

**LEGISLATIVE REVIEW OF ADOPTED REGULATIONS OF THE
COLORADO RIVER COMMISSION OF NEVADA
AS REQUIRED BY NRS 233B.066
AMENDED INFORMATIONAL STATEMENT
LCB FILE R023-23**

The following statement is submitted for adopted amendments to Nevada Administrative Code (NAC) Chapter 538.

1. A clear and concise explanation of the need for the adopted regulation.

The amendments to the regulations adopted by our Commission repeal four regulations, revise one regulation for definition purposes, and move another regulation for better organization of the regulations. The specific regulations and summary of the reasons for their repeals are as follows:

- NAC 538.370 – “Program for increasing capacity.” This regulation was related to the uprating of Hoover Dam in the 1980s. The uprating program was implemented in the 1980s and this regulation is no longer needed.
- NAC 538.380 “Schedule B defined” this schedule is referenced in 43 U.S.C. § 619 (a) (1) (B) and referenced in the current regulation, but Schedule B is part of the uprating program from the 1980s and is what distinguishes it from Schedule A. To complete the definition of Schedule B, a reference to the authorizing federal statute for Schedule B was added that states, “authorized by 43 U.S.C. § 619.”
- NAC 538.460 – “Minimum reserves of contractor.” This regulation is not needed. Compliance with reliability standards, including minimum reserve requirement, is no longer voluntary. The Northern Electric Reliability Organization (NERC) has enforcement authority to ensure compliance.
- NAC 538.470 “Capacity offered at varying load factors.” This regulation is not needed. The Colorado River Commission (CRCNV) markets the products it receives from the Western Area Power Administration. Product parameters, including load factors, are addressed in WAPA’s contract with the CRCNV and the contracts with CRCNV’s customers.

- NAC 538.495 “New contracts.” This regulation is not needed, the requirements for October 1, 2017, have been met and the regulation is no longer needed.
- NAC 538.025 “Schedule D”. The change to the regulation moves this definition of Schedule D, to follow the definitions of Schedule A, B and C.

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

Copies of the proposed regulations, notices of workshop and notices of intent to act upon the regulation were sent by U.S. mail and email to persons who were known to have an interest in the subject of the regulation and any persons who had specifically requested such notice. These documents were also made available and posted at the following locations:

Colorado River Commission of Nevada
555 E. Washington Blvd., Suite 3100
Las Vegas, Nevada 89101

Colorado River Commission website www.crc.nv.gov
Grant Sawyer State Office Building
555 E. Washington Blvd
Las Vegas, Nevada 89101

Nevada Public Notice website <https://notice.nv.gov>

Nevada State Legislative Counsel Bureau Administrative Regulation Notices
website: <https://www.leg.state.nv.us/App/Notice/A/>

In response to the Governor’s Executive Order 2023-03, Commission Staff brought the matter for a review of the Commission’s regulations before the full Commission on February 14, 2023. The Commission approved a public hearing to be held in March and a second public hearing in April.

Staff held a public on March 15, 2023, to discuss possible changes to the regulations and to receive comments on its regulations. Further, the proposed changes to the regulations were proposed at the Commission meeting on April 11, 2023, as part of a Public Hearing and Workshop. There were no public comments received in writing or at the public hearings in March or at the Public Hearing and Workshop in April regarding the changes to the regulations contemplated by the Commission.

The Commission on September 5, 2023, issued a Notice of Intent to Act upon a Regulation and Notice of Hearing for Adoption of Regulations pursuant to LCB File No. R023-23. At the hearing on October 10, 2023, an opportunity for comments from the public was offered regarding the proposed changes to the regulations. No public comments were received. At the hearing on December 12, 2023, an opportunity for comments from the public was offered regarding the proposed changes to the regulations. No public comments were received.

3. The number persons who:

- a. March Public Hearing: 16.
- b. April Public Hearing and Workshop: 39.
- b. Ask questions at the Public Hearing or Workshop: 0.
- c. Attended the October Adoption Hearing: 38.
- d. Testified the October Adoption Hearing: 0.
- e. Number of Commissioners that asked questions or Commented at the October Adoption hearing: 0.
- f. Attended the December Adoption Hearing: 35
- g. Number of Commissioners that asked questions or Commented at the October Adoption hearing: 0.
- h. Submitted to the agency written comments: 0.

4. A list of names and contact information, including telephone number, business address, business telephone number, electronic mail address, and name of entity or organization represented, for each person identified above in #3, as provided to the agency, is attached as Exhibit A, Exhibit B, Exhibit C and Exhibit D.

See attached.

5. A description of how comments were solicited from affected businesses, a summary of their response, and an explanation of how other interested persons may obtain a copy of the summary.

Before conducting workshops in this matter, the Commission made a concerted effort to determine whether the proposed regulation changes are 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. The methods used by the agency in this effort included reviewing the regulations being repealed and determined the repeal of regulations would not impose a direct or indirect impact upon small business or the formation, operation or expansion of small business.

Further, the Commission held three hearings on the regulation changes and no comments were received from the public regarding the regulation changes.

The Commission determined pursuant to NRS 233B.0608(1) that the proposed changes to the regulations are not 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. Further, the proposed changes will not have a significant adverse or beneficial economic impact upon the regulated industry, either immediately or long-term, and the proposed changes will not have a significant adverse or beneficial economic impact upon the public, either immediately or long-term.

6. 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 regulation was adopted on December 12, 2023, and included all of the changes suggested.

7. 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

The Commission does not regulate businesses but delivers power to its hydropower customers and charges an administrative fee to cover the costs of administering the hydropower contracts. The Commission does not expect any adverse effect from the regulation change. The primary beneficial effect is simply a clearer, more concise set of regulations with the removal of unnecessary regulations that are no longer applicable.

(b) Both immediate and long-term effects.

No immediate or long-term effects are expected since the regulations being repealed are no longer necessary or applicable.

8. The estimated cost to the agency for enforcement of the adopted regulation.

De minimus.

9. **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.**

There are no regulations of other state or government agencies which the proposed regulation overlaps or duplicates.

10. **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

11. **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

12. **Is the proposed regulation 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 Commission has determined that the proposed regulation does not impose a direct and significant economic burden upon small business or restrict the formation, operation, or expansion of a small business. In making this determination the Commission consulted with representatives of companies operating in Nevada that would be subject to this regulation and no such concerns were raised or expressed. Additionally, the Commission afforded businesses additional time following the workshops to submit, in writing, any impacts the proposed regulation may have; no written comments have been received addressing such impacts.