

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

LCB File No. R210-09

Effective April 20, 2010

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

AUTHORITY: §§1-20, section 17 of Senate Bill No. 188, chapter 414, Statutes of Nevada 2009, at page 2264 (NRS 701B.336), and section 23 of Senate Bill No. 188, chapter 414, Statutes of Nevada 2009, at page 2265 (NRS 701B.342).

A REGULATION relating to energy; establishing the Solar Thermal Systems Demonstration Program for use by public utilities that supply natural gas in this State; establishing terms and conditions for participation in the Program; establishing rebates for the installation of certain solar thermal systems; providing for the recovery by utilities of certain costs relating to the Program; and providing other matters properly relating thereto.

Section 1. Chapter 701B of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 20, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 20, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 4 to 16, inclusive, of Senate Bill No. 188, chapter 414, Statutes of Nevada 2009, at pages 2263 and 2264 (NRS 701B.303 to 701B.333, inclusive), and sections 3 to 7, inclusive, of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Applicant” means:*

- 1. A customer who applies to participate in the Solar Thermal Program;*
- 2. An eligible contractor who applies on behalf of a customer to participate in the Solar Thermal Program; or*

3. Any other person who applies on behalf of a customer to participate in the Solar Thermal Program if:

(a) The person is designated and authorized by the customer to apply on behalf of the customer to participate in the Solar Thermal Program; and

(b) The designation and authorization are set forth in a letter from the customer to the utility which sets forth the relationship between the customer and the person.

Sec. 4. "Customer" means a customer of a utility that supplies natural gas in this State.

Sec. 5. "Eligible contractor" means a person who has satisfied the requirements set forth in section 11 of this regulation and any additional requirements to install solar thermal systems for the customers of a utility set forth in the annual plan of the utility filed pursuant to section 15 of this regulation.

Sec. 6. "Program" or "Solar Thermal Program" means the Solar Thermal Systems Demonstration Program established by section 8 of this regulation.

Sec. 7. "Solar Thermal Program rate" means the rate established pursuant to NRS 704.110 to recover the costs of the Solar Thermal Program.

Sec. 8. 1. In accordance with the requirements of section 17 of Senate Bill No. 188, chapter 414, Statutes of Nevada 2009, at page 2264 (NRS 701B.336), the Commission hereby establishes the Solar Thermal Systems Demonstration Program for use by public utilities that supply natural gas in this State.

2. The Solar Thermal Program consists of the following categories of participants:

(a) School property;

(b) Public and other property;

(c) Private residential property; and

(d) Small business property.

Sec. 9. *To qualify for the Solar Thermal Program, a solar thermal system must:*

- 1. Be located on property within the Nevada service territory of a participating utility.*
- 2. Be installed in a building which is connected to an existing distribution system of a participating utility.*
- 3. Consist of solar thermal system components that are new and unused.*
- 4. Have a manufacturer's warranty of not less than 10 years that covers the solar collectors of the solar thermal system against defects and undue degradation.*
- 5. Have a manufacturer's warranty of not less than 5 years that covers each new tank of the solar thermal system, if any.*
- 6. Have a workmanship warranty of not less than 2 years that covers the installation of the solar thermal system, including labor and materials.*
- 7. Be installed in conformity with the manufacturer's specifications and all applicable codes and standards.*
- 8. Be installed by an eligible contractor.*
- 9. Include a meter or other measuring device to enable the utility to evaluate the output of the installed solar thermal system, except that meters must be installed on a sampling of systems of various sizes.*
- 10. Have:*
 - (a) An OG-300 certification that is issued by the Solar Rating and Certification Corporation; or*

(b) An OG-100 certification or similar certification which is appropriate for the specific type of property and is issued by the Solar Rating and Certification Corporation, and must include:

(1) Documentation that supports the sound design and expected performance of the solar thermal system; and

(2) The stamp or seal of a professional engineer, the signature of the engineer attesting to the sound design of the solar thermal system and the estimated annual savings of therms per year, the date of signing and the date of expiration of the license of the engineer.

Sec. 10. *When installing a solar thermal system that uses solar energy to heat water, an eligible contractor:*

1. Except as otherwise provided in subsection 2, shall use a two-tank system, where a new tank is dedicated to storing water heated by solar panels and the customer's existing tank is used to heat water with natural gas.

2. In a retrofit application, may use just a customer's existing tank in combination with an external heat exchanger if:

(a) The existing tank is still under warranty or is less than 3 years old;

(b) The application includes the stamp or seal of a professional engineer, the signature of the engineer attesting to the expected performance and sound design of the solar thermal system, the date of signing and the date of expiration of the license of the engineer; and

(c) The customer is provided with a written disclosure consisting of an estimate of the efficiency of a one-tank system with an external heat exchanger compared to an estimate of the efficiency of a two-tank system, all other variables being the same or reasonably similar.

Sec. 11. 1. To qualify as an eligible contractor to install solar thermal systems for the customers of a utility under the Solar Thermal Program, a contractor must:

(a) Submit to the utility annually:

(1) A contractor participation application on a form provided by the utility;

(2) Proof that the contractor has been issued a classification C-1 license with the appropriate subclassification by the State Contractors' Board pursuant to regulations adopted by the Board;

(3) Proof of valid workers' compensation insurance if the contractor is required by law to carry such insurance, commercial general liability insurance and business auto insurance; and

(4) Documentation of all warranties that will apply to solar thermal systems installed by the contractor.

(b) Successfully complete a 1-day training workshop provided by the utility.

(c) Satisfy any additional requirements to install solar thermal systems for the customers of the utility set forth in the annual plan of the utility filed pursuant to section 15 of this regulation.

2. A utility shall maintain a list of all contractors who are eligible to install solar thermal systems for customers of the utility under the Solar Thermal Program.

3. In reviewing a contractor participation application submitted pursuant to this section, a utility shall verify that the contractor's license issued by the State Contractors' Board is currently valid and active. If the utility determines that the contractor's license was suspended during the application process:

(a) The utility shall not confirm any incentive reservation associated with the contractor;

(b) The utility shall suspend any application associated with the contractor;

(c) The utility shall not make any incentive payment for a solar thermal system associated with the contractor, unless the solar thermal system was put into operation before the suspension of the license;

(d) The utility shall notify each party identified on the application of the suspension; and

(e) If the solar thermal system has not been installed, the customer may hire a new contractor without losing the current incentive reservation.

4. The utility shall provide on its Internet website, adjacent to its application forms, a best practices guide to selecting a contractor and other consumer resources, including, without limitation, the contact information of the State Contractors' Board.

Sec. 12. *If the applicant is not the customer of record, the utility shall notify the customer of record of all correspondence between the utility and the applicant throughout the Program process.*

Sec. 13. 1. *To be eligible for a rebate pursuant to the Solar Thermal Program, a solar thermal system which is installed on property that is included within the category of private residential property or small business property is subject to the provisions of this section.*

2. An applicant must submit an application for reservation of an incentive to the utility using forms provided by the utility and approved by the Commission. The application must be accompanied by a copy of:

(a) A contract signed by a customer of the utility;

(b) All warranties applicable to the solar thermal system and the installation of the solar thermal system;

(c) Authorization to act on behalf of the customer, if applicable; and

(d) An attestation executed by the contractor stating that the project will satisfy siting requirements as determined by the utility.

3. The application must require the applicant to estimate the annual savings of therms per year and the amount of any rebate for which the solar thermal system is eligible based on all information available at the time the application is submitted to the utility.

4. If the application is determined by the utility to be incomplete or to require clarification, the utility shall request additional information from the applicant. If the applicant fails to submit the requested information within 20 calendar days after receipt of the request, the utility shall cancel the application. If an application is cancelled by the utility, the applicant may resubmit an application for the project to the utility. All resubmitted applications must be treated as new applications and be processed in sequence with other new applications. Rebate money must not be reserved until the utility receives all required information and documentation and approves the project.

5. The utility shall, within 30 days after receipt of a complete application, review the application and determine eligibility for a rebate. If the utility approves the project, the utility shall issue a confirmed reservation notice for the project. The confirmed reservation notice must specify:

(a) The dollar amount of the rebate reserved for the project;

(b) An expiration date for the reservation of the rebate, which must be 12 months after the date of issuance of the notice; and

(c) That the solar thermal system must be purchased, installed and put into operation not later than the expiration date specified in the confirmed reservation notice.

6. After the solar thermal system has been purchased, installed and put into operation, the applicant must submit to the utility a rebate claim package which includes a rebate claim form and all supporting documentation required by the utility. The rebate claim form must be signed by both the eligible contractor and the customer.

7. To receive the rebate, all requirements of the Solar Thermal Program must be met and a complete rebate claim package must be submitted to the utility before the expiration date specified in the confirmed reservation notice.

8. If a rebate claim package is incomplete or requires clarification, the utility shall request the required information from the applicant. If the applicant fails to provide the required information within 20 calendar days after receiving the request for information, the utility may reject the rebate claim form. If a rebate claim package is not received on or before the expiration date specified in the confirmed reservation notice, or the information in the rebate claim package indicates that the project is otherwise ineligible, the utility shall send a written notice to the applicant stating the reasons why the project is rejected and not eligible for a rebate. The applicant may resubmit a rebate claim package but will be subject to the eligibility requirements, rebate levels and funding available at the time of the resubmission.

Sec. 14. 1. *To be eligible for a rebate pursuant to the Solar Thermal Program, a solar thermal system which is installed on property that is included within the category of school property or public and other property is subject to the provisions of this section.*

2. An applicant, after issuing a request for proposals or making any other solicitation for the installation of the solar thermal system, must submit an application for reservation of an incentive to the utility using forms provided by the utility and approved by the Commission. The application must be accompanied by a copy of:

(a) The request for proposals or other solicitation for the installation of the solar thermal system or a copy of an executed agreement for the purchase and installation of the solar thermal system;

(b) The signature of the applicant; and

(c) Authorization to act on behalf of the customer, if applicable.

3. The application must require the applicant to estimate the annual savings of therms per year and the amount of any rebate for which the solar thermal system is eligible based on all information available at the time the application is submitted to the utility.

4. The utility shall, within 30 days after receipt of the application, review the application and determine whether it is complete. Once the utility determines that the application is complete, the utility shall reserve money allocated for the specified size of the solar thermal system and send a notice to the applicant. The notice must specify:

(a) The incentive amount that has been reserved for the project;

(b) The expiration date of the notice, which must be 30 months after the date of the notice;

(c) That the solar thermal system must be purchased, installed and put into operation not later than the expiration date specified in the confirmed reservation notice;

(d) The date 90 days after the issuance of the notice by which the applicant must submit a checklist approved by the Commission documenting the progress of the project and demonstrating that the project is progressing and there is a sustained commitment to complete the project within 30 months after the date of the notice; and

(e) The date 270 days after the issuance of the notice by which the applicant must submit all documentation required to confirm the reservation in the initial notice, including, without limitation:

(1) A copy of the executed agreement for the purchase and installation of the solar thermal system; and

(2) Any documentation required by the utility which substantiates ownership of the equipment.

5. The reservation of money pursuant to subsection 4 expires upon the failure of the applicant to satisfy the proof of progress requirements set forth in paragraph (d) or (e) of subsection 4 by the respective deadlines specified in those paragraphs.

6. If the proof of progress required by paragraph (d) or (e) of subsection 4 is received by the utility on or before the respective deadlines specified in those paragraphs but is determined to be incomplete or to require clarification, the utility shall request additional information. If the applicant fails to submit the additional requested information within 20 calendar days after receipt of the request, the application must be cancelled. Once the applicant has sufficiently demonstrated that the project is progressing, the utility shall issue a notice that the reservation has been confirmed.

7. If the applicant provides documentation to satisfy all the requirements described in subsections 2, 3 and 4 at the time of the initial application, the utility shall, within 30 days after receipt of the application:

(a) Review the application and determine whether it is complete; and

(b) Either issue a notice that the project has a confirmed reservation or request more information as described in subsection 4.

8. After the solar thermal system has been purchased, installed and put into operation, the applicant must submit to the utility a rebate claim package which includes a rebate claim form

and all supporting documentation required by the utility. The rebate claim form must be signed by both the eligible contractor and the customer.

9. To receive the rebate, all requirements of the Solar Thermal Program must be met and a complete rebate claim package must be submitted to the utility before the expiration date specified in the confirmed reservation notice.

10. If a rebate claim package is incomplete or requires clarification, the utility shall request the required information from the applicant. If the applicant fails to provide the required information within 20 calendar days after receiving the request for information, the utility may reject the rebate claim form. If a rebate claim package is not received on or before the expiration date specified in the confirmed reservation notice, or the information in the rebate claim package indicates that the project is otherwise ineligible, the utility shall send a written notice to the applicant stating the reasons why the project is rejected and not eligible for a rebate. The applicant may resubmit a rebate claim package but will be subject to the eligibility requirements, rebate levels and funding available at the time of the resubmission.

Sec. 15. 1. *Not later than July 19, 2010, and annually thereafter, each utility that supplies natural gas in this State shall file with the Commission a plan which must include:*

(a) A schedule describing major program milestones of the Solar Thermal Program.

(b) A budget which includes information relating to:

(1) Rebates;

(2) Contractor costs;

(3) Marketing costs;

(4) Training costs; and

(5) Utility administrative costs.

(c) Following the first plan year, a report on the productivity of the Solar Thermal Program for the previous year and a status report on the current year, including, without limitation:

(1) The number of applications received by the utility in each category of the Solar Thermal Program;

(2) The number of participants in the Solar Thermal Program and the number of participants who have withdrawn from the Solar Thermal Program;

(3) The number of participants with metered solar thermal systems, the individual sizes of the solar thermal systems and the data collected from those meters;

(4) The annual budget and expenditures of the Solar Thermal Program;

(5) A list of completed installations;

(6) A summary of marketing efforts; and

(7) A description of training for inspectors, certifiers and eligible contractors and educational activities.

(d) A description of the application process, including, without limitation:

(1) The procedures to be followed by the applicant and the utility; and

(2) Copies of current or proposed applications and forms.

(e) A detailed advertising plan.

(f) An education and training plan, including, without limitation, a tentative schedule of training to be offered by the utility.

(g) An inspection and verification plan.

(h) Any recommendations on modifications to the existing schedule of rebates.

2. Within 150 days after a utility has filed an annual plan, the Commission will issue an order approving the annual plan with such modifications and upon such terms and conditions as the Commission finds necessary or appropriate to facilitate the Program.

Sec. 16. *1. To reach the goal of at least 3,000 solar thermal installations by 2019, the allocation of the number of solar thermal systems to be installed for each utility must be based on the approximate number of customers of the utility on September 30, 2009.*

2. Except as otherwise provided in subsection 3:

(a) For a utility that has more than 600,000 customers:

(1) The total number of solar thermal systems to be installed is 2,430.

(2) The number of solar thermal systems to be installed in each of the first and second rebate steps is 486.

(3) The number of solar thermal systems to be installed in the third rebate step is 1,458.

(b) For any other utility:

(1) The total number of solar thermal systems to be installed is 570.

(2) The number of solar thermal systems to be installed in each of the first and second rebate steps is 114.

(3) The number of solar thermal systems to be installed in the third rebate step is 342.

3. The utility may file with the Commission a request to adjust the number of solar thermal systems required to be installed pursuant to subsection 2 to maximize participation in the Program.

4. The utility shall calculate its progress in meeting the number of solar thermal systems to be installed that are required pursuant to this section for each rebate step by using the number of projects that have been determined eligible and have been issued notices that

incentive reservations have been confirmed for those projects. An unused reservation from a previous rebate step or current rebate step that becomes available as the result of applicants withdrawing or being withdrawn from the Program must be added to the number of solar thermal systems in the current step. When the total number of solar thermal systems in any rebate step has been issued, any subsequent reservations must be issued at the next rebate step.

5. The rebate payment levels must automatically be reduced over the duration of the Solar Thermal Program in three steps, based on the volume of confirmed reservations. The duration of each step must be dependent on when the utility reaches its goal. The amount of the rebate for each step of the Solar Thermal Program is as follows:

(a) For the first rebate step:

<i>Category</i>	<i>Category Incentives</i>	<i>Rebate Level</i>	<i>Maximum Rebates</i>
<i>School Property</i>	<i>27</i>	<i>\$19.00 times therms per year rating of the system</i>	<i>The lesser of 50 percent of system cost or \$30,000</i>
<i>Public and Other Property</i>	<i>27</i>	<i>\$19.00 times therms per year rating of the system</i>	<i>The lesser of 50 percent of system cost or \$30,000</i>
<i>Private Residential Property</i>	<i>420</i>	<i>\$14.50 times therms per year rating of the system</i>	<i>The lesser of 30 percent of system cost or \$3,000</i>
<i>Small Business Property</i>	<i>126</i>	<i>\$14.50 times therms per year rating of the system</i>	<i>The lesser of 30 percent of system cost or \$7,500</i>

(b) For the second rebate step:

<i>Category</i>	<i>Category Incentives</i>	<i>Rebate Level</i>	<i>Maximum Rebates</i>
<i>School Property</i>	<i>27</i>	<i>\$17.00 times therms per year rating of the system</i>	<i>The lesser of 50 percent of system cost or \$30,000</i>
<i>Public and Other Property</i>	<i>27</i>	<i>\$17.00 times therms per year rating of the system</i>	<i>The lesser of 50 percent of system cost or \$30,000</i>
<i>Private Residential Property</i>	<i>420</i>	<i>\$13.00 times therms per year rating of the system</i>	<i>The lesser of 30 percent of system cost or \$3,000</i>
<i>Small Business Property</i>	<i>126</i>	<i>\$13.00 times therms per year rating of the system</i>	<i>The lesser of 30 percent of system cost or \$7,500</i>

(c) For the third rebate step:

<i>Category</i>	<i>Category Incentives</i>	<i>Rebate Level</i>	<i>Maximum Rebates</i>
<i>School Property</i>	<i>81</i>	<i>\$14.00 times therms per year rating of the system</i>	<i>The lesser of 50 percent of system cost or \$30,000</i>
<i>Public and Other Property</i>	<i>81</i>	<i>\$14.00 times therms per year rating of the system</i>	<i>The lesser of 50 percent of system cost or \$30,000</i>
<i>Private Residential Property</i>	<i>1,260</i>	<i>\$11.00 times therms per year rating of the system</i>	<i>The lesser of 30 percent of system cost or \$3,000</i>
<i>Small Business Property</i>	<i>378</i>	<i>\$11.00 times therms per year rating of the system</i>	<i>The lesser of 30 percent of system cost or \$7,500</i>

6. For the first 120 days after a rebate step is opened to applications, a utility shall not approve an applicant for more than 25 percent of the projects available in each category within the service territory of the utility. After the expiration of the 120-day period, an applicant may receive approval for any amount of the remaining capacity, regardless of the total number of approved applications held by the applicant.

7. If the rebates specified in this section change between the time an application for reservation of an incentive is approved and the time the solar thermal system is complete, the

applicant must receive the rebate which was in effect at the time that the application was approved.

Sec. 17. *An applicant who withdraws from the Program or does not complete the installation of a solar thermal system:*

1. For private residential property or small business property, within 12 months after the expiration date on the confirmation notice; or

2. For school property or public and other property, within 30 months after the expiration date on the confirmation notice,

↪ must reapply as a new applicant and satisfy all requirements of the Program in effect at the time of reapplication to be eligible for a rebate.

Sec. 18. *1. All reasonable and prudent costs associated with carrying out and administering the Solar Thermal Program must be accounted for in the books and records of a utility separately from amounts attributable to any other activity. The utility must select a method pursuant to section 19 or 20 of this regulation to account for such costs and revenues.*

2. The costs that may be recoverable include, without limitation, costs for labor, materials, rebates, contractors, training, advertising, marketing, measurement, verification, evaluation and overhead, and utility administrative costs.

Sec. 19. *1. Except as otherwise provided in section 20 of this regulation, a utility shall account for costs and revenues in the following manner:*

(a) Calculate, on a monthly basis, the costs incurred and revenues received in the Solar Thermal Program since the end of the test period in its last proceeding to change the Solar Thermal Program rate;

(b) Record the cost of the Solar Thermal Program in a separate subaccount of FERC Account No. 182.3 and make an appropriate offset to other subaccounts;

(c) Maintain subsidiary records of the subaccount of FERC Account No. 182.3 which must clearly delineate, without limitation, the rebates, contractor costs, marketing costs, training costs and utility administrative costs associated with the Solar Thermal Program;

(d) Record in the subaccount of FERC Account No. 182.3 the revenues attributable to the Solar Thermal Program rate to recover the costs of the Solar Thermal Program; and

(e) Apply a carrying charge at the rate of one-twelfth of the authorized rate of return to the monthly ending balance in the subaccount of FERC Account No. 182.3.

2. A utility shall include with its annual rate adjustment application filed pursuant to subsection 8 of NRS 704.110 a revised Solar Thermal Program rate. The revised Solar Thermal Program rate must be calculated by adding the following two components:

(a) A prospective rate determined by dividing the total costs in the Solar Thermal Program annual plan by the projected therms for the program year; and

(b) A clearing rate determined by dividing the cumulative balance in the Solar Thermal Program subaccount of FERC Account No. 182.3 at the end of the test period identified by the utility, consisting of the 12 calendar months ending on the adjustment date, consistent with NAC 704.063, by the therm sales for that test period.

3. The Commission will allow recovery of all prudent Solar Thermal Program costs included in the subaccount of FERC Account No. 182.3 at the end of the identified test period, as defined in NAC 704.063, and adjust the Solar Thermal Program rate accordingly.

Sec. 20. *In lieu of accounting for costs and revenues in the manner set forth in section 19 of this regulation, a utility may account for costs and revenues in the following manner:*

1. The utility may recover approved costs through a per-therm surcharge after application and Commission approval.

2. The utility shall account for costs and revenues on a monthly basis in the following manner:

(a) Debit the account for costs for implementing and administering the Solar Thermal Program and record monthly;

(b) Credit the account for the revenues attributable to the Solar Thermal Program rate; and

(c) Apply a carrying charge equal to one-twelfth of the authorized overall rate of return to the monthly balance.

3. The accumulated amount in the program account balance must be cleared by establishing a surcharge or credit to amortize the account balance over a 1-year period, unless otherwise specified by the Commission.

NOTICE OF ADOPTION OF REGULATION

The Public Utilities Commission adopted regulations assigned LCB File No. R210-09 (Docket No. 09-06033) which pertain to chapter 701B of the Nevada Administrative Code on February 24, 2010. A copy of the regulations as adopted is attached.

LEGISLATIVE REVIEW OF ADOPTED REGULATIONS AS REQUIRED BY NRS 233B.066 LCB FILE NO. R210-09 (DOCKET NO. 09-06033)

The following informational statement is submitted for adopted amendments to Nevada Administrative Code Chapter 701B.

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

Copies of the proposed regulations, notice of intent to act upon the regulation and notice of workshop and hearing were sent by U.S. mail and email to persons who were known to have an interest in the adoption of a Solar Thermal Energy Systems Demonstration Program. These documents were also made available at the website of the Public Utilities Commission (“PUC”), <http://puc.nv.gov>, mailed to all county libraries in Nevada, published in the following newspapers:

Elko Daily Free Press
Las Vegas Review Journal
Nevada Appeal
Reno Gazette Journal
Tonopah Times-Bonanza

and posted at the following locations:

Public Utilities Commission
1150 East William Street
Carson City, NV 89701

Public Utilities Commission
101 Convention Center Drive, Suite 250
Las Vegas, NV 89109

First Judicial District Court
885 East Musser Street
Carson City, Nevada 89701

Second Judicial District Court
75 Court Street
Reno, NV 89501

Eighth Judicial District Court
Regional Justice Center
200 Lewis Avenue
Las Vegas, NV 89155

Participants discussed procedures for utility customers to apply to participate in the Solar Thermal Energy Systems Demonstration Program. Topics included but were not limited to the application process, information that the utility shall provide to the Commission in its annual plan filing,

requirements for contractors installing renewable energy systems, and appropriate incentive levels to reach installed capacity goals.

Transcripts of the proceedings are available for review at the office of the PUC, 1150 East William Street, Carson City, Nevada 89701 and 101 Convention Center Drive, Suite 250, Las Vegas, Nevada 89109.

- 2. The number of persons who:**
 - (a) attended each hearing:** February 19, 2010 - 6
 - (b) testified at each hearing:** February 19, 2010 - 6
 - (c) submitted to the agency written comments:** 4

- 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 in the same manner as they were solicited from the public.

The summary may be obtained as instructed in the response to question #1.

- 4. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.**

The permanent regulations were adopted on February 24, 2010.

- 5. The estimated economic effect of the adopted regulation on the businesses which it is to regulate and on the public. These must be stated separately, and each case must include:**
 - (a) Both adverse and beneficial effects;**
 - (b) Both immediate and long-term effects;**

(a) Both adverse and beneficial effects:

No adverse effects of the proposed regulations on small businesses are anticipated. Small businesses will continue to pay a portion of their rates, as do all ratepayers, for costs associated with renewable energy programs.

(b) Both immediate and long-term effects:

See Item #5(a).

- 6. The estimated cost to the agency for enforcement of the adopted regulation.**

There is no additional cost to the agency for enforcement of these regulations.

- 7. A description of any regulation 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.**

These regulations do not overlap or duplicate any federal, state, or local regulations.

- 8. If the regulation includes provisions that are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.**

N/A

- 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.**

N/A

- 10. If the proposed regulation is likely to impose a direct and significant economic burden upon a small business or directly restrict the formation, operation or expansion of a small business? What methods did the agency use in determining the impact of the regulation on a small business?**

The PUC determined that the proposed regulations do not impose a direct and significant economic burden upon a small business or restrict the formation, operation or expansion of a small business. In making this determination, the PUC adopted the findings of the Regulatory Operations Staff, which conducted a Delphi Method exercise to determine the impacts. The Delphi Method is a systematic, interactive, forecasting method based on independent inputs of selected experts.