

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

LCB File No. R095-10

Effective October 15, 2010

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

AUTHORITY: §1, NRS 703.025 and 704.210.

A REGULATION relating to public utilities; revising provisions governing the intrastate transportation of gas; and providing other matters properly relating thereto.

Section 1. NAC 704.460 is hereby amended to read as follows:

704.460 *1.* The Commission hereby adopts by reference the regulations contained in 49 C.F.R. Parts 191, 192, 193 and 199, ~~[as those regulations existed on January 1, 2006.]~~ *in the form most recently published by the United States Government Printing Office, unless the Commission gives notice that the most recent publication is not suitable for this State pursuant to subsection 2.* Copies of those parts are available at no charge from the United States Government Printing Office at the Internet address <http://www.gpoaccess.gov>.

2. If any publication adopted by reference pursuant to subsection 1 is revised, the Commission may review the revision to ensure its suitability for this State. If the Commission determines that the revision is not suitable for this State, the Commission will hold a public hearing to review its determination within 6 months after the date of publication of the revision and give notice of that hearing. If, after the hearing, the Commission does not revise its determination, the Commission will give notice within 30 days after the hearing that the

revision is not suitable for this State. If the Commission does not give such notice, the revision becomes part of the publication adopted by reference pursuant to subsection 1.

**LEGISLATIVE REVIEW OF ADOPTED REGULATIONS
AS REQUIRED BY NRS 233B.066
LCB FILE R095-10 (DOCKET NO. 09-10009)**

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 an explanation 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 subject of pipeline safety regulations. 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:

Ely Times
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, Nevada 89701	Public Utilities Commission 101 Convention Center Drive, Suite 250 Las Vegas, Nevada 89109
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An informal workshop was held on December 12, 2009, at which time the participants discussed potential regulation language and other issues related to the rulemaking process. Thereafter, the proposed regulation language was sent to LCB on June 2, 2010.

An additional formal workshop was held on October 7, 2010 and a public hearing was held on October 8, 2010. At that workshop and hearing, Nevada Power Company and Sierra Pacific Power Company, d/b/a NV Energy, the Regulatory Operations Staff of the Commission, Saguaro Power and Southwest Gas participated. All parties, except Southwest Gas, generally agreed that they were satisfied with the language and that the proposed regulation met the intent of the statute. Southwest Gas raised a potential issue with regard to the application of the non-delegation doctrine. The Commission and the other parties agreed that the proposed regulations did not impermissibly delegate the Commission’s rulemaking authority to a federal agency. Southwest Gas did not raise any arguments at the formal workshop or hearing held October 7 and 8, 2010, respectively.

A copy of the transcript of the proceedings is available for review at the offices 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 the workshops:** December 12, 2009 - 4; October 7, 2010 - 6
 - (b) **Testified at the hearing:** October 8, 2010 - 4
 - (c) **Submitted to the agency written comments:** 2

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 will be adopted on October 14, 2010. It was not revised as the participants in the formal workshop and hearing and the Commission believed the regulation met the intent of the statute.

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; and**
 - (b) **Both immediate and long-term effects.**

(a) Both adverse and beneficial effects:

The adopted regulation will have little or no economic impact on the public. The adopted regulation adopts by reference the federal pipeline safety regulations, as such federal regulations may be amended from time to time.

(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 regulations 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.**

The adopted regulations overlaps with the federal pipeline safety regulations recorded at 48 C.F.R. 191, 192, 193 and 199. The regulations specifically adopt the federal pipeline safety regulations by reference, as such regulations may be amended from time to time. The federal regulation was adopted by the Pipeline and Hazardous Materials Safety Administration, a division of the U.S. Department of Transportation.

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

This regulation adopts the federal regulation by reference.

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 has 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 Regulatory Operations Staff of the Commission, 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.