*
  - a. *A statement that the plans for the project have been reviewed*
  - b. *An opinion as to the applicant's ability to achieve certification at the LEED Certification Level of Silver or higher.*
4. *The director may request additional information from the applicant.*
5. *Registration will be deemed by the director when the applicant has submitted the information requested pursuant to the section.*

**Section 6**      *Notification of Registration*

1. *The director shall notify the applicant when the registration has been deemed complete.*
2. *Upon receipt of completed registration information pursuant to Section 5, the director shall forward a copy of the registration information to:*
  - a. *The executive director of the department of taxation*
  - b. *The executive director of the commission on economic development*
  - c. *The treasurer of the county in which the registered project is or will be located.*

**Section 7**      *Determination of Eligibility; Notification*

1. *The applicant shall provide verification from the US Green Building Council to the director when a registered project has been certified at a LEED Certification Level of Silver or higher.*
2. *Upon verification of Certification, a registered project that has been certified at a LEED Certification Level of Silver or higher, shall be eligible for property tax abatement pursuant to NRS 361.XXX (§ 6 of AB 3) or sales tax exemptions pursuant to NRS 374.307 (d) (§ 7 of AB 3) as determined by the director.*
3. *Upon determining that a registered project is eligible pursuant to Section 7 Subsection 2 the director shall forward a letter of verification to:*
  - a. *The applicant*
  - b. *The executive director of the department of taxation*
  - c. *The executive director of the commission on economic development*
  - d. *The treasurer of the county in which to registered project is located.*