

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

LCB File No. R001-10

Effective April 20, 2010

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

AUTHORITY: §1, NRS 703.025, 704.210 and 704.870.

A REGULATION relating to utility facilities; revising provisions pertaining to the information which must be included in certain applications for permits to construct a utility facility; and providing other matters properly relating thereto.

Section 1. NAC 703.423 is hereby amended to read as follows:

703.423 An application filed with the Commission pursuant to subsection 1 of NRS 704.870 for a permit to construct a utility facility where no federal agency is required to conduct an environmental analysis of the proposed utility facility, or an amended application filed with the Commission pursuant to paragraph (b) of subsection 2 of NRS 704.870 for a permit to construct a utility facility where a federal agency has issued its final environmental assessment or environmental impact statement relating to the construction of the proposed utility facility, must contain the following information in the order listed:

1. A description of the location of the proposed utility facility as required by subsection 1 of NRS 704.870, including:

(a) A general description of the location of the proposed utility facility, including a regional map that identifies the location of the proposed utility facility;

(b) A legal description of the site of the proposed utility facility, with the exception of electric lines, gas transmission lines, and water and wastewater lines, for which only a detailed description of the site is required; and

(c) Appropriately scaled site plan drawings of the proposed utility facility, vicinity maps and routing maps.

2. A description of the proposed utility facility, including:

(a) The size and nature of the proposed utility facility;

(b) The natural resources that will be used during the construction and operation of the proposed utility facility;

(c) Layout diagrams of the proposed utility facility and its associated equipment; ~~and~~

(d) Scaled diagrams of the structures at the proposed utility facility ~~and~~; *and*

(e) A statement concerning whether the proposed utility facility is an electric generating plant or the associated facilities of an electric generating plant that uses renewable energy as its primary source of energy to generate electricity.

3. A copy and summary of any studies which have been made of the environmental impact of the proposed utility facility as required by subsection 1 of NRS 704.870.

4. A description of any reasonable alternate locations for the proposed utility facility, a description of the comparative merits or detriments of each location submitted, and a statement of the reasons why the location is best suited for the proposed utility facility, as required by subsection 1 of NRS 704.870.

5. A copy of the public notice of the application or amended application and proof of the publication of the public notice, as required by subsection 4 of NRS 704.870.

6. Proof that a copy of the application or amended application has been submitted to the Nevada State Clearinghouse within the Department of Administration to enable agency review and comment.

7. An explanation of the nature of the probable effect on the environment, including:

(a) A reference to any studies described in subsection 3, if applicable; and

(b) An environmental statement that includes:

(1) The name, qualifications, professions and contact information of each person with primary responsibility for the preparation of the environmental statement;

(2) The name, qualifications, professions and contact information of each person who has provided comments or input in the preparation of the environmental statement;

(3) A bibliography of materials used in the preparation of the environmental statement;
and

(4) A description of:

(I) The environmental characteristics of the project area existing at the time the application or amended application is filed with the Commission;

(II) The environmental impacts that the construction and operation of the proposed utility facility will have on the project area before mitigation; and

(III) The environmental impacts that the construction and operation of the proposed utility facility will have on the project area after mitigation.

↪ The data and analyses in the descriptions must be commensurate with the degree of the anticipated impacts.

8. ~~[Am]~~ *Unless, pursuant to paragraph (b) of subsection 1 of NRS 704.890, the proposed utility facility is exempt from the requirement that the Commission find and determine the*

extent to which the proposed utility facility is needed to ensure reliable utility service to customers in this State, an explanation of the extent to which the proposed utility facility is

needed to ensure reliable utility service to customers in this State, including:

- (a) If the proposed utility facility was approved in a resource plan or an amendment to a resource plan, a reference to the previous approval by the Commission; or
- (b) If the proposed utility facility was not approved in a resource plan or an amendment to a resource plan, a description of the extent to which the proposed utility facility will:
 - (1) Provide utility service to customers in this State;
 - (2) Enhance the reliability of utility service in this State; and
 - (3) Achieve interstate benefits by the proposed construction or modification of transmission facilities in this State, if applicable.

9. An explanation of how the need for the proposed utility facility as described in subsection 8 balances any adverse effects on the environment as described in subsection 7.

10. An explanation of how the proposed utility facility represents the minimum adverse effect on the environment, including:

- (a) The state of available technology;
- (b) The nature of various alternatives; and
- (c) The economics of various alternatives.

11. An explanation of how the location of the proposed utility facility conforms to applicable state and local laws and regulations, including a list of all permits, licenses and approvals required by federal, state and local statutes, regulations and ordinances. The explanation must include a list that indicates:

(a) All permits, licenses and approvals the applicant has obtained, including copies thereof;
and

(b) All permits, licenses and approvals the applicant is in the process of obtaining to commence construction of the proposed utility facility. The applicant must provide an estimated timeline for obtaining these permits, licenses and approvals.

12. An explanation of how the proposed utility facility will serve the public interest, including:

(a) The economic benefits that the proposed utility facility will bring to the applicant and this State;

(b) The nature of the probable effect on the environment in this State if the proposed utility facility is constructed;

(c) The nature of the probable effect on the public health, safety and welfare of the residents of this State if the proposed utility facility is constructed; and

(d) The interstate benefits expected to be achieved by the proposed electric transmission facility in this State, if applicable.

NOTICE OF ADOPTION OF REGULATION

The Public Utilities Commission adopted regulations assigned LCB File No. R001-10 (Docket No. 09-06034) which pertain to chapter 704 of the Nevada Administrative Code on March 31, 2010. A copy of the regulations as adopted is attached.

LEGISLATIVE REVIEW OF ADOPTED REGULATIONS AS REQUIRED BY NRS 233B.066 LCB FILE NO. R001-10 (DOCKET NO. 09-06034)

The following informational statement is submitted for adopted amendments to Nevada Administrative Code Chapter 704.

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 prescribing the form and substance of a standard net metering contract and tariff. These documents were also made available at the website of the Public Utilities Commission (“PUC”), <http://pucweb1.state.nv.us/PUCN/>, 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 parties’ recommendations relating to amending Chapters 703 and/or 704 of the Nevada Administrative Code to address low carbon intensity scenarios and related matters in

accordance with Senate Bill 165, including the means of including in the electric utilities' integrated resource plan for supply side options, at least once scenario to consider low carbon intensity options.

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 11 and 12, 2010 –Appx. 10 each day
 - (b) **testified at each hearing:** February 11, 2010 – 3; February 12, 2010 - 4
 - (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 March 31, 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. The streamlining of the application process may save time and money for the utility, the public, and small businesses. No additional costs are anticipated for small businesses.

(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.