

**LCB File No. R049-06**

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

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

**BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA**

Investigation and rulemaking regarding the revision of )  
regulations concerning general rate case filings for gas ) Docket No. 05-7047  
companies to conform with state law. )  
\_\_\_\_\_ )

**NOTICE OF INTENT TO AMEND/ADOPT/REPEAL REGULATIONS,  
AND  
NOTICE OF WORKSHOP**

Pursuant to the Nevada Administrative Procedure, Nevada Revised Statutes ("NRS") 233B.010 et seq., including but not limited to NRS 233B.060, .0603, .061 and .063, NOTICE IS HEREBY GIVEN that the Public Utilities Commission of Nevada ("Commission") has opened this investigation/rulemaking docket in order to implement changes to the Commission's regulations pursuant to new law from the 2005 Legislative Session. This Investigation/Rulemaking has been designated by the Commission as Docket No. 05-7047.

The Commission, pursuant to NRS 233B.061(2), will hold a public WORKSHOP in this matter as follows:

June 2, 2006

10:00 a.m.  
Hearing Room A  
Public Utilities Commission of Nevada  
1150 E. William Street  
Carson City, Nevada 89701

at which time interested persons may appear and be heard. The workshop may continue from day to day as necessary. The purpose of this workshop is to receive comments from all interested persons regarding amendments to the foregoing regulations.

The Commission is seeking specific recommendations regarding the proposed regulatory language for discussion. The Commission is mindful that the topics included in this docket have been fully discussed before the 2005 Legislature. The policy of the State has been established by the Legislature and signed into law by the Governor - it is not the intent of the Commission to repeat or otherwise expand upon that policy discussion. Instead, the Commission will only entertain specific recommendations regarding the implementation of Nevada law as written by the 2005 Legislature. Commenters are encouraged to respond directly to the questions raised by the Commission and to avoid general discussion or tangential issues.

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

On July 28, 2005, the Commission voted to open Docket No. 05-7047 for the purpose of revising sections of the Nevada Administrative Code (“NAC”) concerning general rate case filings for gas companies so that the appropriate sections conform with newly enacted state law.

The proposed regulations potentially affect all entities that offer or will offer natural gas service, as well as the customers of such entities. The methodology used by the Regulatory Operations Staff of the Commission (“Staff”) to measure the adverse or beneficial economic effects on small business and the public is a simplified Delphi method. Chosen participants are picked by the Staff member responsible for the particular rulemaking. Each participant reviews the text of the proposed regulation and determines the likely impacts of the regulation on small businesses and the public. Responses are gathered and shared with each participant. Each participant reviews each other's responses and a consensus view is formed by the participants.

At this time, the Commission cannot quantify the immediate or long- term adverse or beneficial economic effects resulting from the regulation on the public or on the entities affected by the regulation.

The Commission 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 federal government regulation, nor do they establish any new fee or increase an existing fee.

Pursuant to NRS 233B.061(1), persons wishing to comment or submit data, views, or arguments concerning amendments to the foregoing regulations and the proposed action of the Commission may appear at the scheduled workshop and/or the public hearing. Persons may also address their comments, data, views, or arguments, in written form, to the Secretary of the Commission, 1150 East William Street, Carson City, Nevada 89701 or 101 Convention Center Drive, Suite 250, Las Vegas, Nevada 89109. Written comments must be received by the Commission on or before Friday, May 19, 2006. 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.

A copy of this notice and the attached proposed regulations 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 proposed regulations will be available at the offices of the Commission, at 1150 East William Street, Carson City, Nevada 89701 or 101 Convention Center Drive, Suite 250, Las Vegas, Nevada 89109; 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. This notice and the text of the

proposed 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>. Copies of this notice and the proposed 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 has been posted at the county courthouses located in Reno, Carson City, and Las Vegas.

By the Commission,

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CRYSTAL JACKSON, Commission Secretary

Dated: Carson City, Nevada

\_\_\_\_\_  
(SEAL)

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

Docket No. 05-7047

**NAC 703.2345 Statement H.** Statement H is a summary of the overall results of operations developed from the supporting schedules and statements. The statements must show the amounts as recorded on the applicant's books, adjustments during the year of testing for known changes and estimated adjustments to be certified by the applicant. The statement must also include the requested rate of return and must show the application of the requested rate of return to the overall rate base. *If filing in accordance with subsection 4 of NRS 704.110, the statements must include all increases and decreases in revenue and expenses which may occur within 210 days after the date on which the public utility filed its general rate application with the Commission, if such expected changes in circumstances are reasonably known and are measurable with reasonable accuracy.*

**NAC 703.2351 Statement I.** If statement H contains adjustments for estimated changes beyond the actual year of testing, certification of these amounts must be submitted in statement I in accordance with subsection 3 of NRS 704.110 *unless filing in accordance with subsection 4 of NRS 704.110, in which case Statement I is not necessary.* The certified amounts must be shown in statement I in the same format as statement H. Statement I must begin with the results of operations as recorded and as adjusted for known changes during the year of testing from statement H. Each certified adjustment must be then shown. The necessary detail used to support each certified adjustment must be submitted with the statement.