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SENATE BILL NO. 15—COMMITTEE ON  
COMMERCE, LABOR AND ENERGY

(ON BEHALF OF THE PUBLIC UTILITIES  
COMMISSION OF NEVADA)

PREFILED DECEMBER 19, 2012

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Authorizes certain public utilities to request a waiver from the requirement to submit a resource plan to the Public Utilities Commission of Nevada. (BDR 58-323)

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.

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AN ACT relating to public utilities; authorizing certain public utilities to submit to the Public Utilities Commission of Nevada a written request for a waiver from the requirement to submit a resource plan to the Commission; requiring the Commission to approve or deny the request within a certain period; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law requires a public utility which furnishes water for municipal,  
2 industrial or domestic purposes or services for the disposal of sewage, or both, and  
3 which had an annual gross operating revenue of \$1,000,000 or more for at least 1  
4 year during the immediately preceding 3 years to submit a resource plan to the  
5 Public Utilities Commission of Nevada every third year as evidence of the public  
6 utility’s ability to satisfy the demand made on its system by its customers.  
7 (NRS 704.661)

8 This bill authorizes such a public utility to request from the Commission a  
9 waiver from the requirement to submit such a plan. This bill further requires that  
10 such a request for a waiver include proof satisfactory that the public utility will not  
11 incur certain costs associated with an increase in demand for its services and  
12 requires the Commission to approve or deny a request for a waiver within a certain  
13 period after receiving the request.



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

1       **Section 1.** NRS 704.661 is hereby amended to read as follows:  
2       704.661 1. ~~1A~~ *Except as otherwise provided in this section,*  
3 *a public utility that furnishes water for municipal, industrial or*  
4 *domestic purposes or services for the disposal of sewage, or both,*  
5 *and which had an annual gross operating revenue of \$1,000,000 or*  
6 *more for at least 1 year during the immediately preceding 3 years*  
7 *shall, on or before March 1 of every third year, in the manner*  
8 *specified by the Commission, submit a plan to the Commission to*  
9 *provide sufficient water or services for the disposal of sewage to*  
10 *satisfy the demand made on its system by its customers. If a public*  
11 *utility furnishes both water and services for the disposal of sewage,*  
12 *its annual gross operating revenue for each service must be*  
13 *considered separately for determining whether the public utility*  
14 *meets the requirements of this subsection for either service.*

15       2. *A public utility may request a waiver from the*  
16 *requirements of subsection 1 by submitting such a request in*  
17 *writing to the Commission not later than 180 days before the date*  
18 *on which the plan is required to be submitted pursuant to*  
19 *subsection 1. A request for a waiver must include proof*  
20 *satisfactory that the public utility will not experience a significant*  
21 *increase in demand for its services or require the acquisition or*  
22 *construction of additional infrastructure to meet present or future*  
23 *demand during the 3-year period covered by the plan which the*  
24 *public utility would otherwise be required to submit pursuant to*  
25 *subsection 1.*

26       3. *The Commission shall, not later than 45 days after*  
27 *receiving a request for a waiver pursuant to subsection 2, issue an*  
28 *order approving or denying the request. The Commission shall not*  
29 *approve the request of a public utility for a waiver for consecutive*  
30 *3-year periods.*

31       4. The Commission ~~shall~~ :

32       (a) *Shall* adopt regulations to provide for the contents of and the  
33 method and schedule for preparing, submitting, reviewing and  
34 approving a plan submitted pursuant to subsection 1 ~~f~~

35 ~~3. Within~~ ; and

36       (b) *May* adopt regulations relating to the submission of  
37 requests for waivers pursuant to subsection 2.

38       5. *Not later than* 180 days after a public utility has filed a plan  
39 pursuant to subsection 1, the Commission shall issue an order  
40 accepting the plan as filed or specifying any portion of the plan it  
41 finds to be inadequate.



- 1       ~~4~~ 6. If a plan submitted pursuant to subsection 1 and  
2 accepted by the Commission pursuant to subsection ~~3~~ 5 and any  
3 regulations adopted pursuant to subsection ~~2~~ 4 identifies a facility  
4 for acquisition or construction, the facility shall be deemed to be a  
5 prudent investment and the public utility may recover all just and  
6 reasonable costs of planning and constructing or acquiring the  
7 facility.
- 8       ~~5~~ 7. All prudent and reasonable expenditures made by a  
9 public utility to develop a plan filed pursuant to subsection 1,  
10 including, without limitation, any environmental, engineering or  
11 other studies, must be recovered from the rates charged to the public  
12 utility's customers.
- 13       **Sec. 2.** This act becomes effective upon passage and approval.

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