

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

**LCB File No. R035-11**

September 12, 2011

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

AUTHORITY: §§1-3, 5-7 and 9, NRS 703.025, 704.1835 and 704.210; §§4 and 8, NRS 703.025 and 704.210.

A REGULATION relating to public utilities; revising requirements for termination of utility service of certain customers; placing certain limitations on the ability of an electric utility to terminate service under certain circumstances; revising time in which a utility which has been terminated service to a customer must resume service upon certain payments; and providing other matters properly relating thereto.

**Section 1.** Chapter 704 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this regulation.

**Sec. 2.** *“Advanced service delivery meter” means a digital device for measuring usage of electricity in discrete intervals of time which is capable of remotely connecting or disconnecting electric service to a residential customer of an electric utility and is integrated into a system that is capable of remote connection and disconnection.*

**Sec. 3.** *“Advanced service delivery meter customer” means a residential customer of an electric utility who is provided electric service by the electric utility through an advanced service delivery meter.*

**Sec. 4.** NAC 704.341 is hereby amended to read as follows:

704.341 1. Except as otherwise provided in this section and NAC 704.338, a utility shall provide a program for the deferred payment of a delinquent bill for any customer who requests the program and agrees in writing to pay:

(a) The arrearage within 90 days after the execution of the agreement, in four equal payments, with the first payment to be made upon the execution of the agreement; and

(b) All future bills when due.

↪ The 90-day period otherwise provided for payment of the arrearage may be extended at the discretion of the utility.

2. If a customer who enters into an agreement for the deferred payment of an arrearage is required to pay a deposit as a condition of continuing or resuming service and:

(a) The customer's service has not been terminated because of the failure to comply with an existing agreement for deferred payment; or

(b) The customer is entering into the agreement pursuant to subsection 3,

↪ the deposit and the arrearage must be included in the agreement and must be paid within 120 days, in four equal payments, with the first payment to be made upon the execution of the agreement.

3. If a governmental agency or another entity that provides energy assistance to lower-income customers pledges or pays money on behalf of a customer who has an arrearage, the utility shall allow the customer to enter into an agreement for the deferred payment of the remaining arrearage and any deposit owed by the customer, regardless of whether the customer has entered into any other prior agreements for deferred payment pursuant to this section.

4. Except as otherwise provided in subsection 3, a customer may not enter into an agreement for deferred payment pursuant to this section more than once during any 11-month period, unless the utility agrees otherwise.

5. The utility may terminate service to a customer who enters into an agreement for deferred payment pursuant to this section for any failure by the customer to make payment as provided by the agreement, if ~~the~~ :

*(a) The remaining arrearage is \$50 or more; and*

*(b) The utility sends written notice of its intended action to the customer at least 48 hours before it terminates service.*

6. Each agreement for deferred payment entered into pursuant to this section must:

(a) Specify the date on which each installment is due; and

(b) Contain a statement, in boldface type, of the right of the utility to terminate service to the customer, upon 48-hours' notice, for any failure by the customer to make payment as provided by the agreement.

**Sec. 5.** NAC 704.360 is hereby amended to read as follows:

704.360 1. If a utility has a reason for the termination of service under NAC 704.355 and intends to terminate service, the utility shall in every case send a written notice of its intended action to the customer at least 10 days before it carries out the action, except that if the customer has failed to comply with the terms of an agreement for deferred payment, the utility may terminate service upon 48-hours' notice as provided in NAC 704.341.

2. *If the customer is an advanced service delivery meter customer, the electric utility must include a statement with the initial notice required by subsection 1 stating that the electric*

*utility will notify the advanced service delivery meter customer or a third person designated by the customer pursuant to NAC 704.365 in person before termination of service if:*

*(a) The advanced service delivery meter customer is elderly or is a person with a disability, or whose household includes a person who is elderly or a person with a disability; and*

*(b) The advanced service delivery meter customer has notified the electric utility that the advanced service delivery meter customer is elderly or is a person with a disability, or whose household includes a person who is elderly or a person with a disability.*

*↪ As used in this subsection, “in person” means a method of notice provided by an electric utility in which a representative of the electric utility visits the premises where an advanced service delivery meter is located and makes a reasonable attempt to contact the customer at the premises.*

3. If the utility receives no response to the initial notice, it shall send a second notice to the customer using:

(a) A method required by NAC 704.390, if the customer is subject to the provisions of that section; or

(b) A method which ensures that the notice is delivered to the customer or the customer’s premises at least 48 hours before it terminates service.

~~3.~~ 4. The initial notice must be served upon the customer:

(a) By personal service;

(b) By depositing the notice with the United States Postal Service, properly addressed and postage prepaid, for delivery by first-class mail to the customer’s last known mailing address; or

(c) If requested by the customer and within the capability of the utility, by electronic notice sent via the Internet to the most recent electronic address provided to the utility by the customer.

~~[4.]~~ 5. Service of the initial notice shall be deemed complete on the date that the notice is:

(a) Delivered by personal service to the customer;

(b) Deposited with the United States Postal Service, properly addressed and postage prepaid, for delivery by first-class mail to the customer's last known mailing address; or

(c) Sent via the Internet to the most recent electronic address provided to the utility by the customer.

~~[5.]~~ 6. Except as otherwise provided in NAC 704.390, a second notice may be communicated to the customer:

(a) In person;

(b) By depositing the notice with the United States Postal Service, properly addressed and postage prepaid, for delivery by first-class mail to the customer's last known mailing address;

(c) If requested by the customer and within the capability of the utility, by electronic notice sent via the Internet to the most recent electronic address provided to the utility by the customer;

(d) By telephone if the person receiving the communication is 18 years of age or older and is a resident at the address where service is being provided; or

(e) By posting the notice on the door of that residence if no one is at home.

↪ If a utility intends to change the method it normally uses to communicate a second notice, it shall send a written notice to its customers specifying the new method and the date on which it will begin using that method.

~~[6.]~~ 7. The initial notice and any second notice of an intended termination of service must contain the following information in plain language, with the information listed in paragraphs (i),

(j) and (l) presented in a larger type size than the balance of the notice:

(a) An identification of the account affected by the intended termination.

- (b) The date on or after which the intended termination will occur.
- (c) The address of the location where service will be terminated.
- (d) The reason for the intended termination, including, if the intended termination is for nonpayment, a statement designating the bill as one for actual or estimated use and specifying the total amount owed, the period over which that amount was incurred and the minimum payment required to avoid termination.
- (e) The procedures which are available to dispute or appeal from the intended termination, specifying the address and telephone number of the utility's office which is responsible for handling complaints or inquiries.
- (f) A statement that the utility will promptly investigate any complaint or dispute and give the customer its written decision on the matter.
- (g) A statement that if the customer wishes to dispute any fact or interpretation of a regulation relied upon by the utility in its decision to terminate service, the customer must communicate with the Division. The statement must include the mailing address, telephone number and toll-free telephone number of the Division.
- (h) A statement that service will not be terminated before a resolution of the dispute if the customer pays the questioned portion of the bill at the time the dispute arises and pays all subsequent bills.
- (i) An explanation of any arrangements for payment which the utility offers to customers who have difficulty in paying their bills.
- (j) A list of the names, addresses and telephone numbers of at least two governmental agencies or other organizations which have notified the utility that they will assist customers in paying their utility bills.

(k) An explanation of the restrictions on the termination as set forth in NAC 704.370.

(l) A statement that a customer should notify the utility immediately if any member of the customer's household requires the continuing use of electric or gas appliances to maintain that member's essential health. *The statement required by this paragraph must advise the customer that the customer may obtain a postponement of the termination of service pursuant to NAC 704.370.*

(m) An explanation of the utility's fee schedule and procedures for reconnecting service.

~~[7.]~~ 8. If a utility provides a customer with an initial notice or a second notice of an intended termination of service and the customer or another adult resident of the customer's household communicates orally with the utility concerning the notice, the utility shall explain to the customer or other adult resident each item of information which is included in the notice pursuant to subsection ~~[6.]~~ 7.

~~[8.]~~ 9. If a utility has a reason for the termination of service and intends to terminate service to a mobile home park or a multiunit residential complex, the utility shall use its best efforts to notify the occupants of each family dwelling unit located within the park or complex of the utility's intended action. The utility shall use its best efforts to notify the occupants by posting on the door of each such unit a written notice which states:

- (a) The reason for the termination of service;
- (b) The deadline for making any delinquent payments or for taking any corrective action that is necessary to avoid the termination of service; and
- (c) The date scheduled for the termination of service in the event that any delinquent payments are not made or corrective action is not taken.

↪ The utility shall provide the notice required by this subsection to the occupants of a multiunit residential complex at the same time that the utility provides notice to the customer of record for the complex.

**Sec. 6.** NAC 704.375 is hereby amended to read as follows:

704.375 1. Except as otherwise provided in subsections 1 and 2 of NAC 704.350, a utility may not terminate service to a customer on a weekend, on a holiday or on the day before a weekend or a holiday.

2. *Except as otherwise provided in subsections 1 and 2 of NAC 704.350, an electric utility may terminate service to an advanced service delivery meter customer between the hours of 7:30 a.m. and 12:30 p.m. only.*

3. Except as otherwise provided in subsections 1 and 2 of NAC 704.350, a utility may not terminate service to a customer if the utility has knowledge that the customer or a permanent resident of the customer's household:

(a) Is confined to the location where service is provided;

(b) Is on a life support device which, to operate effectively at that location, requires service to be provided by the utility; and

(c) Is likely to die without the aid of the life support device if the utility terminates service.

~~{3.—A}~~

4. *An electric utility may not terminate service to an advanced service delivery meter customer because of nonpayment if the outstanding amount owed by the customer is \$100 or less. Sierra Pacific Power Company may not terminate service to a dual-billed gas and electric customer in its Northern Nevada service territory because of nonpayment if the outstanding*



*amount owed by the customer for electric or gas service, or for combined gas and electric service, is \$100 or less.*

5. *Except as otherwise provided in subsection 4, a utility may not terminate service to a customer because of nonpayment if the outstanding amount owed by the customer is \$50 or less.*

~~[4.]~~ 6. If a utility intends to terminate service to a customer or a multiunit residential complex because of nonpayment, the utility shall postpone the termination if the termination would occur during a forecasted period of extreme temperature for the local geographical area which encompasses the location where service is provided and which typically experiences similar temperature conditions as the location where service is provided.

~~[5.]~~ 7. As used in this section:

(a) “Forecasted period of extreme temperature” means any period of 24 hours for which the National Weather Service has issued a forecast predicting that, at some point during the period of 24 hours, the outside temperature : ~~[will be:]~~

(1) *Within the northern Nevada service territory of Sierra Pacific Power Company will be:*

*(I) Ninety-five degrees Fahrenheit or higher for an electric customer who is subject to the provisions of NAC 704.390;*

*(II) One hundred five degrees Fahrenheit or higher ~~[; or]~~  
——~~(2)]~~ for an electric customer who is not subject to the provisions of NAC 704.390;*

*(III) Twenty degrees Fahrenheit or lower for an electric customer who is subject to the provisions of NAC 704.390; or*

*(IV) Fifteen degrees Fahrenheit or lower ~~[.]~~ for an electric customer who is not subject to the provisions of NAC 704.390.*

*(2) Within the southern Nevada service territory of Nevada Power Company will be:*

*(I) One hundred degrees Fahrenheit or higher for an electric customer who is subject to the provisions of NAC 704.390 and who lives in a mobile home constructed before January 1, 2000;*

*(II) One hundred three degrees Fahrenheit or higher for an electric customer who is subject to the provisions of NAC 704.390 and who does not live in a mobile home constructed before January 1, 2000;*

*(III) One hundred five degrees Fahrenheit or higher for an electric customer who is not subject to the provisions of NAC 704.390;*

*(IV) Twenty degrees Fahrenheit or lower for an electric customer who is not subject to the provisions of NAC 704.390; or*

*(V) Fifteen degrees Fahrenheit or lower for an electric customer who is not subject to the provisions of NAC 704.390.*

*(3) Within the service territory of any gas utility will be, for all customers:*

*(I) One hundred five degrees Fahrenheit or higher; or*

*(II) Fifteen degrees Fahrenheit or lower.*

(b) “National Weather Service” means the National Weather Service of the National Oceanic and Atmospheric Administration of the United States Department of Commerce.

**Sec. 7.** NAC 704.383 is hereby amended to read as follows:

704.383 1. A utility shall resume service to a customer:

(a) If the customer has complied with the requirements of the utility set forth in its tariff;

(b) Upon the order of any court of competent jurisdiction or the Commission; or

(c) If the statement conforms to the requirements of that paragraph, immediately upon its receipt of the statement described in paragraph (a) of subsection 1 of NAC 704.370.

2. Except as otherwise provided in subsection 3, if a utility terminates service to a customer because of nonpayment and the customer or another person or entity on behalf of the customer subsequently pays the utility in an amount that is sufficient to resume service, the utility shall resume service to : ~~{the customer:}~~

(a) *A gas and electric customer not served through an advanced service delivery meter:*

(1) On the same day that the payment is received by the utility, if the payment is received by the utility on or before 10 a.m.; or

~~{(b)}~~ (2) Within 24 hours after the time when the payment is received by the utility, if the payment is received by the utility after 10 a.m.

(b) *An advanced service delivery meter customer:*

(1) *On the same day that the payment is received by the electric utility, if the payment is received by the electric utility on or before 2 p.m.; or*

(2) *Within 24 hours, if the payment is received by the electric utility after 2 p.m.*

3. If a utility terminates service to a multiunit residential complex because of nonpayment and the customer of record or another person or entity on behalf of the customer of record subsequently pays the utility in an amount that is sufficient to resume service, the utility shall resume service to each unit within the multiunit residential complex on a priority basis, subject to emergency situations, including, but not limited to, emergency situations affecting the health of a person as described in paragraph (a) of subsection 1 of NAC 704.370.

4. A utility may charge a fee, as set forth in its tariff, to resume service to a customer.

**Sec. 8.** NAC 704.385 is hereby amended to read as follows:

704.385 *1.* A utility shall give written notice to:

~~1.1~~ *(a)* Each new customer at the time the customer applies for service; and

~~1.2~~ *(b)* Each customer at least once annually by means of a notice enclosed with a bill,

↳ that special assistance is available to elderly persons and to persons with a disability who are unable to pay their bills on a timely basis and that such a person must communicate with the utility if the person wishes to benefit from that special assistance.

*2. If the customer is an advanced service delivery meter customer, the electric utility must include a statement with the written notice given pursuant to subsection 1 stating that the electric utility will notify the advanced service delivery meter customer or a third person designated by the customer pursuant to NAC 704.365 in person before termination of service for nonpayment if:*

*(a) The advanced service delivery meter customer is elderly or is a person with a disability, or whose household includes a person who is elderly or a person with a disability; and*

*(b) The advanced service delivery meter customer has notified the electric utility that the advanced service delivery meter customer is elderly or is a person with a disability, or whose household includes a person who is elderly or a person with a disability.*

↳ *As used in this subsection, “in person” means a method of notice provided by an electric utility in which a representative of the electric utility visits the premises where an advanced service delivery meter is located and makes a reasonable attempt to contact the customer at the premises.*

*3. An electric utility shall conduct outreach to identify the number of its customers’ households that include a person who is elderly or a person with a disability.*

**Sec. 9.** NAC 704.390 is hereby amended to read as follows:

704.390 1. A utility may not terminate service to a customer who is elderly or who is a person with a disability, or whose household includes a person who is elderly or a person with a disability, unless the utility has notified the customer or another ~~[adult]~~ resident of the customer's household ~~[in person or by telephone]~~ *who is 18 years of age or older* at the address where service is provided at least 48 hours before the date upon which the termination would occur.

2. *An electric utility shall make the notification required by subsection 1 in person. For the purposes of this subsection, "in person" means a method of notice provided by an electric utility in which a representative of the utility visits the premises where an advanced service delivery meter is located and makes a reasonable attempt to contact the customer at the premises.*

3. *A gas utility shall make the notification required by subsection 1 in person or by telephone.*

4. When providing the notice required by subsection 1, the utility shall explain to the customer or other adult resident each item of information which subsection ~~[6]~~ 7 of NAC 704.360 requires to be included in a written notice of intent to terminate service.

~~[3.]~~ 5. In addition to the notice required by subsection 1, the utility shall notify governmental agencies or other organizations which have notified the utility that they will assist customers in paying their utility bills.