

ASSEMBLY BILL NO. 428—COMMITTEE  
ON COMMERCE AND LABOR

MARCH 25, 2013

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to energy.  
(BDR 58-797)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

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

AN ACT relating to energy; revising provisions relating to the Solar Energy Systems Incentive Program, the Wind Energy Systems Demonstration Program and the Waterpower Energy Systems Demonstration Program; revising provisions governing the payment of incentives to participants in the Solar Program and the Wind Program; requiring the Public Utilities Commission of Nevada to adopt certain regulations; requiring each electric utility in this State to create a Lower Income Solar Energy Pilot Program; requiring the Consumer's Advocate of the Bureau of Consumer Protection in the Office of the Attorney General to publish certain reports; requiring the Commission to open an investigatory docket relating to the costs and benefits attributable to net metering; extending the prospective expiration of the Solar Program, the Wind Program and the Waterpower Program; establishing the Legislative Committee on Energy; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

- 1 Existing law establishes the Solar Energy Systems Incentive Program, the Wind
- 2 Energy Systems Demonstration Program and the Waterpower Energy Systems
- 3 Demonstration Program. (NRS 701B.010-701B.290, 701B.400-701B.650,
- 4 701B.700-701B.880) **Section 3** of this bill establishes the statewide capacity floor
- 5 for the Solar Program and the limits on incentives paid for each renewable energy



\* A B 4 2 8 R 1 \*

6 program. **Sections 5, 19 and 26** of this bill remove the concept of a “program year”  
7 with respect to the renewable energy programs.

8 **Sections 5-7** of this bill require the Public Utilities Commission of Nevada to  
9 adopt regulations relating to the provision of market-based incentives under the  
10 Solar Program. **Section 7** requires the Commission to review the incentives and  
11 authorizes the Commission to adjust the incentives not more frequently than  
12 annually. **Section 7** also provides for an incentive to be paid to a qualified  
13 participant in the Solar Program in one installment upon proof that the participant  
14 has installed and energized the solar energy system and for an incentive to be paid  
15 to a qualified participant over time which must be based on the performance of the  
16 solar energy system and the amount of electricity generated by the solar energy  
17 system. **Section 7** also provides for the payment of performance-based incentives to  
18 a qualified participant in the Solar Program after December 31, 2021. **Section 9** of  
19 this bill requires the Commission to establish the categories for participation in the  
20 Solar Program. **Section 9** authorizes the Commission to establish the criteria and  
21 capacity limitations for each category. **Section 11** of this bill requires a participant  
22 in the Solar Program to participate in net metering.

23 **Section 13** of this bill requires the Commission to establish the categories for  
24 participation in the Wind Program. **Section 14** of this bill requires the Commission  
25 to adopt regulations establishing a system of incentives for participation in the  
26 Wind Program. **Section 14** further provides that the total amount of the incentive  
27 paid to a participant in the Wind Program with a nameplate capacity of not more  
28 than 500 kilowatts must be paid over time and be based on the performance and  
29 amount of electricity generated by the wind energy system. **Section 14** also  
30 provides for the payment of performance-based incentives to a qualified participant  
31 in the Wind Program after December 31, 2021. **Section 17** of this bill requires a  
32 participant in the Wind Program to participate in net metering.

33 **Section 18** of this bill requires the Commission to adopt regulations to provide  
34 a system of incentives for waterpower energy systems with a nameplate capacity of  
35 not more than 500 kilowatts, and **section 20** of this bill prescribes certain  
36 limitations on such incentives. **Section 21** of this bill requires a participant in the  
37 Waterpower Program to participate in net metering.

38 **Section 21.3** of this bill requires each electric utility in this State to create a  
39 Lower Income Solar Energy Pilot Program for the purpose of installing solar  
40 distributed generation systems within its service territory for the benefit of low-  
41 income customers.

42 Existing law authorizes certain qualified customers of a utility to participate in  
43 net metering. (NRS 704.766-704.775) **Section 24** of this bill authorizes a utility to  
44 assess certain charges against certain participants in net metering.

45 Existing law authorizes the Consumer’s Advocate of the Bureau of Consumer  
46 Protection in the Office of the Attorney General to represent the public interest in  
47 any proceeding, including a proceeding to review a proposed rate of an electric  
48 utility. **Section 25.5** of this bill requires the Consumer’s Advocate to publish a  
49 report containing certain information if the Consumer’s Advocate declines to  
50 represent the public interest in a proceeding to review a proposed rate of an electric  
51 utility.

52 **Section 26.5** of this bill requires the Commission to open an investigatory  
53 docket to evaluate the costs and benefits attributable to net metering in this State.

54 **Sections 25.6-25.9** of this bill extend the prospective expiration of the Wind  
55 Program, the Waterpower Program and the Solar Program from December 31,  
56 2021, to December 31, 2025.

57 **Sections 25.1-25.45 and 25.55** of this bill establish the Legislative Committee  
58 on Energy and set forth the membership, duties, powers and responsibilities of the  
59 Committee.



THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1       **Section 1.** Chapter 701B of NRS is hereby amended by adding  
2 thereto the provisions set forth as sections 1.5 to 3.5, inclusive, of  
3 this act.

4       **Sec. 1.5.** *1. As used in this chapter, unless the context*  
5 *otherwise requires, "installed cost" means the actual, documented*  
6 *cost of tangible materials and labor for the installation of a solar*  
7 *energy system, distributed generation system, wind energy system*  
8 *or waterpower energy system.*

9       *2. As used in this section:*

10       *(a) "Distributed generation system" has the meaning ascribed*  
11 *to it in NRS 701B.055.*

12       *(b) "Solar energy system" has the meaning ascribed to it in*  
13 *NRS 701B.150.*

14       *(c) "Waterpower energy system" has the meaning ascribed to*  
15 *it in NRS 701B.800.*

16       *(d) "Wind energy system" has the meaning ascribed to it in*  
17 *NRS 701B.560.*

18       **Sec. 2.** *The Legislature hereby finds and declares that it is*  
19 *the policy of this State to:*

20       *1. Expand and accelerate the development of solar distributed*  
21 *generation systems in this State; and*

22       *2. Establish a sustainable and self-sufficient solar renewable*  
23 *energy industry in this State in which solar energy systems are a*  
24 *viable mainstream alternative for homes, businesses and other*  
25 *public entities.*

26       **Sec. 3.** *1. For the purposes of carrying out the Solar*  
27 *Energy Systems Incentive Program created by NRS 701B.240, and*  
28 *subject to the limitations prescribed by subsection 2, the Public*  
29 *Utilities Commission of Nevada shall set incentive levels and*  
30 *schedules, with a goal of approving solar energy systems totaling*  
31 *at least 250,000 kilowatts of capacity in this State for the period*  
32 *beginning on July 1, 2010, and ending on December 31, 2021.*

33       *2. The Commission shall not authorize the payment of an*  
34 *incentive pursuant to:*

35       *(a) The Solar Energy Systems Incentive Program if the*  
36 *payment of the incentive would cause the total amount of*  
37 *incentives paid by all utilities in this State for the installation of*  
38 *solar energy systems and solar distributed generation systems to*  
39 *exceed \$255,270,000 for the period beginning on July 1, 2010, and*  
40 *ending on December 31, 2025.*

41       *(b) The Wind Energy Systems Demonstration Program created*  
42 *by NRS 701B.580 and the Waterpower Energy Systems*



1 *Demonstration Program created by NRS 701B.820 if the payment*  
2 *of the incentive would cause the total amount of incentives paid by*  
3 *all utilities in this State for the installation of wind energy systems*  
4 *and waterpower energy systems to exceed \$40,000,000 for the*  
5 *period beginning on July 1, 2009, and ending on December 31,*  
6 *2025. The Commission shall by regulation determine the*  
7 *allocation of incentives for each Program.*

8 3. *The Commission may, subject to the limitations prescribed*  
9 *by subsection 2, authorize the payment of performance-based*  
10 *incentives for the period ending on December 31, 2025.*

11 4. *A utility may file with the Commission one combined*  
12 *annual plan which meets the requirements set forth in NRS*  
13 *701B.230, 701B.610 and 701B.850. The Commission shall review*  
14 *and approve any plan submitted pursuant to this subsection in*  
15 *accordance with the requirements of NRS 701B.230, 701B.610*  
16 *and 701B.850, as applicable.*

17 5. *As used in this section:*

18 (a) *“Distributed generation system” has the meaning ascribed*  
19 *to it in NRS 701B.055.*

20 (b) *“Utility” means a public utility that supplies electricity in*  
21 *this State.*

22 **Sec. 3.5.** *A person who submits an application to a utility*  
23 *pursuant to this chapter shall not make any false or misleading*  
24 *statement in the application or in any material which is required*  
25 *to be submitted with the application. As used in this section,*  
26 *“utility” means a public utility that supplies electricity or natural*  
27 *gas in this State.*

28 **Sec. 4.** *NRS 701B.040 is hereby amended to read as follows:*  
29 *701B.040 “Category” means one of the categories of*  
30 *participation in the Solar Program as set forth in ~~NRS 701B.240.~~*  
31 *regulations adopted by the Commission.*

32 **Sec. 5.** *NRS 701B.200 is hereby amended to read as follows:*  
33 *701B.200 The Commission shall adopt regulations necessary*  
34 *to carry out the provisions of NRS 701B.010 to 701B.290, inclusive,*  
35 *and section 2 of this act, including, without limitation, regulations*  
36 *that:*

37 1. *Establish the type of incentives available to participants in*  
38 *the Solar Program and the level or amount of those incentives . ~~†~~*  
39 *~~except that the level or amount of an incentive available in a~~*  
40 *~~particular program year must not be based upon whether the~~*  
41 *~~incentive is for unused capacity reallocated from a past program~~*  
42 *~~year pursuant to paragraph (b) of subsection 2 of NRS 701B.260.~~*  
43 *~~The regulations must provide that the level or amount of the~~*  
44 *~~incentives must decline over time as the cost of solar energy systems~~*



1 ~~and distributed generation systems decline.~~ *The incentives must be*  
2 *market-based incentives that:*

3 (a) *Do not exceed 50 percent of the installed cost of a solar*  
4 *energy system or distributed generation system, as determined by*  
5 *using the average installed cost of the solar energy systems or*  
6 *distributed generation systems, as applicable, installed in the*  
7 *immediately preceding year;*

8 (b) *Are designed to maximize the number of customer*  
9 *categories participating in the Solar Program based on*  
10 *demographics and location, including, without limitation,*  
11 *categories for public entities, customers of lower socioeconomic*  
12 *status, nonprofit organizations and commercial, industrial and*  
13 *residential customers; and*

14 (c) *Provide for a sustainable Solar Program that maintains*  
15 *sufficient customer participation and that provides for the*  
16 *measured award of incentives to as many participants as possible*  
17 *on or before December 31, 2021.*

18 2. Establish the requirements for a utility's annual plan for  
19 carrying out and administering the Solar Program. A utility's annual  
20 plan must include, without limitation:

21 (a) A detailed plan for advertising the Solar Program;

22 (b) A detailed budget and schedule for carrying out and  
23 administering the Solar Program;

24 (c) A detailed account of administrative processes and forms  
25 that will be used to carry out and administer the Solar Program,  
26 including, without limitation, a description of the application  
27 process and copies of all applications and any other forms that are  
28 necessary to apply for and participate in the Solar Program;

29 (d) A detailed account of the procedures that will be used for  
30 inspection and verification of a participant's solar energy system  
31 and compliance with the Solar Program;

32 (e) A detailed account of training and educational activities that  
33 will be used to carry out and administer the Solar Program; ~~and~~

34 (f) *Any other information that the Commission requires from*  
35 *the utility as part of the administration of the Solar Program; and*

36 (g) Any other information required by the Commission.

37 3. Authorize a utility to recover the reasonable costs incurred in  
38 carrying out and administering the installation of distributed  
39 generation systems. ~~pursuant to paragraph (b) of subsection 1 of~~  
40 ~~NRS 701B.260.~~

41 **Sec. 6.** NRS 701B.210 is hereby amended to read as follows:

42 701B.210 The Commission shall adopt regulations that  
43 establish:

44 1. The qualifications and requirements an applicant must meet  
45 to be eligible to participate in ~~each applicable category of:~~



1 ~~—(a) School property;~~  
2 ~~—(b) Public and other property; and~~  
3 ~~—(c) Private residential property and small business property; and~~  
4 *the Solar Program.*

5 2. The form and content of the master application.

6 3. *The process for accepting and approving applications,*  
7 *which must provide that applications are approved based on the*  
8 *order in which complete applications are submitted and not on a*  
9 *lottery process.*

10 4. *A requirement that an authorized representative of any*  
11 *public entity participating in the Solar Program, including*  
12 *participation through a third-party ownership structure, provide*  
13 *the identifying number described in NRS 338.013 for such project*  
14 *and certify in the application and upon final completion of the*  
15 *solar energy system or distributed generation system that the*  
16 *public entity has complied with all applicable requirements of this*  
17 *chapter and chapter 338 of NRS.*

18 5. *A process pursuant to which the utility must transmit to the*  
19 *Commission for inclusion in the public records of the Commission*  
20 *a copy of any application by a public entity or any related material*  
21 *requested by the Commission which includes any redacted*  
22 *personal identifying information of a customer.*

23 **Sec. 7.** NRS 701B.220 is hereby amended to read as follows:

24 701B.220 1. In adopting regulations for the Solar Program,  
25 the Commission shall adopt regulations establishing ~~[an incentive]~~  
26 *the incentives* for participation in the Solar Program ~~[ ]~~ , *shall*  
27 *consider whether such regulations ensure, to the extent*  
28 *practicable, the cost-effective use of such incentives and*  
29 *predictability for participants, rate payers and utilities and shall*  
30 *maximize to the extent practicable the number of customer*  
31 *categories participating in the Solar Program based on*  
32 *demographics and location, including, without limitation,*  
33 *categories for public entities, customers of lower socioeconomic*  
34 *status, nonprofit organizations and commercial, industrial and*  
35 *residential customers. The regulations must:*

36 (a) *For a solar energy system that has a generating capacity of*  
37 *not more than 25 kilowatts, provide for an incentive that must be*  
38 *paid in one installment to a participant for a solar energy system*  
39 *upon proof that the participant has installed and energized the*  
40 *solar energy system;*

41 (b) *For a solar energy system that has a generating capacity of*  
42 *more than 25 kilowatts, provide for an incentive that must be paid*  
43 *to a participant over time and be based on the performance of the*  
44 *solar energy system and the amount of electricity generated by the*  
45 *solar energy system;*



1 (c) For a solar energy system that has a generating capacity of  
2 more than 25 kilowatts, provide for a contract to be entered into  
3 between a participant and a utility, which must include, without  
4 limitation, provisions specifying:

5 (1) The amount of the incentive the participant will receive  
6 from the utility;

7 (2) The period in which the participant will receive an  
8 incentive from the utility, which must not exceed 5 years;

9 (3) That the payments of an incentive to the participant  
10 must be made not more frequently than quarterly; and

11 (4) That a utility must not be required to issue any new  
12 incentive on or after January 1, 2021, or make an incentive  
13 payment after December 31, 2025;

14 (d) Establish reporting requirements for each utility that  
15 participates in the Solar Program, which must include, without  
16 limitation, periodic reports of the average installed cost of the  
17 systems, the cost to the utility of carrying out the Solar Program,  
18 the effect of the Solar Program on the rates paid by customers of  
19 the utility and the annual statistical data related to the amount of  
20 incentives granted and the number of participants;

21 (e) Provide for a decline over time in the amount of the  
22 incentives for participation in the Solar Program as the installed  
23 costs of solar energy systems decrease and as variables, including,  
24 without limitation, system size, installation costs, market  
25 conditions and access to federal, state and other financial  
26 incentives, may require;

27 (f) Provide that the rate at which incentives decline over time  
28 will be published by the Commission, including publication on the  
29 Internet website maintained by the Commission, annually or on  
30 such other schedule as necessary to reflect changes in the market;  
31 and

32 (g) Provide that incentives must be made available only to  
33 solar energy systems with a nameplate capacity of not more than  
34 500 kilowatts.

35 2. The Commission shall review the incentives for  
36 participation in the Solar Program and may adjust the amount of  
37 the incentives not more frequently than annually, as determined  
38 necessary by the Commission to reflect changes in the market for  
39 solar energy systems and demand for incentives.

40 3. A contract that is executed between a utility and a  
41 participant on or before December 31, 2021, providing for the  
42 payment to the participant of an incentive pursuant to paragraph  
43 (b) of subsection 1 may provide for the continued payment of such  
44 an incentive after December 31, 2021, in accordance with  
45 regulations adopted by the Commission.



1 **Sec. 8.** NRS 701B.230 is hereby amended to read as follows:

2 701B.230 1. Each year on or before the date established by  
3 the Commission, a utility shall file with the Commission its annual  
4 plan for carrying out and administering the Solar Program within its  
5 service area . ~~{for a program year.}~~

6 2. The Commission shall:

7 (a) Review each annual plan filed by a utility for compliance  
8 with the requirements established by regulation of the Commission;  
9 and

10 (b) Approve each annual plan with such modifications and upon  
11 such terms and conditions as the Commission finds necessary or  
12 appropriate to facilitate the Solar Program.

13 3. A utility shall carry out and administer the Solar Program  
14 within its service area in accordance with the utility's annual plan as  
15 approved by the Commission.

16 4. A utility may recover its reasonable and prudent costs,  
17 including, without limitation, customer incentives, that are  
18 associated with carrying out and administering the Solar Program  
19 within its service area by seeking recovery of those costs in an  
20 appropriate proceeding before the Commission pursuant to  
21 NRS 704.110.

22 **Sec. 9.** NRS 701B.240 is hereby amended to read as follows:

23 701B.240 1. The Solar Energy Systems Incentive Program is  
24 hereby created.

25 2. The ~~{Solar Program must have three}~~ *Commission:*

26 (a) *Shall establish* categories ~~{as follows:~~

27 ~~—(a) School property;~~

28 ~~—(b) Public and other property; and~~

29 ~~—(c) Private residential property and small business property.}~~ *for*  
30 *participation in the Solar Program with the goal of maximizing to*  
31 *the extent practicable the number of customer categories*  
32 *participating in the Solar Program based on demographics and*  
33 *location.*

34 (b) *May establish the criteria and capacity for each category.*

35 3. *For the purpose of establishing categories pursuant to*  
36 *subsection 2, the Commission may additionally establish*  
37 *subcategories which may include, without limitation, schools,*  
38 *public property, low-income customers and nonprofit*  
39 *organizations, and may establish the criteria and capacity for each*  
40 *subcategory.*

41 4. To be eligible to participate in the Solar Program, a person  
42 must:

43 (a) Meet the qualifications established by the Commission  
44 pursuant to NRS 701B.210;



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1 (b) Submit an application to a utility and be selected by the  
2 ~~{Commission}~~ *utility* for inclusion in the Solar Program pursuant to  
3 NRS 701B.250 and 701B.255; *and*

4 (c) When installing the solar energy system, use an installer who  
5 has been issued a classification C-2 license with the appropriate  
6 subclassification by the State Contractors' Board pursuant to the  
7 regulations adopted by the Board. ~~}; and~~

8 ~~—(d) If the person will be participating in the Solar Program in the  
9 category of school property or public and other property, provide for  
10 the public display of the solar energy system, including, without  
11 limitation, providing for public demonstrations of the solar energy  
12 system and for hands-on experience of the solar energy system by  
13 the public.~~

14 **Sec. 10.** NRS 701B.255 is hereby amended to read as follows:

15 701B.255 1. After reviewing an application submitted  
16 pursuant to NRS 701B.250 and ensuring that the applicant meets the  
17 qualifications and requirements to be eligible to participate in the  
18 Solar Program, a utility ~~{may}~~ *shall* select the applicant for  
19 participation in the Solar Program ~~{}~~ , *subject to the limitations*  
20 *prescribed by section 3 of this act.*

21 2. Not later than 30 days after the date on which the utility  
22 selects an applicant, the utility shall provide written notice of the  
23 selection to the applicant.

24 3. After the utility selects an applicant to participate in the  
25 Solar Program, the utility ~~{may}~~ *shall* approve the solar energy  
26 system proposed by the applicant. Upon the utility's approval of the  
27 solar energy system:

28 (a) The utility shall provide to the applicant notice of the  
29 approval and the amount of incentive for which the solar energy  
30 system is eligible; and

31 (b) The applicant may install and energize the solar energy  
32 system.

33 4. Upon the completion of the installation and energizing of the  
34 solar energy system, the participant must submit to the utility an  
35 incentive claim form and any supporting information, including,  
36 without limitation, a verification of the *installed* cost of the project  
37 and a calculation of the expected system output.

38 5. Upon receipt of the *completed* incentive claim form and  
39 verification that the solar energy system is properly connected, the  
40 utility shall issue an incentive payment to the participant.

41 6. The amount *and type* of the incentive for which an applicant  
42 is eligible must be determined on the date on which the applicant is  
43 selected for participation in the Solar Program, except that an  
44 applicant forfeits eligibility for that amount of incentive if the  
45 applicant withdraws from participation in the Solar Program or does



1 not complete the installation of the solar energy system within 12  
2 months after the date on which the applicant is selected for  
3 participation in the Solar Program. ~~¶An applicant who forfeits~~  
4 ~~eligibility for the incentive for which the applicant was originally~~  
5 ~~determined to be eligible may become eligible for an incentive only~~  
6 ~~on the date on which the applicant completes the installation of the~~  
7 ~~solar energy system, and the amount of the incentive for which such~~  
8 ~~an applicant is eligible must be determined on the date on which the~~  
9 ~~applicant completes the installation of the solar energy system.¶~~

10 **Sec. 11.** NRS 701B.280 is hereby amended to read as follows:  
11 701B.280 ~~¶¶~~ *To be eligible for an incentive through the*  
12 *Solar Program*, a solar energy system ~~used by a participant in the~~  
13 ~~Solar Program meets~~ *must meet* the requirements ~~of NRS 704.766~~  
14 ~~to 704.775, inclusive, the participant is entitled to participate~~ *for*  
15 *participation* in net metering pursuant to the provisions of NRS  
16 704.766 to 704.775, inclusive.

17 **Sec. 12.** NRS 701B.440 is hereby amended to read as follows:  
18 701B.440 "Category" means one of the categories of  
19 participation in the Wind Demonstration Program ~~as set forth in~~  
20 ~~established by the Commission pursuant to subsection 2 of~~  
21 NRS 701B.580.

22 **Sec. 13.** NRS 701B.580 is hereby amended to read as follows:  
23 701B.580 1. The Wind Energy Systems Demonstration  
24 Program is hereby created.

25 2. The ~~Program must have four~~ *Commission shall establish*  
26 categories ~~as follows:~~

- 27 ~~—(a) School property;~~  
28 ~~—(b) Other public property;~~  
29 ~~—(c) Private residential property and small business property; and~~  
30 ~~—(d) Agricultural property.¶~~ *for participation in the Program.*

31 3. To be eligible to participate in the Program, a person must:

32 (a) Meet the qualifications established by the Commission  
33 pursuant to NRS 701B.590; *and*

34 (b) When installing the wind energy system, use an installer  
35 who has been issued a classification C-2 license with the appropriate  
36 subclassification by the State Contractors' Board pursuant to the  
37 regulations adopted by the Board. ~~¶; and~~

38 ~~—(c) If the person will be participating in the Program in the~~  
39 ~~category of school property or other public property, provide for the~~  
40 ~~public display of the wind energy system, including, without~~  
41 ~~limitation, providing for public demonstrations of the wind energy~~  
42 ~~system and for hands-on experience of the wind energy system by~~  
43 ~~the public.¶~~



1 **Sec. 14.** NRS 701B.590 is hereby amended to read as follows:

2 701B.590 *1.* The Commission shall adopt regulations  
3 necessary to carry out the provisions of the Wind Energy Systems  
4 Demonstration Program Act, including, without limitation,  
5 regulations that establish:

6 ~~1-1 (a)~~ The capacity goals for the Program . ~~1-1 which must be~~  
7 ~~designed to meet the goal of the Legislature of the installation of not~~  
8 ~~less than 5 megawatts of wind energy systems in this State by 2012~~  
9 ~~and the goals for each category of the Program.~~

10 ~~2-1 (b)~~ A system of incentives that are based on rebates that  
11 decline as the ~~1-1 capacity goals for the Program and the goals for each~~  
12 ~~category of the Program are met. The rebates must be based on~~  
13 ~~predicted energy savings.~~

14 ~~3-1 installed cost of wind energy systems declines and as~~  
15 ~~variables, including, without limitation, system size, installation~~  
16 ~~costs, market conditions and access to federal, state and other~~  
17 ~~financial incentives, may require. The system of incentives must~~  
18 ~~provide:~~

19 (1) *Incentives for wind energy systems with a nameplate*  
20 *capacity of not more than 500 kilowatts;*

21 (2) *That the amount of the incentive for a participant must*  
22 *be paid over time and be based on the performance of the wind*  
23 *energy system and the amount of electricity generated by the wind*  
24 *energy system; and*

25 (3) *For a contract to be entered into between a participant*  
26 *and a utility, which must include, without limitation, provisions*  
27 *specifying:*

28 (I) *The amount of the incentive the participant will*  
29 *receive from the utility;*

30 (II) *The period in which the participant will receive an*  
31 *incentive from the utility, which must not exceed 5 years;*

32 (III) *That the payments of an incentive to the*  
33 *participant must be made not more frequently than quarterly; and*

34 (IV) *That a utility is not required to issue any new*  
35 *incentive on or after January 1, 2021, or make an incentive*  
36 *payment after December 31, 2025.*

37 (c) *Reporting requirements for each utility that participates in*  
38 *the Program, which must include, without limitation, periodic*  
39 *reports of the average installed cost of the wind energy system, the*  
40 *cost to the utility of carrying out the Program and the effect of the*  
41 *Program on the rates paid by customers of the utility.*

42 (d) The procedure for claiming incentives, including, without  
43 limitation, the form and content of the incentive claim form.

44 (e) *The period for accepting applications, which must include*  
45 *a period during which a utility must accept additional applications*



1 *if a previously approved applicant fails to install and energize a*  
2 *wind energy system within the time allowed by NRS 701B.615.*

3 *(f) The total incentive paid to a participant in the Program,*  
4 *which must not exceed 50 percent of the total installed cost of the*  
5 *wind energy system of the participant.*

6 *(g) A requirement that an authorized representative of any*  
7 *public entity participating in the Program, including participation*  
8 *through a third-party ownership structure, must provide the*  
9 *identifying number described in NRS 338.013 for such project and*  
10 *certify in the application and upon final completion of the wind*  
11 *energy system that the public entity has complied with all*  
12 *applicable requirements of this chapter and chapter 338 of NRS.*

13 *(h) A process pursuant to which the utility shall transmit to the*  
14 *Commission for inclusion in the public records of the Commission*  
15 *a copy of any application by a public entity or any related material*  
16 *requested by the Commission which includes any redacted*  
17 *personal identifying information of a customer.*

18 *2. A contract that is executed between a utility and a*  
19 *participant on or before December 31, 2021, providing for the*  
20 *payment to the participant of an incentive pursuant to*  
21 *subparagraph (2) of paragraph (b) of subsection 1 may provide for*  
22 *the continued payment of such an incentive after December 31,*  
23 *2021, subject to the limitations prescribed by section 3 of this act*  
24 *and in accordance with regulations adopted by the Commission.*

25 **Sec. 15.** NRS 701B.610 is hereby amended to read as follows:

26 701B.610 1. On or before February 1, 2008, and on or before  
27 February 1 of each year thereafter, each utility shall file with the  
28 Commission its annual plan for carrying out and administering the  
29 Wind Demonstration Program within its service area . ~~for the~~  
30 ~~following program year.~~

31 2. On or before July 1, 2008, and on or before July 1 of each  
32 year thereafter, the Commission shall:

33 (a) Review the annual plan filed by each utility for compliance  
34 with the requirements established by regulation; and

35 (b) Approve the annual plan with such modifications and upon  
36 such terms and conditions as the Commission finds necessary or  
37 appropriate to facilitate the Program.

38 **Sec. 16.** NRS 701B.615 is hereby amended to read as follows:

39 701B.615 1. An applicant who wishes to participate in the  
40 Wind Demonstration Program must submit an application to a  
41 utility.

42 2. After reviewing an application submitted pursuant to  
43 subsection 1 and ensuring that the applicant meets the qualifications  
44 and requirements to be eligible to participate in the Program, a  
45 utility may select the applicant for participation in the Program.



1 3. Not later than 30 days after the date on which the utility  
2 selects an applicant, the utility shall provide written notice of the  
3 selection to the applicant.

4 4. After the utility selects an applicant to participate in the  
5 Program, the utility may approve the wind energy system proposed  
6 by the applicant. Upon the utility's approval of the wind energy  
7 system:

8 (a) The utility shall provide to the applicant notice of the  
9 approval and the amount of incentive for which the wind energy  
10 system is eligible; and

11 (b) The applicant may install and energize the wind energy  
12 system.

13 5. Upon the completion of the installation and energizing of the  
14 wind energy system, the participant must submit to the utility an  
15 incentive claim form and any supporting information, including,  
16 without limitation, a verification of the *installed* cost of the project  
17 and a calculation of the expected system output.

18 6. Upon receipt of the incentive claim form and verification  
19 that the wind energy system is properly connected, the utility shall  
20 issue an incentive payment to the participant.

21 7. The amount of the incentive for which an applicant is  
22 eligible must be determined on the date on which the applicant is  
23 selected for participation in the Wind Demonstration Program,  
24 except that an applicant forfeits eligibility for that amount of  
25 incentive if the applicant withdraws from participation in the  
26 Program or does not complete the installation of the wind energy  
27 system within 12 months after the date on which the applicant is  
28 selected for participation in the Program. ~~[An applicant who forfeits  
29 eligibility for the incentive for which the applicant was originally  
30 determined to be eligible may become eligible for an incentive only  
31 on the date on which the applicant completes the installation of the  
32 wind energy system, and the amount of the incentive for which such  
33 an applicant is eligible must be determined on the date on which the  
34 applicant completes the installation of the wind energy system.]~~

35 **Sec. 17.** NRS 701B.650 is hereby amended to read as follows:

36 701B.650 ~~##~~ *To be eligible for an incentive through the*  
37 *Wind Demonstration Program*, a wind energy system ~~[used by a~~  
38 ~~participant in the Wind Demonstration Program meets]~~ *must meet*  
39 *the requirements [of NRS 704.766 to 704.775, inclusive, the*  
40 ~~participant is entitled to participate]~~ *for participation* in net  
41 metering pursuant to the provisions of NRS 704.766 to 704.775,  
42 inclusive.

43 **Sec. 18.** NRS 701B.840 is hereby amended to read as follows:

44 701B.840 The Commission shall adopt regulations that  
45 establish:



1 1. The capacity goals for the Program, which must ~~be~~  
2 ~~designed to meet the goal of the Legislature of the installation of not~~  
3 ~~less than 5 megawatts of waterpower energy systems in this State by~~  
4 ~~2016 and the goals for each category of the Program. The~~  
5 ~~regulations must~~ provide that not less than 1 megawatt of capacity  
6 ~~must~~ be set aside for the installation of waterpower energy systems  
7 with a nameplate capacity of 100 kilowatts or less.

8 2. *A system of incentives for waterpower energy systems with*  
9 *a nameplate capacity of not more than 500 kilowatts.*

10 3. A system of incentives that are based on rebates that decline  
11 as the capacity goals for the Program ~~and the goals for each~~  
12 ~~category of the Program~~ are met. The rebates must be based on  
13 predicted energy savings.

14 ~~3.~~ 4. The procedure for claiming incentives, including,  
15 without limitation, the form and content of the incentive claim form.

16 **Sec. 19.** NRS 701B.850 is hereby amended to read as follows:

17 701B.850 1. ~~On~~ *Each year on* or before ~~February 21,~~  
18 ~~2008, and on or before February 1 of each subsequent year,~~ *a date*  
19 *established by the Commission*, each utility shall file with the  
20 Commission ~~for approval and~~ *the utility's* annual plan for ~~the~~  
21 ~~administration and delivery of~~ *carrying out and administering*  
22 *the Waterpower Demonstration Program in its service area* for the  
23 ~~program year beginning July 1, 2008, and each subsequent year~~  
24 ~~thereafter,~~ *immediately following 12-month period prescribed by*  
25 *the Commission.*

26 2. ~~On or before July 1, 2008, and on or before each July 1 of~~  
27 ~~each subsequent year, the~~ *The* Commission shall ~~review~~ :

28 (a) *Review* the annual plan for compliance with the requirements  
29 ~~set forth~~ *established* by regulation of the Commission ~~;~~ *and*

30 (b) *Approve the annual plan with such modifications and upon*  
31 *such terms and conditions as the Commission finds necessary or*  
32 *appropriate to facilitate the Program.*

33 **Sec. 20.** NRS 701B.865 is hereby amended to read as follows:

34 701B.865 1. An applicant who wishes to participate in the  
35 Waterpower Demonstration Program must submit an application to  
36 a utility.

37 2. After reviewing an application submitted pursuant to  
38 subsection 1 and ensuring that the applicant meets the qualifications  
39 and requirements to be eligible to participate in the Program, a  
40 utility may select the applicant for participation in the Program.

41 3. Not later than 30 days after the date on which the utility  
42 selects an applicant, the utility shall provide written notice of the  
43 selection to the applicant.

44 4. After the utility selects an applicant to participate in the  
45 Program, the utility may approve the waterpower energy system



1 proposed by the applicant. Upon the utility's approval of the  
2 waterpower energy system:

3 (a) The utility shall provide to the applicant notice of the  
4 approval and the amount of incentive for which the waterpower  
5 energy system is eligible; and

6 (b) The applicant may construct the waterpower energy system.

7 5. Upon the completion of the construction of a waterpower  
8 energy system, the participant must submit to the utility an incentive  
9 claim form and any supporting information, including, without  
10 limitation, a verification of the *installed* cost of the project and a  
11 calculation of the expected system output.

12 6. Upon receipt of the incentive claim form and verification  
13 that the waterpower energy system is properly connected, the utility  
14 shall issue an incentive payment to the participant.

15 7. The amount of the incentive for which an applicant is  
16 eligible must be determined on the date on which the applicant is  
17 selected for participation in the Waterpower Demonstration  
18 Program, except that :

19 (a) *An applicant forfeits eligibility for that amount of incentive*  
20 *if the applicant withdraws from participation in the Program or does*  
21 *not complete the construction of the waterpower energy system*  
22 *within 12 months after the date on which the applicant is selected*  
23 *for participation in the Program* ~~[An applicant who forfeits~~  
24 ~~eligibility for the incentive for which the applicant was originally~~  
25 ~~determined to be eligible may become eligible for an incentive only~~  
26 ~~on the date on which the applicant completes the construction of the~~  
27 ~~waterpower energy system, and the amount of the incentive for~~  
28 ~~which such an applicant is eligible must be determined on the date~~  
29 ~~on which the applicant completes the construction of the~~  
30 ~~waterpower energy system.] ; and~~

31 (b) *No payment may be made by a utility after December 31,*  
32 *2025, or made if such payment would otherwise cause the utility to*  
33 *exceed the limitations prescribed by section 3 of this act.*

34 8. *The total incentive paid to a participant in the Waterpower*  
35 *Demonstration Program must not exceed 50 percent of the total*  
36 *installed cost of the waterpower energy system of the participant.*

37 9. *An authorized representative of any public entity*  
38 *participating in the Waterpower Demonstration Program,*  
39 *including participation through a third-party ownership structure,*  
40 *shall provide the identifying number described in NRS 338.013 for*  
41 *such project and certify in the application and upon final*  
42 *completion of the waterpower energy system that the public entity*  
43 *has complied with all applicable requirements of this chapter and*  
44 *chapter 338 of NRS.*



\* A B 4 2 8 R 1 \*

1       **10.** *The Commission shall adopt regulations prescribing a*  
2 *process pursuant to which the utility must transmit to the*  
3 *Commission for inclusion in the public records of the Commission*  
4 *a copy of any application by a public entity or any related material*  
5 *requested by the Commission with any redacted personal*  
6 *identifying information of a customer.*

7       **Sec. 21.** NRS 701B.880 is hereby amended to read as follows:

8       701B.880 ~~##~~ *To be eligible for an incentive through the*  
9 *Waterpower Demonstration Program, the waterpower energy*  
10 *system ~~used by a participant in the Waterpower Demonstration~~*  
11 *~~Program meets~~ must meet the requirements ~~of NRS 704.766 to~~*  
12 *~~704.775, inclusive, the participant is entitled to participate~~ for*  
13 *participation in net metering pursuant to the provisions of NRS*  
14 *704.766 to 704.775, inclusive.*

15       **Sec. 21.3.** Chapter 704 of NRS is hereby amended by adding  
16 thereto a new section to read as follows:

17       **1.** *Each electric utility in this State shall create a Lower*  
18 *Income Solar Energy Pilot Program for the purpose of installing,*  
19 *before January 1, 2017, distributed generation systems with a*  
20 *cumulative capacity of at least 1 megawatt at locations throughout*  
21 *its service territory which benefit low-income customers,*  
22 *including, without limitation, homeless shelters, low-income*  
23 *housing developments and schools with significant populations of*  
24 *low-income pupils. Each electric utility shall submit the Program*  
25 *as part of its annual plan submitted pursuant to NRS 701B.230.*  
26 *The Commission shall approve the Program with such*  
27 *modifications and upon such terms and conditions as the*  
28 *Commission deems necessary or appropriate to enable the*  
29 *Program to meet the purposes set forth in this subsection.*

30       **2.** *The Office of Energy shall advise the Commission and*  
31 *each electric utility regarding grants and other sources of money*  
32 *available to defray the costs of the Program.*

33       **3.** *As used in this section, “distributed generation system” has*  
34 *the meaning ascribed to it in NRS 701B.055.*

35       **Sec. 22.** (Deleted by amendment.)

36       **Sec. 23.** (Deleted by amendment.)

37       **Sec. 24.** NRS 704.773 is hereby amended to read as follows:

38       704.773 **1.** A utility shall offer net metering, as set forth in  
39 NRS 704.775, to the customer-generators operating within its  
40 service area until the cumulative capacity of all net metering  
41 systems operating in this State is equal to ~~12~~ **3** percent of the total  
42 peak capacity of all utilities in this State.

43       **2.** If the net metering system of a customer-generator who  
44 accepts the offer of a utility for net metering has a capacity of not  
45 more than 25 kilowatts, the utility:





1 (a) Shall offer to make available to the customer-generator an  
2 energy meter that is capable of registering the flow of electricity in  
3 two directions.

4 (b) May, at its own expense and with the written consent of the  
5 customer-generator, install one or more additional meters to monitor  
6 the flow of electricity in each direction.

7 (c) ~~Shall~~ *Except as otherwise provided in subsection 5, shall*  
8 not charge a customer-generator any fee or charge that would  
9 increase the customer-generator's minimum monthly charge to an  
10 amount greater than that of other customers of the utility in the same  
11 rate class as the customer-generator.

12 3. If the net metering system of a customer-generator who  
13 accepts the offer of a utility for net metering has a capacity of more  
14 than 25 kilowatts, the utility:

15 (a) May require the customer-generator to install at its own cost:

16 (1) An energy meter that is capable of measuring generation  
17 output and customer load; and

18 (2) Any upgrades to the system of the utility that are required  
19 to make the net metering system compatible with the system of the  
20 utility.

21 (b) Except as otherwise provided in paragraph (c) ~~and~~ *and*  
22 *subsection 5*, may charge the customer-generator any applicable fee  
23 or charge charged to other customers of the utility in the same rate  
24 class as the customer-generator, including, without limitation,  
25 customer, demand and facility charges.

26 (c) Shall not charge the customer-generator any standby charge.

27 ➔ At the time of installation or upgrade of any portion of a net  
28 metering system, the utility must allow a customer-generator  
29 governed by this subsection to pay the entire cost of the installation  
30 or upgrade of the portion of the net metering system.

31 4. If the net metering system of a customer-generator is a net  
32 metering system described in paragraph (b) or (c) of subsection 1 of  
33 NRS 704.771 and:

34 (a) The system is intended primarily to offset part or all of the  
35 customer-generator's requirements for electricity on property  
36 contiguous to the property on which the net metering system is  
37 located; and

38 (b) The customer-generator sells or transfers his or her interest  
39 in the contiguous property,

40 ➔ the net metering system ceases to be eligible to participate in net  
41 metering.

42 5. *A utility shall assess against a customer-generator:*

43 (a) *If applicable, the universal energy charge imposed*  
44 *pursuant to NRS 702.160; and*



1 *(b) Any charges imposed pursuant to chapter 701B of NRS or*  
2 *NRS 704.7827 or 704.785 which are assessed against other*  
3 *customers in the same rate class as the customer-generator.*

4 *↳ For any such charges calculated on the basis of a kilowatt-hour*  
5 *rate, the customer-generator must only be charged with respect to*  
6 *kilowatt-hours of energy delivered by the utility to the customer-*  
7 *generator.*

8 6. The Commission shall adopt regulations prescribing the  
9 form and substance for a net metering tariff and a standard net  
10 metering contract. The regulations must include, without limitation:

11 (a) The particular provisions, limitations and responsibilities of  
12 a customer-generator which must be included in a net metering tariff  
13 with regard to:

- 14 (1) Metering equipment;
- 15 (2) Net energy metering and billing; and
- 16 (3) Interconnection,

17 *↳ based on the allowable size of the net metering system.*

18 (b) The particular provisions, limitations and responsibilities of  
19 a customer-generator and the utility which must be included in a  
20 standard net metering contract.

21 (c) A timeline for processing applications and contracts for net  
22 metering applicants.

23 (d) Any other provisions the Commission finds necessary to  
24 carry out the provisions of NRS 704.766 to 704.775, inclusive.

25 **Sec. 25.** (Deleted by amendment.)

26 **Sec. 25.1.** Chapter 218E of NRS is hereby amended by adding  
27 thereto the provisions set forth as sections 25.2 to 25.45, inclusive,  
28 of this act.

29 **Sec. 25.2.** *As used in sections 25.2 to 25.45, inclusive, of this*  
30 *act, unless the context otherwise requires, "Committee" means the*  
31 *Legislative Committee on Energy.*

32 **Sec. 25.25. 1.** *The Legislative Committee on Energy,*  
33 *consisting of eight legislative members, is hereby created. The*  
34 *membership of the Committee consists of:*

35 (a) *Four members appointed by the Majority Leader of the*  
36 *Senate, at least one of whom must be a member of the minority*  
37 *political party.*

38 (b) *Four members appointed by the Speaker of the Assembly,*  
39 *at least one of whom must be a member of the minority political*  
40 *party.*

41 2. *The Legislative Commission shall review and approve the*  
42 *budget and work program for the Committee and any changes to*  
43 *the budget or work program.*

44 3. *The Legislative Commission shall select the Chair and*  
45 *Vice Chair of the Committee from among the members of the*



1 *Committee. Each Chair and Vice Chair holds office for a term of*  
2 *2 years commencing on July 1 of each odd-numbered year. The*  
3 *office of Chair of the Committee must alternate each biennium*  
4 *between the Houses. If a vacancy occurs in the office of Chair or*  
5 *Vice Chair, the vacancy must be filled in the same manner as the*  
6 *original selection for the remainder of the unexpired term.*

7 *4. A member of the Committee who is not a candidate for*  
8 *reelection or who is defeated for reelection continues to serve after*  
9 *the general election until the next regular or special session*  
10 *convenes.*

11 *5. A vacancy on the Committee must be filled in the same*  
12 *manner as the original appointment for the remainder of the*  
13 *unexpired term.*

14 **Sec. 25.3.** *1. Except as otherwise ordered by the Legislative*  
15 *Commission, the members of the Committee shall meet not earlier*  
16 *than November 1 of each odd-numbered year and not later than*  
17 *August 31 of the following even-numbered year at the times and*  
18 *places specified by a call of the Chair or a majority of the*  
19 *Committee.*

20 *2. The Director or the Director's designee shall act as the*  
21 *nonvoting recording Secretary of the Committee.*

22 *3. Five members of the Committee constitute a quorum, and a*  
23 *quorum may exercise all the power and authority conferred on the*  
24 *Committee.*

25 *4. Except during a regular or special session, for each day or*  
26 *portion of a day during which a member of the Committee attends*  
27 *a meeting of the Committee or is otherwise engaged in the*  
28 *business of the Committee, the member is entitled to receive the:*

29 *(a) Compensation provided for a majority of the Legislators*  
30 *during the first 60 days of the preceding regular session;*

31 *(b) Per diem allowance provided for state officers and*  
32 *employees generally; and*

33 *(c) Travel expenses provided pursuant to NRS 218A.655.*

34 *5. All such compensation, per diem allowances and travel*  
35 *expenses must be paid from the Legislative Fund.*

36 **Sec. 25.4.** *1. The Committee may:*

37 *(a) Evaluate, review and comment upon matters related to*  
38 *energy policy within this State, including, without limitation:*

39 *(1) Policies, plans or programs relating to the production,*  
40 *consumption or use of energy in this State;*

41 *(2) Legislative measures regarding energy policy;*

42 *(3) The effect of any policy, plan, program or legislation on*  
43 *rates or rate payers;*

44 *(4) The effect of any policy, plan, program or legislation on*  
45 *economic development in this State;*



1           (5) *The effect of any policy, plan, program or legislation on*  
2 *the environment;*

3           (6) *Any contracts or requests for proposals relating to the*  
4 *purchase of capacity;*

5           (7) *The effect of any policy, plan, program or legislation*  
6 *which provides for the construction or acquisition of facilities for*  
7 *the generation of electricity;*

8           (8) *The effect of any policy, plan, program or legislation on*  
9 *the development of a market in this State for electricity generated*  
10 *from renewable energy;*

11           (9) *The infrastructure and transmission requirements of*  
12 *any policy, plan, program or legislation; and*

13           (10) *Any other matters or topics that, in the determination*  
14 *of the Committee, affect energy policy in this State.*

15           (b) *Conduct investigations and hold hearings in connection*  
16 *with its duties pursuant to this section.*

17           (c) *Request that the Legislative Counsel Bureau assist in the*  
18 *research, investigations, hearings and reviews of the Committee.*

19           (d) *Make recommendations to the Legislature concerning the*  
20 *manner in which energy policy may be implemented or improved.*

21           2. *As used in this section, "renewable energy" has the*  
22 *meaning ascribed to it in NRS 701.070.*

23           **Sec. 25.45.** 1. *If the Committee conducts investigations or*  
24 *holds hearings pursuant to paragraph (b) of subsection 1 of*  
25 *section 25.4 of this act:*

26           (a) *The Secretary of the Committee or, in the Secretary's*  
27 *absence, a member designated by the Committee may administer*  
28 *oaths.*

29           (b) *The Secretary or Chair of the Committee may cause the*  
30 *deposition of witnesses, residing either within or without the State,*  
31 *to be taken in the manner prescribed by rule of court for taking*  
32 *depositions in civil actions in the district courts.*

33           (c) *The Chair of the Committee may issue subpoenas to*  
34 *compel the attendance and testimony of witnesses and the*  
35 *production of books, papers, accounts, department records and*  
36 *other documents.*

37           2. *If any witness fails or refuses to attend or testify or to*  
38 *produce the books, papers, accounts, department records or other*  
39 *documents required by the subpoena, the Chair of the Committee*  
40 *may report the failure or refusal to the district court by a petition*  
41 *which:*

42           (a) *Sets forth that:*

43           (1) *Due notice has been given of the time and place of the*  
44 *attendance of the witness or the production of the required books,*  
45 *papers, accounts, department records or other documents;*



1           (2) *The witness has been subpoenaed by the Committee*  
2 *pursuant to this section; and*

3           (3) *The witness has failed or refused to attend or testify or*  
4 *to produce the books, papers, accounts, department records or*  
5 *other documents required by the subpoena before the Committee*  
6 *named in the subpoena; and*

7           (b) *Asks for an order of the court compelling the witness to*  
8 *attend and testify or to produce the required books, papers,*  
9 *accounts, department records or other documents before the*  
10 *Committee.*

11           3. *Upon such a petition, the court shall:*

12           (a) *Enter an order directing the witness:*

13           (1) *To appear before the court at a time and place to be*  
14 *fixed by the court in its order, the time to be not more than 10 days*  
15 *after the date of the order; and*

16           (2) *To show cause why the witness has not attended or*  
17 *testified or produced the required books, papers, accounts,*  
18 *department records or other documents before the Committee; and*

19           (b) *Serve a certified copy of the order upon the witness.*

20           4. *If it appears to the court that the subpoena was regularly*  
21 *issued by the Committee, the court shall enter an order that the*  
22 *witness:*

23           (a) *Must appear before the Committee at the time and place*  
24 *fixed in the order;*

25           (b) *Must testify or produce the required books, papers,*  
26 *accounts, department records or other documents; and*

27           (c) *Upon failure to obey the order, must be dealt with as for*  
28 *contempt of court.*

29           **Sec. 25.5.** NRS 228.390 is hereby amended to read as follows:

30           228.390 1. Except as otherwise provided in NRS 704.110  
31 and 704.7561 to 704.7595, inclusive:

32           ~~1-1~~ (a) The Consumer's Advocate has sole discretion to  
33 represent or refrain from representing the public interest and any  
34 class of customers in any proceeding.

35           ~~1-2~~ (b) In exercising such discretion, the Consumer's Advocate  
36 shall consider the importance and extent of the public interest or the  
37 customers' interests involved and whether those interests would be  
38 adequately represented without his or her participation.

39           ~~1-3~~ (c) If the Consumer's Advocate determines that there would  
40 be a conflict between the public interest and any particular class of  
41 customers or any inconsistent interests among the classes of  
42 customers involved in a particular matter, the Consumer's Advocate  
43 may choose to represent one of the interests, to represent no interest,  
44 or to represent one interest through his or her office and another or  
45 others through outside counsel engaged on a case basis.



1 (d) *If the Consumer's Advocate declines to represent the*  
2 *public interest in a proceeding to review a proposed rate of an*  
3 *electric utility, the Consumer's Advocate shall publish a report in*  
4 *support of the decision to decline such representation and make*  
5 *the report available to the public at the Bureau of Consumer*  
6 *Protection and on the Internet website maintained by the Bureau*  
7 *of Consumer Protection. The report must:*

8 (1) *Identify each element of the public interest, as may be*  
9 *applicable to the proceeding to review a proposed rate; and*

10 (2) *Specify the manner in which each element of the public*  
11 *interest, as identified pursuant to subparagraph (1), is sufficiently*  
12 *represented.*

13 2. *As used in this section, "electric utility" has the meaning*  
14 *ascribed to it in NRS 704.187.*

15 **Sec. 25.55.** Section 25.4 of this act is hereby amended to read  
16 as follows:

17 Sec. 25.4. 1. The Committee may:

18 (a) Evaluate, review and comment upon matters related to  
19 energy policy within this State, including, without limitation:

20 (1) Policies, plans or programs relating to the  
21 production, consumption or use of energy in this State;

22 (2) Legislative measures regarding energy policy;

23 (3) *The progress made by this State in satisfying the*  
24 *goals and objectives of Senate Bill No. 123 of the 77th*  
25 *Session of the Nevada Legislature;*

26 (4) The effect of any policy, plan, program or  
27 legislation on rates or rate payers;

28 ~~(4)~~ (5) The effect of any policy, plan, program or  
29 legislation on economic development in this State;

30 ~~(5)~~ (6) The effect of any policy, plan, program or  
31 legislation on the environment;

32 ~~(6)~~ (7) Any contracts or requests for proposals  
33 relating to the purchase of capacity;

34 ~~(7)~~ (8) The effect of any policy, plan, program or  
35 legislation which provides for the construction or acquisition  
36 of facilities for the generation of electricity;

37 ~~(8)~~ (9) The effect of any policy, plan, program or  
38 legislation on the development of a market in this State for  
39 electricity generated from renewable energy;

40 ~~(9)~~ (10) The infrastructure and transmission  
41 requirements of any policy, plan, program or legislation; and

42 ~~(10)~~ (11) Any other matters or topics that, in the  
43 determination of the Committee, affect energy policy in this  
44 State.



1 (b) Conduct investigations and hold hearings in  
2 connection with its duties pursuant to this section.

3 (c) Request that the Legislative Counsel Bureau assist in  
4 the research, investigations, hearings and reviews of the  
5 Committee.

6 (d) Make recommendations to the Legislature concerning  
7 the manner in which energy policy may be implemented or  
8 improved.

9 2. As used in this section, "renewable energy" has the  
10 meaning ascribed to it in NRS 701.070.

11 **Sec. 25.6.** Section 113 of chapter 509, Statutes of Nevada  
12 2007, as last amended by section 49 of chapter 412, Statutes of  
13 Nevada 2011, at page 2562, is hereby amended to read as follows:

14 Sec. 113. 1. This act becomes effective:

15 (a) Upon passage and approval for the purposes of  
16 adopting regulations and taking such other actions as are  
17 necessary to carry out the provisions of this act; and

18 (b) For all other purposes besides those described in  
19 paragraph (a):

20 (1) For this section and sections 1, 30, 32, 36 to 46,  
21 inclusive, 49, 51 to 61, inclusive, 107, 109, 110 and 111 of  
22 this act, upon passage and approval.

23 (2) For sections 1.5 to 29, inclusive, 43.5, 47, 51.3,  
24 51.7, 108, 112 and 112.5 of this act, on July 1, 2007.

25 (3) For sections 62 to 106, inclusive, of this act, on  
26 October 1, 2007.

27 (4) For sections 31, 32.3, 32.5, 32.7, 33, 34 and 35 of  
28 this act, on January 1, 2009.

29 (5) For section 48 of this act, on January 1, 2010.

30 (6) For section 50 of this act, on January 1, 2011.

31 2. Sections 62 to 75, inclusive, 77 to 82, inclusive, 85 to  
32 94, inclusive, and 95 to 105, inclusive, of this act expire by  
33 limitation on December 31, ~~2021~~ 2025.

34 **Sec. 25.7.** Section 13 of chapter 246, Statutes of Nevada 2009,  
35 as last amended by section 50 of chapter 412, Statutes of Nevada  
36 2011, at page 2563, is hereby amended to read as follows:

37 Sec. 13. 1. This act becomes effective on July 1, 2009.

38 2. Sections 2 and 3 of this act expire by limitation on  
39 December 31, ~~2021~~ 2025.

40 **Sec. 25.8.** Section 21 of chapter 321, Statutes of Nevada 2009,  
41 as last amended by section 51 of chapter 412, Statutes of Nevada  
42 2011, at page 2563, is hereby amended to read as follows:

43 Sec. 21. 1. This section and sections 1 to 1.51,  
44 inclusive, 1.55 to 19.7, inclusive, and 19.9 to 20.9, inclusive,  
45 of this act become effective upon passage and approval.



1           2. Sections 1.85, 1.87, 1.92, 1.93, 1.95 and 4.3 to 9,  
2 inclusive, of this act expire by limitation on December 31,  
3 ~~2021,~~ 2025.

4       **Sec. 25.9.** Section 54 of chapter 412, Statutes of Nevada 2011,  
5 at page 2563, is hereby amended to read as follows:

6           Sec. 54. 1. This section and sections 1, 3 to 42,  
7 inclusive, 44, 45, 46, 48 to 51, inclusive, subsection 2 of  
8 section 52 and section 53 of this act become effective upon  
9 passage and approval.

10          2. Sections 2, 43, 47 and subsection 1 of section 52 of  
11 this act become effective on January 1, ~~2022,~~ 2026.

12       **Sec. 26.** NRS 701B.060, 701B.100, 701B.110, 701B.120,  
13 701B.130, 701B.140, 701B.260, 701B.490 and 701B.760 are hereby  
14 repealed.

15       **Sec. 26.5.** 1. As soon as practicable after the effective date of  
16 this act, the Public Utilities Commission of Nevada shall open an  
17 investigatory docket to examine the comprehensive costs of and  
18 benefits from net metering in this State, including, without  
19 limitation, the costs and benefits to:

- 20       (a) The State of Nevada;  
21       (b) Customer-generators who participate in net metering;  
22       (c) Customers of a utility who do not participate in net metering;  
23 and  
24       (d) Each utility which offers net metering.

25          2. The investigatory docket shall engage a knowledgeable and  
26 independent third party to analyze all factors that the Commission  
27 deems necessary to determine the costs and benefits described in  
28 subsection 1.

29          3. The following parties may participate in the investigatory  
30 docket:

- 31       (a) Each utility in this State;  
32       (b) The Regulatory Operations Staff of the Commission;  
33       (c) The Consumer's Advocate of the Bureau of Consumer  
34 Protection in the Office of the Attorney General;  
35       (d) Any business operating in the State whose primary business  
36 is the installation of distributed generation systems; and  
37       (e) Any other interested parties.

38          4. On or before October 1, 2014, the Commission shall:

39       (a) Prepare a written report of its findings and recommendations  
40 from the investigatory docket, including, without limitation, a  
41 calculation and determination of the total costs of and benefits from  
42 net metering.

43       (b) Submit the written report to the Director of the Legislative  
44 Counsel Bureau for transmittal to the 78th Session of the Nevada  
45 Legislature.





1 5. If the report of the Commission concludes that there is a  
2 material net benefit or cost attributable to net metering, the  
3 Commission shall recommend a methodology for properly  
4 allocating and apportioning all of the costs and benefits of net  
5 metering among all persons who participate in, benefit from and pay  
6 for net metering.

7 6. As used in this section:

8 (a) "Distributed generation system" has the meaning ascribed to  
9 it in NRS 701B.055.

10 (b) "Net metering" has the meaning ascribed to it in  
11 NRS 704.769.

12 (c) "Utility" has the meaning ascribed to it in NRS 704.772.

13 **Sec. 27.** The Public Utilities Commission of Nevada shall  
14 adopt regulations to carry out the amendatory provisions of this act  
15 on or before April 30, 2014. The regulations must provide for the  
16 transition to the performance-based incentive required by NRS  
17 701B.220, as amended by section 7 of this act, NRS 701B.590, as  
18 amended by section 14 of this act, and NRS 701B.840, as amended  
19 by section 18 of this act, for the applicable participants in the Solar  
20 Energy Systems Incentive Program, the Wind Energy Systems  
21 Demonstration Program and the Waterpower Energy Systems  
22 Demonstration Program.

23 **Sec. 28.** 1. This section and sections 1 to 25, inclusive, 26  
24 and 27 of this act become effective:

25 (a) Upon passage and approval for the purpose of adopting  
26 regulations or performing any other preparatory administrative tasks  
27 necessary to carry out the provisions of this act; and

28 (b) On January 1, 2014, for all other purposes.

29 2. Sections 25.1 to 25.45, inclusive, of this act become  
30 effective on July 1, 2013.

31 3. Section 25.55 of this act becomes effective at 12:01 a.m. on  
32 July 1, 2013, if, and only if, Senate Bill No. 123 of this session is  
33 enacted by the Legislature and becomes effective.

34 4. Sections 1 to 23, inclusive, of this act expire by limitation on  
35 December 31, 2025.

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## LEADLINES OF REPEALED SECTIONS

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**701B.060 "Institution of higher education" defined.**

**701B.100 "Program year" defined.**

**701B.110 "Public and other property" defined.**

**701B.120 "Public entity" defined.**



\* A B 4 2 8 R 1 \*

- 701B.130 “School property” defined.**
- 701B.140 “Small business” defined.**
- 701B.260 Capacity allocated to each category; reallocation of capacity; limitations on incentives.**
- 701B.490 “Program year” defined.**
- 701B.760 “Program year” defined.**

