

MINUTES

ASSEMBLY COMMERCE COMMITTEE

APRIL 17, 1977

MEMBERS PRESENT

Chairman Harmon  
Vice Chairman Mello  
Mr. Barengo  
Mr. Demers  
Mrs. Hayes  
Mr. Moody  
Mr. Weise  
Mr. Price  
Mr. Sena

GUESTS PRESENT

See Guest List Attached

Chairman Harmon called the meeting to order at 2:30 p.m. and stated that the Committee had suspended Standing Rule 92 and would not be required to give 5 day's notice of any hearing.

Assembly Bill 663

Dick Rottman, Insurance Commissioner, stated that A.B. 663 would in essence make an unfair trade practice if the business, agent or broker were largely that of an affiliate for a relative, or if the agent happened to be a corporation, if he is owned or controlled by an affiliate. Mr. Rottman suggested that in order to make the bill more workable and practical that Subsection 2, lines 6 through 9, be deleted in its entirety, and that on line 11 of page 1 where the bill reads 30 percent the figure should be changed to 35 percent.

Senate Bill 317

Les Goddard, Commissioner of Savings Associations, and Collins Butler, Nevada Savings and Loan League, appeared in support of the bill. Mr. Goddard stated this bill contains changes in the statute which are intended to update the legislation due to changes in the industry which require the lifting of certain limitations. These changes were agreed upon by Mr. Goddard and the committee appointed by the Savings and Loan Associations. Mr. Goddard explained the various changes contained in the bill to the Committee.

Mr. Butler urged the Committee to Do Pass S.B. 317.

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Senate Bill 319

Mr. Goddard explained that S.B. 319 is strictly a housecleaning bill. When this act was first passed there were no savings and loan companies and they were called building and loan. This bill removes the word "building" and inserts "savings" to reflect the true picture. Also there are many areas that refer to the old type mutual savings and loans which are no longer legal in Nevada and this bill changes that language.

Mr. Butler stated the Nevada Savings and Loan League also was in favor of S.B. 319.

Assembly Bill 638

Milos Terzich, representing American Life Insurance Association, stated that the Committee had heard testimony on April 13, 1977, from one of the actuaries. Mr. Terzich said they had found a couple of mistakes in A.B. 638 and presented amendments which would correct these areas.

Mr. Dick Rottman, Insurance Commissioner, stated they were also in support of the bill.

Assembly Bill 584

Mr. Fred West, Citizens for Survival, recommended that the bill be killed. Three years is an unreasonable length of time for public utilities to be restricted to for filing applications for rate increases, according to Mr. West. He feels this bill would deny the utilities their constitutional rights.

Mr. Joe Gremban, President of Sierra Pacific Power Company, appeared in opposition to A.B. 584. He feels that Section 8 is a contradiction of Subsection 7. There are other portions of Section 8 which contradict Section 1 and Section 3 as to the method by which the Public Service Commission would hold hearings. Section 7, as amended to indicate there would be no more than one rate case every 36 months would be extremely confiscatory to the utilities and the utilities could not exist if they had to wait that period of time between rate cases.

Mr. Weise stated he thought the bill was inane.

Mr. Heber Hardy, Public Service Commission, recommended that the bill be killed.

Senate Bill 415

Mr. Stan Warren, Nevada Bell, appeared in support of S.B. 415. A copy of Mr. Warren's statement to the Committee is attached as Exhibit 1.

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Mr. Heber Hardy, Public Service Commission, said they wished to concur with Mr. Warren's statements. They feel S.B. 415 would be advantageous to their staff and all concerned.

Assembly Bill 629

Mr. Gremban appeared in behalf of A.B. 629. He stated that this legislation was an attempt to reduce the amount of deficiencies that the utilities are constantly facing with respect to the amount that they actually earn versus the allowed return that has been given by the PSC.

Mr. Gremban presented a graph (Exhibit 2) indicates what has happened to Sierra Pacific Power Company during the period of time from December 1972 through December 1975, and he has written in some notes on December 1976. The graph indicates that the company was in a deficient rate of return every year during this time. The proposed language of A.B. 629 would permit the filing of a rate case in two parts, one part which would set out separately the amount of relief requested to provide the same rate of return that was previously allowed by the PSC on the new rate base; part two would be any additional amount or decrease that might result from the case in total. The statute also provides that the company would be able to put these rates into effect within 30 days after filing, subject to refund, in part or in whole with interest. Mr. Gremban feels that this would allow the utilities to come closer to earning their actual allowable rate of return and would incur fewer number of rate cases and applications.

In answer to a question by Mr. Demers, Mr. Gremban said this bill would not result in more rate increases. Mr. Gremban also informed Mr. Weise that the bill did provide for refunds with interest.

Mr. Clark Guild, an attorney representing Southwest Gas, said they concur in Mr. Gremban's statement.

Noel A. Clark, Chairman, Public Service Commission, and Heber P. Hardy, member of PSC, appeared in opposition to A.B. 629. Mr. Clark showed the Committee 2 checks, one for 1¢ and one for 4¢ which had been issued by Southwest Gas as a refund, and stated they were the direct result of the PSC order requiring interim rates returned once a rate case was decided. He discussed the cost of issuing such checks and said PSC's experience had been that in every case of this nature where refunds had been ordered, the cost to the consumer is probably more than the money he ever got back. Mr. Clark further stated that the PSC does complete all rate cases within the statutory provisions of 180 days as provided by law. The PSC feels there is no requirement for this legislation.

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Mr. Hardy said the PSC can now issue orders regarding refunds and A.B. 629 simply compounds the problem and makes it worse. He feels this legislation is not in the public interest and explained the reasons for this. Under this bill the utility could overstate the jurisdictional expenses in rate base and could understate jurisdictional revenues resulting in a substantial reduction in its net operating income and a required substantial increase in its net operating income to produce the last authorized rate of return on rate base. Mr. Hardy also feels that the present law is adequate since portions of it were only passed in the last session of the legislature to help alleviate the problems of inflation. Deferred energy accounting was passed during the last session and Mr. Hardy thinks it should be given a chance to work.

Mr. Weise questioned Mr. Hardy if he was saying that the figures could be manipulated and the figures could be disputed on a return rate. Mr. Hardy answered that it would not be on the return rate, but the figures upon which that number is applied.

Robert Crowell, Staff Counsel for the Public Service Commission, endorsed what Mr. Clark and Mr. Hardy had said. The thrust of A.B. 629 would allow a utility to automatically place into effect after 30 days rates designed to allow a utility to achieve a rate of return equal to that last authorized. Mr. Crowell questioned the fact that the bill does not indicate the starting point or base period utilized to calculate rates necessary to achieve the most recent authorized rate of return. Mr. Crowell sees a definite conflict between this bill and the provisions of NRS 704.110 (Sub. 3), and further believes the provisions of that statute alleviate the need for interim rate relief.

Mr. Dick Edelman, Washoe County District Attorney's office, appeared in opposition to A.B. 629. Mr. Edelman made certain introductory remarks in regard to monopolies and individual rights, and the fact that the Public Service Commission is supposed to act as a substitute for competition and impose discipline upon the utilities. A.B. 629 would undercut the effectiveness of the PSC's experts who are charged with seeing that monopoly's power is not misused. This bill would also take away from the PSC the discretion of determining whether the rates proposed are reasonable or fair. Mr. Edelman also discussed the difficulties encountered with refunds.

Mary Giannini, representing Citizens Alert, and Fred West, representing Citizens for Survival, also stated they were in opposition to A.B. 629.

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Assembly Bill 631

Mr. Gremban, Sierra Pacific Power Company, appeared in support of A.B. 631. A copy of Mr. Gremban's statement to the Committee is attached as Exhibit 3.

Mr. Guild, Southwest Gas, also appeared in favor of A.B. 631. The purpose of this bill is to clarify those sections of NRS that relate to the PSC and the interpretation of which has been subject to some dispute between the Commission and the utilities. Mr. Guild further stated that the PSC is supposed to operate under the liberalized rules of procedure to the end that the members of the agency are presumed to be experts in addressing themselves to the substantive problems of the industry. Mr. Guild says that unfortunately this does not describe the Public Service Commission. It is easier to get a case dismissed by the PSC than it is in the District Court. The Commission seems to look for ways to dismiss applications, according to Mr. Guild, on procedural grounds without considering the real substantive problems with which the utilities in the state are confronted. Therefore, the first four sections of A.B. 631 are addressed to the Commission's proclivity to dismiss applications on procedural technicalities whenever an excuse can be found.

Mr. Guild further explained what Section 5 attempts to do and stated that a full and complete explanation could be found on Page 92 of the report of the interim subcommittee to study electric and gas utilities and the PSC. Mr. Guild is very concerned about Sections 8 and 9 and feels that any court in the utility service area should be able to render a decision. Mr. Guild feels that A.B. 631 is the bill that is most advantageous to the consumer and urges its passage.

Mr. Gene Matteucci, Vice President and General Counsel of Nevada Power Company, stated he would like to join in Mr. Guild's remarks concerning procedural matters followed by the PSC. A copy of Mr. Matteucci's prepared statement for the Committee is attached as Exhibit 4.

Noel A. Clark and Robert Crowell of Public Service Commission appeared in opposition to A.B. 631. Mr. Clark stated they were violently opposed to any changes in the act since they worked with the utilities and the legislature in developing it and they think there has been totally inadequate time for the act to be tested.

In answer to a question by Mr. Weise, Mr. Crowell amplified remarks about depreciation. Mr. Crowell also discussed capital structure and short term debt. In Mr. Crowell's opinion, the passage of A.B. 631 would completely emasculate the legislature's actions in 1975, it would also emasculate any prior Commission opinions with respect to 1975 legislation, and it

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would emasculate to a large degree the Supreme Court decisions and District Court decisions rendered under 1975 legislation.

Mr. Dick Edelman spoke in opposition to A.B. 631 and stated it would not permit effective regulation in Nevada. He further stated it is a horrendous bill which would render the Public Service Commission a paraplegic in terms of regulating the monopoly utilities.

Mr. Fred West went on record as opposing A.B. 631 because it would practically make it impossible for intervenors to intervene. He also wanted his opposition to A.B. 632 noted for the record.

Chairman Harmon announced that would conclude the hearings for April 17, 1977, and that A.B. 632, A.B. 678 and A.B. 708 would be at the top of the agenda for April 18, 1977.

COMMITTEE ACTION

Senate Bill 415: Mr. Demers moved Do Pass, Mr. Weise seconded. Motion carried, with Mr. Moody, Mrs. Hayes and Mr. Mello absent.

Assembly Bill 584: Mr. Weise moved to Indefinitely Postpone, seconded by Mr. Sena. Motion carried unanimously, with Moody, Hayes and Mello absent.

Assembly Bill 629: Mr. Demers moved to Indefinitely Postpone, seconded by Mr. Sena.

Mr. Weise asked if action could be held up on this matter until the other bill was heard since they were all related. Chairman Harmon did not think this was necessary.

Motion to Indefinitely Postpone carried with Mr. Weise voting "No" and Mello and Hayes absent.

Senate Bill 317: Mr. Demers moved Do Pass, seconded by Mr. Sena. Motion carried. Mr. Barengo and Mr. Weise abstaining. Mrs. Hayes absent.

Senate Bill 319: Mr. Demers moved Do Pass, seconded by Mr. Sena. Motion carried. Barengo and Weise abstaining.

Assembly Bill 631: Mr. Price moved to Indefinitely Postpone, seconded by Mr. Demers.

Mr. Weise stated he was opposed to the motion because the testimony is too fresh and also he thinks there are some areas that are worthy of consideration and, possibly, salvation. Mr. Price and Mr. Demers withdrew their motion. Chairman Harmon said A.B. 631 would be taken up at a later date.

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Assembly Bill 663: Mr. Demers moved the adoption of the amendments to A.B. 663, seconded by Mr. Sena. Motion carried, with Mr. Moody and Mr. Weise not voting.

Mr. Demers moved Do Pass A.B. 663 as amended, seconded by Mr. Sena. Motion carried. Mr. Weise abstained.

Assembly Bill 638: Mr. Demers moved the adoption of the amendments to A.B. 638, seconded by Mr. Barengo. Motion carried, with Mr. Weise abstaining.

Mr. Demers moved Do Pass A.B. 638 as amended, seconded by Mr. Sena. Motion carried, with Mr. Weise abstaining.

Mr. Weise presented the report of the subcommittee on A.B. 475. A copy of the subcommittee's suggested amendments is attached as Exhibit 5.

Mr. Demers moved to adopt the subcommittee's suggested amendments to A.B. 475, seconded by Mr. Sena. Motion carried with Mr. Mello absent.

Mr. Demers moved Do Pass A.B. 475 as amended, seconded by Mr. Sena. Motion carried. Mello absent.

Assembly Bill 722

Mr. Bob Broadbent of the Pharmaceutical Association was in support of the bill. He stated that saccharin had been responsible for saving many lives of those who had diabetes, heart disease, obesity and many other diseases. Mr. Broadbent, in answer to a statement by Mr. Weise that this bill contained no control over the manufacture or distribution of saccharin, said he thought this bill expressed disapproval of what the Federal Government is doing. As a practical matter, Mr. Broadbent said he was not sure if saccharin would ever be manufactured in Nevada, and it was only being manufactured by one company in the United States at the present time.

Mr. Weise said he felt a resolution would be more in order as he was afraid of enacting a law that could really be open ended. Mr. Demers said there was a Coca Cola plant in Las Vegas and they should be able to manufacture diet cola. He would like to pass the bill out and put it on the Chief Clerk's desk until the amendments on A.B. 121 are decided on the Senate side.

COMMITTEE ACTION

Assembly Bill 722: Mrs. Hayes moved Do Pass, seconded by Mr. Demers. Motion carried with Mr. Weise voting "no". Mr. Price and Mr. Mello absent.

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Assembly Bill 457

Mr. Al Wittenberg, representing the Nevada Consumer Finance Association, stated that they had proposed amendments to this bill which changed it from a real property only bill to a rate change bill. Mr. Wittenberg further stated that as they had previously testified without some form of help to the Association members this year, they would not be able to come back in two years. This bill, as amended, would put them on a consumer index basis and allows the first rate change since 1959.

Chairman Harmon saw no objection to the Association being able to make loans on real property, but felt it should go under the usury law. Mr. Weise said 18% was not unusual for a second. There was discussion between Mr. Wittenberg, Mr. Weise, Mr. Bob Beech and the other committee members regarding loans on real property, interest, and so forth. Mr. Wittenberg stated they would still like to amend the bill simply to go for a rate increase.

Mr. Weise stated he would support getting the amendment out of committee but he would certainly have to oppose it on the floor.

COMMITTEE ACTION

Assembly Bill 457: Mr. Weise moved to pass A.B. 457 with an amendment to prohibit loans under \$2500 to be secured by real property and to prohibit interest in excess of 18% on loans secured by real property. Mr. Barengo seconded. Motion carried. Mr. Harmon abstained. Mr. Price and Mr. Sena voted no. Mr. Demers absent. Mr. Mello absent.

Mr. Weise moved Do Pass as amended, seconded by Mr. Barengo. Motion failed.

At a later meeting of the Committee on the Floor, Mr. Weise moved Do Pass A.B. 457 as amended, Mr. Mello seconded. Motion carried 8 to 0, with Mrs. Hayes absent.

The meeting was adjourned at 5:30 p.m.

Respectfully submitted,

Jane Dunne  
Assembly Attache



GUEST LIST

<u>NAME</u> (Please print)	<u>REPRESENTING</u>	<u>WISH TO SPEAK</u>	
		Yes	No
CLARK Gurd, Jr	Southwest Gas	✓	
Robert L. Crowell	PSCN staff	✓	
Joe McFadden	SPP CO (AB 678)	✓	
Bob Pullman	SPP co (AB 678)	✓	
Richard R. Denton	Continental Tel of Nev.	✓	
D. J. Sullivan	Western County A.P. Inc	✓	
Tommy Hill	W. C. L.P.A.	✓	
Harold Goldsack	Commissioner of Savings Banks	✓	
Wm. H. ...	Western ...	✓	
Noel Clark	Chairman, PSC		
Kelly Jackson	PSC		
Gene Muterucci	Nevada Power		
Joe Gremban	Sierra Pacific		
Dom Young	Sierra Pacific		
Wm E. Buxton	Clark County Public Wks	?	
Fred Welden	State Land Use Planning		
Stan Warren	Nevada Bell		
Heber Hardy	P.S.C.		
Fred West	Office for Survival	✓	
COLLINS E. BUTLER	NEVADA SAVINGS & LOAN LEAGUE	✓	
Dick Rottman	INS. Commissioner		

STAN WARREN

NEVADA BELL

I am appearing before your committee today in support of SB 415. This bill is actually intended to rectify legislative oversight resulting from the passage of SB 267, in the last legislature.

During the 1975 session, five bills were introduced in an attempt to limit the frequency in which Nevada utilities could seek rate relief from the PSCN. Almost without exception these bills were aimed at the gas and electric utilities - not the telephone industry. Nevada Bell has not found it necessary to constantly ask for rate relief. In 1968 we asked the PSCN for a general rate increase and did so again in 1976. In 1971 we underwent a rate decrease.

One of the five bills considered during the 1975 session was SB 267, introduced by Senator Hilbrecht, and this was the bill that passed. Its passage brought about certain restrictions over rate increases for all utilities, not just gas and electric.

At the time SB 267 was being heard, I questioned if the broadness of its language stating "whenever there is filed with the Commission any schedule stating a "new or revised" individual or joint rate, fare or charge.." would effect the fact that Nevada Bell requests changes in tariffs, and files new ones with the PSCN frequently. All felt that it would not, since that was not the intent of the bill.

Last year the PSCN was challenged on their interpretation of this law, and it was ruled that any application for "new or revised" tariffs would require the same backup material that normally would accompany a request for a general rate increase, such as the ones in 1968 and 1976. The backup material I refer to is that each application for a tariff change <sup>T. 24</sup> must be accompanied by a statement showing the recorded results for the past 12 months of:

EXhibit 1 (page 1)

All Company Revenues

All Company Expenses

All Company investments and cost of capital

And, that there can only be one such application pending

before the Commission at one time by any one utility.

*Discretion*

Since this ruling, we have been spending a great deal of our time and a considerable amount of our money developing backup material for the 35 to 40 requests per year made to the PSCN for new or changed tariffs for such things as:

New data phones that are developed to meet the unique transmission needs of a particular computer.

New connecting arrangements to allow single or multiple station connection arrangements for data transmission.

New cabinets designed to house telecommunications equipment.

A text change to list new locations where disconnected telephone equipment could be returned for credit.

*was changed also*

With each of these requests to add a new, or change an old tariff, we had to file the complete same data as you would in a full-blown rate case.

This bill eliminates the words "new or revised" and adds the word "increased", which we believe more fully meets the original intent of SB 267. This change would do nothing for the gas and electric utilities since their requests are usually for increased rates, not new ones, but this change will certainly do a lot for us in reducing our operating costs, that, as you know, will eventually be passed on to the consumer.

*difficult to determine net revenue effect - Reg. - Rate - tariff*

*Exhibit 1 (page 2)*

Please keep in mind that the PSCN still has the right to call for more backup data on any request for new or changed tariffs.

I met with Senator Hilbrecht on this because it was his bill that was passed in 1975, and I did not want it to look like I was trying to go around him. He agreed that the intent of 1975's SB 267 was not to place this burden on us, and consequently he agreed to introduce this piece of legislation that you are considering today. I appreciate his cooperation in this matter.

Also, we have met with Chairman Clark and Commissioner Hardy of the PSCN, and they have no objections to the changes that we are requesting.

I thank you for your time and I would appreciate the opportunity to attempt to answer any questions you may have.

Thank you.

# RETURN ON COMMON EQUITY ACTUAL VS ALLOWED

DEFICIENCY IN THOUSAND  
OF DOLLARS

12 MOS ENDED	AMOUNT
DEC 72	\$ <del>688</del>
MAR 73	1,572
JUN 73	1,241
SEP 73	1,161
DEC 73	<u>1,037</u>
MAR 74	1,040
JUN 74	627
SEP 74	386
DEC 74	712
MAR 75	1,136
JUN 75	1,580
SEP 75	3,766
DEC 75	4,337
76	<u>3,228</u>

*5% def. deficiency 10,002*

*5% def. 10,002*

14.0  
197

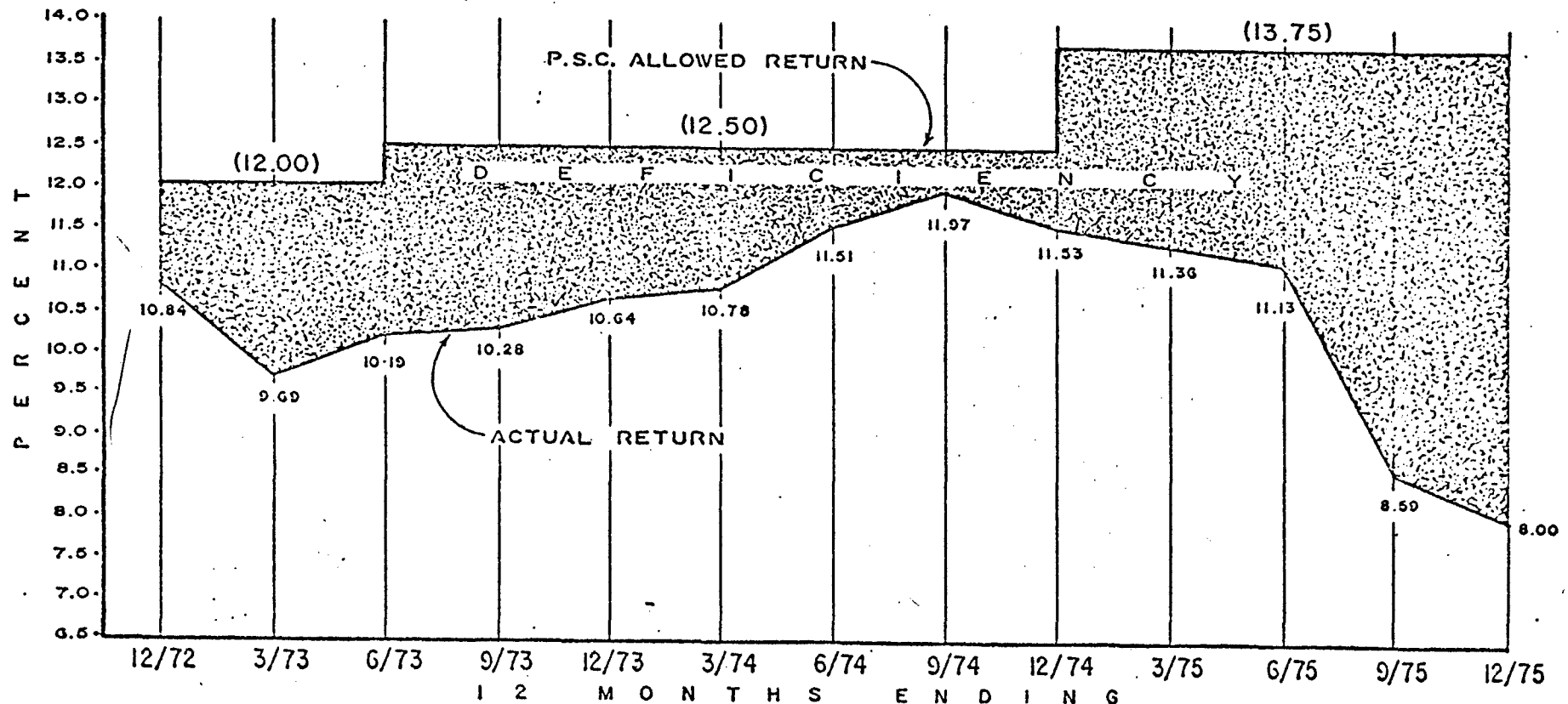


Exhibit 2

811

10.

1/2

PRESENTATION TO THE  
COMMITTEE ON COMMERCE

APRIL 13, 1977

MR. CHAIRMAN, MEMBERS OF THIS COMMITTEE, I AM JOE L. GREMBAN, PRESIDENT OF SIERRA PACIFIC POWER COMPANY. I AM APPEARING IN SUPPORT OF AB 631, A BILL DESIGNED TO CLARIFY THE STATUTORY LANGUAGE OF CERTAIN PORTIONS OF NEVADA REVISED STATUTE 704 FOR THE BENEFIT OF THE CONSUMER, PUBLIC SERVICE COMMISSION AND THE PUBLIC UTILITIES.

AS I AM SURE YOU ARE ALL AWARE, THE 1973 OIL EMBARGO TRIGGERED A SERIES OF EVENTS CULMINATING IN ESCALATORY PRICES IN JUST ABOUT EVERY FACET OF OUR NATIONAL ECONOMY. PARTICULARLY HARD HIT WERE THE UTILITIES. VULNERABLE AS THEY ARE TO HIGH INTEREST RATES, RISING CONSTRUCTION COSTS AND SKYROCKETING FUEL PRICES, MOST UTILITIES FOUND THEMSELVES IN THE POSITION OF APPLYING FOR RATE RELIEF ALMOST MONTHLY. NEVADA UTILITIES WERE NO EXCEPTION.

CONSUMER UNREST IN 1975 LED TO FORMATION IN NEVADA OF A SPECIAL COMMITTEE, UNDER THE PROVISIONS OF ASSEMBLY BILL 275, TO STUDY PUBLIC UTILITIES AND THE NEVADA PUBLIC SERVICE COMMISSION. ONE OF THE MAJOR GOALS OF THIS COMMITTEE WAS TO SEARCH FOR SOME MEANS OF REDUCING THE FREQUENCY OF RATE CASES. AFTER EXTENSIVE HEARINGS, THE COMMITTEE RECOMMENDED IN ASSEMBLY BILL 707 THE ADOPTION OF DEFERRED FUEL ACCOUNTING AND CHANGES TO THE STATUTES WHICH WOULD BRING ACTUAL COSTS INCURRED BY UTILITIES MORE CLOSELY IN LINE WITH THE EFFECTIVE DATE OF RATE CHANGES.

AS I HAVE MENTIONED, THE INTENT OF THE LANGUAGE IN AB 707 WAS TO REDUCE THE FREQUENCY OF RATE CASES. THIS WAS SUCCESSFUL

*Exhibit 3-19*

WITH RESPECT TO THE PROVISIONS OF DEFERRED FUEL ACCOUNTING. FOR THOSE UTILITIES USING THIS PROCEDURE, RATE CASES HAVE BEEN LIMITED TO NOT MORE THAN TWO ANNUALLY, COMPARED TO THE ALMOST MONTHLY CASES THAT WERE NECESSARY PREVIOUSLY. A SIMILAR REDUCTION IN NUMBER OF GENERAL RATE CASES, I.E., CASES COVERING ALL OTHER COST, OTHER THAN FUEL, DID NOT OCCUR. IN FACT, THE INTERPRETATION PLACED ON THE STATUTES SEEMS TO HAVE INCREASED THE NUMBER OF CASES FILED AND EXPECTED TO BE FILED IN THE FUTURE.

TO PUT THIS INTO PERSPECTIVE, LET'S REFER TO AB 631, SECTION 1., PARAGRAPH 3, WHICH PROVIDES THAT THE COMMISSION SHALL NOT CONSIDER AN APPLICATION BY A PUBLIC UTILITY IF THE APPLICATION INCLUDES ANY ITEMS OF EXPENSE OR RATE BASE WHICH ARE SUBJECT OF PENDING LEGISLATION OR HAVE BEEN CONSIDERED AND DISALLOWED BY THE COMMISSION OR DISTRICT COURT. PARAGRAPH 4 STATES THAT A UTILITY MAY SET FORTH AS JUSTIFICATION ITEMS OF EXPENSE OR RATE BASE WHICH HAVE BEEN CONSIDERED AND DISALLOWED BY THE COMMISSION, ONLY IF THOSE ITEMS ARE CLEARLY IDENTIFIED IN THE APPLICATION AND NEW FACTS OR POLICY CONSIDERATIONS ARE ADVANCED IN THE APPLICATION TO JUSTIFY A REVERSAL OF THE COMMISSION'S PRIOR DECISION.

ON AUGUST 18, 1976, SIERRA PACIFIC FILED RATE APPLICATIONS IN ITS ELECTRIC, GAS AND WATER DEPARTMENTS, CLEARLY SPECIFYING THE APPLICATION WAS IN TWO PARTS: PART I COVERING ALL NEW COSTS AND CONSIDERATIONS AND PART II COVERING THOSE ITEMS PREVIOUSLY DISALLOWED OR IN COURT, ALL AS SHOWN IN THE EXHIBITS MARKED #3, #4 and #5 IN THE MATERIAL I HAVE PROVIDED TO YOU.

*Exhibit 3 - Page 2*

THE COMMISSION HELD HEARINGS AS PROVIDED IN PARAGRAPH 5, PAGE 2, AND BASED ON ITS INTERPRETATION OF THE STATUTE, DISMISSED NOT JUST THE ITEMS PREVIOUSLY DISALLOWED, BUT DISMISSED THE ENTIRE APPLICATION ON THE GROUNDS THAT EVEN THOUGH THE APPLICATION WAS CLEARLY SET OUT IN TWO PARTS, ONE OF THE PARTS INCLUDED ITEMS PREVIOUSLY DISALLOWED BY THE COMMISSION AND WHICH WERE SUBJECT TO A COURT CASE. SEE EXHIBIT I FOR A COPY OF THE DISMISSAL ORDER.

AS A RESULT OF THE COMMISSION DECISION, SIERRA HAD NO ALTERNATIVE OTHER THAN REFILE PART I AS A SEPARATE APPLICATION, WHICH IT DID ON SEPTEMBER 20, 1976.

HERE WE HAVE TWO APPLICATIONS FILED WHEN ONE WOULD HAVE SUFFICIED SIMPLY BY DISMISSING PART II, THE SECTION THE COMMISSION DISAGREED WITH.

THE PROPOSED CLARIFICATION LANGUAGE DELETES THE PREVIOUS LANGUAGE AND ADDS SECTION 4 ON PAGE 2 TO SIMPLY STATE THAT IF THE UTILITY FAILS TO SATISFY THE COMMISSION AS TO NEW CONSIDERATIONS PRESENTED WITH RESPECT TO ITEMS PREVIOUSLY DISALLOWED, THE COMMISSION COULD DISMISS SUCH ITEMS FROM FURTHER CONSIDERATION, BUT WOULD NOT DISMISS THE ENTIRE APPLICATION.

NEW SECTION 4, PAGE 2, PROVIDES THAT AN APPLICATION FILED BY A PUBLIC UTILITY SHALL NOT BE DISMISSED AFTER 30 DAYS FROM DATE OF FILING AND PRESCRIBES THE PROCEDURE TO BE FOLLOWED ON FILING OF MOTIONS TO DISMISS.

OLD SECTION 5, NRS 704.110.2 HAS BEEN REWRITTEN TO CLEARLY



DEFINE THE SUSPENSION PERIOD FOR IMPLEMENTING A NEW RATE. CURRENT LANGUAGE GIVES THE COMMISSION, UNDER THE STATUTORY SUSPENSION POWER, THE CUSTOMARY 150 DAYS, IN ADDITION TO THE 30 DAY STATUTORY NOTICE PERIOD IN WHICH TO CONSIDER A UTILITY'S FINANCIAL CONDITION AND WHETHER A UTILITY NEEDS AN OFF-SETTING RATE INCREASE TO ITS CUSTOMERS. THE CHANGE SETS FORTH THE TOTAL OF 180 DAYS FROM DATE OF FILING AS THE SUSPENSION PERIOD.

DURING THE COURSE OF HEARINGS IN THE 1975 LEGISLATURE ON AB 275 AND AB 707 IT WAS BROUGHT OUT THAT MOST OF THE UTILITIES IN THE STATE OF NEVADA HAVE BEEN UNABLE TO EARN THE RATE OF RETURN AUTHORIZED BY THE NEVADA PUBLIC SERVICE COMMISSION BECAUSE OF THE TIME PERIOD INVOLVED FROM RECOGNITION OF THE NEED FOR RATE RELIEF, THE PREPARATION OF AN APPLICATION, FILING AND RECEIPT OF A DECISION BY THE COMMISSION - SO-CALLED REGULATORY LAG. IT GENERALLY TAKES 2 - 3 MONTHS TO PREPARE AN APPLICATION, NORMALLY A 6 MONTH SUSPENSION PERIOD BY THE COMMISSION, FOR A TOTAL OF EIGHT MONTHS BEFORE ANY RELIEF CAN BE EXPECTED. THE UTILITY WAS DEFICIENT IN EARNINGS AT THE TIME OF FILING AND CONTINUES DEFICIENT DURING THE EIGHT MONTH PERIOD. ADDITIONALLY, SINCE THE NEW RATES ARE BASED ON HISTORICAL COSTS WHICH OCCURRED EIGHT OR MORE MONTHS PREVIOUSLY AND ARE NOT NECESSARILY ADEQUATE TO COVER CURRENT COSTS, A UTILITY NEVER IS ABLE TO EARN ITS ALLOWED RATE OF RETURN THUS CONTRIBUTING TO A CONTINUING FILING OF NEW RATE APPLICATIONS.

IN FACT, THE SPECIAL COMMITTEE ORGANIZED UNDER AB 275 IN

ITS REPORT (EXHIBIT II) ON PAGES 6 AND 7 STATED:

- "5. LEGISLATION SHOULD BE ADOPTED TO REDUCE THE NUMBER, COMPLEXITY AND REDUNDANCY OF PUBLIC UTILITY COMPANY APPLICATIONS FOR GENERAL RATE INCREASES. THE COMMITTEE RECOMMENDS CONSIDERATION OF ASSEMBLY BILLS NOS. 248 AND 356 AND SENATE BILL NOS. 161, 267, 373 AND 539.
- "6. CONSIDER ALLOWING UTILITIES THAT PURCHASE FUEL AND POWER TO ESTABLISH DEFERRED ACCOUNTING TO REFLECT INCREASED PRICES. THE COMMITTEE RECOMMENDS CONSIDERATION OF A.B. 707.
- "7. CONSIDER PERMITTING UTILITIES TO USE UP TO A 6-MONTHS' FUTURE TEST PERIOD IN A REQUEST FOR GENERAL RATE RELIEF PROVIDED, HOWEVER, THAT NO NEW RATE CAN BECOME EFFECTIVE UNTIL THE UTILITY HAS IN FACT EXPERIENCED THE OPERATING EXPENSES AND REVENUES SET FORTH IN THE ESTIMATE AND THE COMMISSION HAS HAD AN OPPORTUNITY TO VERIFY SUCH EXPENSES AND REVENUES. THE COMMITTEE RECOMMENDS CONSIDERATION OF A.B. 707."

A.B. 707 UNDER WHICH THE CURRENT LANGUAGE WAS DEVELOPED ATTEMPTED TO ADDRESS THIS QUESTION AND REDUCE THE NUMBERS OF RATE CASES BY ALLOWING THE CONSIDERATION OF CERTAIN EXPENSES SIX MONTHS INTO THE FUTURE. UNFORTUNATELY, DUE TO INTERPRETATION OF THE STATUTE, MORE RATHER THAN FEWER RATE CASES ARE REQUIRED.

IN THE FIRST CASE HEARD UNDER THE NEW STATUTES, THE COMM-

MISSION INTERPRETED THE STATUTE TO MEAN, FOR EXAMPLE, THAT NEW "UNITS" OF PLANT AND EQUIPMENT DO NOT QUALIFY FOR ASSOCIATED DEPRECIATION, PROPERTY TAX OR INSURANCE EXPENSE ALTHOUGH A CHANGE IN RATE WOULD QUALIFY. THE NET EFFECT OF THIS INTERPRETATION IS TO DENY A UTILITY THE RECOVERY OF SUCH EXPENSES FOR UP TO TWO YEARS. SINCE A UTILITY IS LIMITED TO ONE RATE CASE AT ANY ONE TIME, AND WITH A STATUTORY SUSPENSION OF 180 DAYS, A UTILITY WILL HAVE TO FILE A NEW CASE EVERY SIX MONTHS IN ORDER TO RECOVER ITS COSTS. THE IMPACT ON A UTILITY IS SUBSTANTIAL. SIERRA HAS TAKEN THE ISSUE TO COURT FOR A DETERMINATION.

AN EXAMPLE OF THE IMPACT IS SHOWN IN EXHIBIT VI USING COSTS ASSOCIATED WITH THE PROPOSED \$205 MILLION UNIT AT VALMY. YOU WILL NOTE IT WILL TAKE A MINIMUM OF THREE RATE FILINGS TO RECOVER COSTS. AFTER THE FIRST FILING, NO RECOVERY WOULD BE EFFECTED ON DEPRECIATION, PROPERTY TAXES AND INSURANCE. THE NEVADA PORTION OF \$7,693,000 MEANS SIERRA'S EARNINGS WOULD BE DEFICIENT BY THIS AMOUNT OR \$641,000 PER MONTH FROM OCTOBER 1, 1981 UNTIL NOVEMBER 1, 1982. BEGINNING NOVEMBER 1, 1982, UNTIL AUGUST 1, 1983, SIERRA WOULD BEGIN RECOVERY OF \$1,924,000 BUT WOULD STILL HAVE UNRECOVERED \$5,769,000 OR A DEFICIENCY IN EARNINGS OF \$481,000 A MONTH. NOT UNTIL AUGUST 1, 1983 WOULD THE COMPANY BEGIN RECOVERING ALL OF ITS COSTS. DURING THIS SAME PERIOD OF TIME WHEN SIERRA WAS NOT RECOVERING ITS COSTS OF DEPRECIATION, IT WOULD BE PASSING ON TO ITS CUSTOMERS FUEL COST SAVINGS FROM THE USE OF COAL IN THE FIRST YEAR ALONE OF APPROXIMATELY \$13 MILLION.

A CURRENT EXAMPLE OF THE AMBIGUITY INVOLVED IS THE 230 KV TRANSMISSION LINE WHICH WAS CONSTRUCTED FROM YERINGTON, NEVADA TO THE UTAH STATE BORDER. THE LINE WENT INTO SERVICE IN AUGUST, 1975, AND WAS INCLUDED IN THE RATE APPLICATION DECIDED ON MAY 28, 1976. ALTHOUGH THE LINE WAS IN SERVICE, THE \$203,000 OF DEPRECIATION AND \$110,000 IN PROPERTY TAXES ASSOCIATED WITH THE LINE, WERE NOT AUTHORIZED AS AN ALLOWABLE EXPENSE. IN THE NEXT RATE CASE WHICH WAS DECIDED ON MARCH 18, 1977, ONLY FOUR MONTHS OR 1/3 OF THE DEPRECIATION AND PROPERTY TAXES WAS ALLOWED EVEN THOUGH THE LINE HAD BEEN IN SERVICE FOR MANY MONTHS. FULL RECOVERY FOR THESE COSTS WILL NOT BEGIN UNTIL ANOTHER RATE CASE IS FILED. EVEN IF ANOTHER CASE WERE FILED TODAY, SIX MONTHS WOULD PROBABLY ELAPSE BEFORE A DECISION WERE RENDERED, OR ABOUT OCTOBER 1977, MAKING IT MORE THAN TWO YEARS BEFORE FULL RECOVERY IS PERMITTED. DURING THIS PERIOD OF TIME WHEN SIERRA WAS NOT ALLOWED TO RECOVER ITS COSTS, A SAVINGS OF \$8.1 MILLION WAS BEING PASSED ON TO ITS CUSTOMERS FROM THE PURCHASE OF LOWER COST POWER FROM UTAH POWER & LIGHT COMPANY OVER THIS LINE. SEE EXHIBIT VII FOR DETAILS INVOLVED.

ANOTHER CASE IN POINT IS THE INTERPRETATION OF THE "...COST OF NEW SECURITIES WHICH ARE KNOWN AND ARE MEASURABLE WITH REASONABLE ACCURACY...". IN A CASE INVOLVING SOUTHWEST GAS CORPORATION, SOUTHWEST HAD ISSUED ADDITIONAL SECURITIES AND RETIRED SHORT-TERM

BORROWINGS WITH THE PROCEEDS. THE COMMISSION TOOK THE POSITION THAT THE RETIREMENT OF SHORT-TERM SECURITIES WAS NOT "NEW SECURITIES" AND THAT ACCORDINGLY BOTH ISSUES WERE OUTSTANDING. ADDITIONALLY, THE COMMISSION PROJECTED INTEREST COSTS ATTRIBUTABLE TO THE SHORT TERM SECURITIES (WHICH IN ACTUALITY DID NOT EXIST) WITH A RELATED FEDERAL INCOME TAX REDUCTION. THE NET EFFECT WAS TO SUBSTANTIALLY REDUCE THE RATE RELIEF ALLOWED SOUTHWEST.

SOUTHWEST SUBSEQUENTLY FILED A PETITION FOR AN ORDER IN ERRATUM AND THEN FILED A LAWSUIT IN DECEMBER, 1975, WITH THE FIRST JUDICIAL DISTRICT COURT OF NEVADA.

ON MARCH 22, 1977, THE COMMISSION ISSUED AN "ORDER MODIFYING OPINION AND ORDER IN DOCKET NO. 776" (EXHIBIT VIII). ON PAGE 3, UNDER DISCUSSION, THE COMMISSION STATED:

"SUBSEQUENT TO SOUTHWEST'S REFUSAL TO PRESENT TESTIMONY IN SUPPORT OF ITS PETITION IN DOCKET NO. 985, THE COMMISSION HAS HAD THE OPPORTUNITY TO RECONSIDER ITS DETERMINATION IN DOCKET NO. 776 REGARDING THE CONSTRUCTION NRS 704.110(3) AS APPLIED TO THE 'COSTS OF NEW SECURITIES'. IN SO RECONSIDERING WE HAVE DETERMINED THAT WHILE A STRICT OR LITERAL INTERPRETATION OF NRS 704.110(3) DICTATES THE RESULT REACHED IN DOCKET NO. 776, SUCH AN INTERPRETATION MAY LEAD TO AN UNREASONABLE RESULT IN A GIVEN CASE.

"WE ARE NOW OF THE OPINION THAT NRS 704.110(3) COULD BE REASONABLY CONSTRUED TO AUTHORIZE THE COMMISSION TO

CONSIDER THE USE OF PROCEEDS OBTAINED FROM THE ISSUANCE OF NEW SECURITIES IN ADJUSTING THE SHORT-TERM DEBT COMPONENT OF THE CAPITAL STRUCTURE DURING THE CERTIFICATION PERIOD IF TRACEABLE AND PROPERLY DOCUMENTED. SUCH A CONSTRUCTION WOULD GENERALLY ALLEVIATE THE POTENTIAL DISTORTION CAUSED BY A STRICT INTERPRETATION OF A TWELVE MONTH RESULTS OF OPERATIONS ADJUSTED FOR THE COSTS OF NEW SECURITIES ISSUED WITHIN SIX (6) MONTHS AFTER THE END OF THE TEST PERIOD. WE ARE, THEREFORE, OF THE OPINION THAT WE SHOULD MODIFY OUR DECISION IN DOCKET NO. 776 TO ALLOW RECORDED AND BOOKED CHANGES IN THE SHORT-TERM DEBT COMPONENT OF THE CAPITAL STRUCTURE ATTRIBUTABLE TO THE USE OF PROCEEDS OF SECURITIES ISSUED WITHIN SIX (6) MONTHS AFTER THE CLOSE OF THE TEST PERIOD. WE ARE FURTHER OF THE OPINION THAT ANY FUTURE CERTIFICATION TO OUT OF PERIOD COSTS OF NEW SECURITIES SHOULD COINCIDE WITH THE DATE OF CERTIFICATION OF PLANT AND EXPENSE ITEMS SO AS TO PRECLUDE MULTIPLE CERTIFICATIONS."

ALTHOUGH I AM SURE THE COMMISSION SINCERELY TRIED TO INTERPRET THE STATUTE, FROM ITS OWN DISCUSSION IT IS OBVIOUS THE STATUTE NEEDS CLARIFICATION IN ORDER TO CARRY OUT THE ORIGINAL INTENT OF AB 707, I.E., TO REDUCE THE FREQUENCY OF RATE CASES. AS IT IS NOW BEING INTERPRETED, THERE WILL BE CONTINUOUS RATE CASE FILINGS AND PROBABLY ADDITIONAL COURT CASES FOR CLARIFICATION. ALL OF THIS RESULTS IN INCREASING COSTS TO THE UTILITIES AND THE COMMISSION

WHICH IS ULTIMATELY BORNE BY THE CONSUMER. IT IS NO WONDER THE CONSUMER IS CONFUSED.

THE LANGUAGE THAT HAS BEEN PROPOSED WOULD CLARIFY THE AMBIGUITY THAT CURRENTLY EXISTS AND WOULD RESULT IN FEWER RATE FILINGS.

CHANGES ARE PROPOSED IN NRS 704.540 TO CLARIFY AND SPEED THE APPELLATE PROCESS. IT IS FELT DESIRABLE TO CLARIFY WHAT IS THE "PROPER COUNTY" IN WHICH TO SUE THE COMMISSION. IN SEVERAL INSTANCES MOTIONS MADE BY THE ATTORNEY GENERAL TO CHANGE VENUE OF UTILITY APPEALS TO CARSON CITY HAVE BEEN GRANTED. THE DISTRICT COURT FOR THE CITY AND COUNTY OF CARSON CITY IS A VERY BUSY COURT AND THE EFFECT OF MOVING CASES TO CARSON CITY IS TO UNDULY CROWD THE DOCKET IN CARSON CITY AND DELAY DISPOSITION OF THE CASES. IT IS FELT THAT ANY DISTRICT JUDGE IN THE STATE CAN PROPERLY HANDLE SUCH CASES.

SECTION 13, NRS 704.550 HAS BEEN REVISED TO CLEARLY OUTLINE THE PROVISIONS OF THIS STATUTE AS TO THE INJUNCTIVE RELIEF PROVISIONS AVAILABLE TO UTILITIES.

THE REVISIONS SUGGESTED IN AB 631 WILL MAKE THE STATUTORY LANGUAGE CLEAR AND CONCISE SO THAT IT CAN BE PROPERLY INTERPRETED BY THE CONSUMER, THE NEVADA PUBLIC SERVICE COMMISSION AND THE UTILITIES. IT WILL CARRY OUT THE RECOMMENDATION OF THE 1975 LEGISLATURE COMMITTEE CREATED UNDER AB 275 WHICH RECOMMENDED THAT

"LEGISLATION SHOULD BE ADOPTED TO REDUCE THE NUMBER, COMPLEXITY AND REDUNDANCY OF PUBLIC UTILITY COMPANY APPLICATIONS FOR GENERAL RATE INCREASES."



Mr. Chairman - Members of this Committee.

I am Gene Matteucci, Vice President and General Counsel of Nevada Power Company.

I appreciate the opportunity to appear before you in support of AB 631.

Since previous witnesses from other Nevada utilities have testified in some detail in support of this bill, my remarks will be both brief and general.

In 1975, the Nevada Legislature enacted SB 262 in order to accomplish two purposes: first, to reduce the number of rate applications by Nevada utilities and second, to allow utilities to recover more up-to-date costs of service in a given application.

The first objective was deemed necessary because of the unprecedented number of applications for rate increases which resulted primarily from the wildly escalating fuel costs of the 1973-74 period. This was a traumatic period throughout the nation not only for regulators and utilities, but also for consumers who witnessed

substantial cost increases for all forms of energy. For certain, we are not out of this period of rising energy costs; nor, according to economists and governmental leaders, are we likely to return to the days of low-cost energy ever again.

One of the harmful by-products of the energy crises we have been in for several years is the confusion (and frustration) of consumers over rising costs. Thus, the intent of SB 267 in 1975 to reduce the number of rate applications was founded in a genuine need to bring some order to the chaotic energy situation which arose with the Arab oil embargo.

In the intervening two years since SB 267 was enacted, the number of rate applications by Nevada Power Company has decreased significantly. At the same time, however, as pointed out by previous witnesses, serious deficiencies in the execution of this statute have surfaced.

Foremost among these has been the treatment of major expense items, such as depreciation, taxes and insurance, related to

additions to rate base. By not being allowed

these major expenses when new plant goes into service, the utility is forced to file a new application to recover these costs. AB 631 specifically sets forth these expenses and clarifies the second intent of the original statute, i.e., to permit a utility to recover up-to-date costs of service. For this reason Nevada Power Company strongly endorses AB 631.

The matter of consumer frustration and confusion over rate applications which I mentioned previously as being a harmful by-product of the energy crisis merits some comment here. The strong pressure to suppress energy rates, to keep utilities from earning a fair and reasonable rate of return, has not served the best interests of the consumer in whose name many of these pressures have arisen. Over the long pull, a utility whose financial condition deteriorates because it cannot secure rates adequate to cover its costs and adequate to provide a fair return to its investors cannot deliver the service expected of it. Ultimately, something must give - either in terms of adequate service or reliable service.

As mentioned by Mr. <sup>Guild</sup>~~MacGrea~~ in his testimony, the utility is not seeking anything beyond the ability to earn a rate of return determined by our Public Service Commission to be fair and reasonable.

AB 631 would eliminate some of the obstacles which now make it impossible to achieve authorized earnings. The experience of the past two years, in my view, clearly supports the need for this statute.

SUBCOMMITTEE REPORT ON AB 475 SUBMITTED BY BOB WEISE

Amend Section 1, page 1, line 19, delete lines 19 and 20 and add the following new language: "(f) 40 nominal acres means an area of land not less than 1/16 of the section as described by the government land office survey or 40 acres calculated by another actual survey."

Amend Section 2, page 2, line 33, after the word devided delete the words "at one time".

Amend Section 2, page 2, line 39, insert an open bracket after the word "land".

Amend Section 2, page 2, line 42, delete the open bracket after the word "which".

Amend Section 2, page 2, line 43, delete the closed bracket after the word "land". Also delete the words "has an nominal area of 10 acres or more".

Amend Section 2, page 2, line 44, add a closed bracket after the word "census".

NOTE: The above amendments concerning lines 39 through 44 are designed to remove the population discrimination developed for Clark County.

Amend Section 4, page 5, delete lines 4, 5 and 6 and add the following new language: 5. If there is a planning commission, within 45 days after receipt of the tentative map, it shall recommend approval, conditional approval or disapproval in a written report filed with the governing body.

Amend Section 4, page 5, delete lines 10 and 11

Amend Section 6, page 5, delete line 31 and add: "sion within 10 days after filing recommendatons on the tentative map and approving the final map".

Amend Section 7, page 5, line 40, after the word "body" add "by a simple majority vote".

Amend Section 7, page 5, line 43, delete entire line and add "tions, or if there is no planning commission, within 45 days of filing of the tentative map with the clerk of the governing body."

Amend Section 7, page 5, line 44, delete "consider:" and add the following new language: "make findings concerning".

Amend Section 8, page 6, line 17, delete "30" and add "15".

Amend Section 8, page 6, line 21, delete line 21 and add "subdivision shall set aside a site of the size required by the board. Such person".

Amend Section 8, page 6, line 28, delete the entire line and add "interest at a sale price equal to fair market value."

Amend Section 8, page 6, line 29, delete "offer."

Amend Section 10, page 7, line 2, delete the entire line and add "the subdivider".

Amend Section 10, page 7, line 4, after the word "or" add "prior to".

Amend Section 13, page 8, delete lines 7, 8 and 9 and 10.

Amend Section 18, page 10, delete lines 3 and 4 and add "ing record title in the land:".

Amend Section 18, page 10, delete lines 17 through 23.

Amend Section 18, page 10, line 24, delete "4" and add "3".

Amend Section 18, page 10, delete lines 25, 26 and 27. Add "certify the person signing the final map is the owner of record of the land, and may also require the title company to list any liens and mortgages of record."

Amend Section 19, page 11, line 8, after the word "Number" add "and Seal".

Amend Section 21, page 11, line 23, after the word "at," add "showing that".

Amend Section 33, page 16, line 50, delete the closed bracket after the word "or,".

Amend Section 33, page 17, line 4 by inserting a closed bracket after the word "easements,".

Amend Section 33, page 17, delete lines 46 and 47.

Amend Section 35, page 18, delete lines 23, 24, 25, 26. Add "Sec. 35. 1. The governing body may require:"

Amend Section 35, page 18, line 31, delete the words "existing development of abutting property." and add "the area. If the proposed parcels are to be less than one acre in size, the governing body may require additional improvements as are reasonably necessary and consistent with the area as it would be developed with the proposed parcel map."

Amend Section 35, page 18, line 32, after the word "single" add "parcel or".

Amend Section 35, page 18, line 33, after the word "land" add "under the same ownership".

Amend Section 35, page 18, delete lines 38 through 47.

Amend Section 36, page 18, line 49, after the word "person" add "or agency".

Amend Section 36, page 19, line 3, after the word "survey," add "a determination must be made by".

Amend Section 36, page 19, line 4, delete the words "shall be consulted." and add "that a survey is not required."

Amend Section 48, page 24, line 41, delete the word "city" and add "city's".

Amend Section 48, page 24. line 41, at the end of the sentence replace the word "engineer" with "surveyor".

59TH NEVADA LEGISLATURE

COMMERCE COMMITTEE  
LEGISLATIVE ACTION

DATE April 17, 1977

SUBJECT S.B. 415

MOTION: \_\_\_\_\_

Do Pass  Amend  Indefinitely Postpone  Reconsider

Moved by Mr. Demers Seconded by Mr. Weise

AMENDMENT \_\_\_\_\_

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

AMENDMENT \_\_\_\_\_

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

VOTE:	<u>MOTION</u>		<u>AMEND</u>		<u>AMEND</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
Harmon	<u>x</u>	<u>Not Present</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Mello	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Barengo	<u>x</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Demers	<u>x</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Hayes	<u>---</u>	<u>Not Present</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Moody	<u>---</u>	<u>Not present</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Price	<u>x</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Sena	<u>x</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Weise	<u>x</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>

TALLY:

Original Motion: Passed  Defeated  Withdrawn

Amended & Passed \_\_\_\_\_ Amended & Defeated \_\_\_\_\_

Amended & Passed \_\_\_\_\_ Amended & Defeated \_\_\_\_\_

Attach to Minutes April 17, 1977  
Date



59TH NEVADA LEGISLATURE

COMMERCE COMMITTEE  
LEGISLATIVE ACTION

DATE April 17, 1977

SUBJECT A.B. 584

MOTION: \_\_\_\_\_

Do Pass  Amend  Indefinitely Postpone  Reconsider

Moved by Mr. Weise Seconded by Mr. Sena

AMENDMENT

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

AMENDMENT

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

VOTE:	<u>MOTION</u>		<u>AMEND</u>		<u>AMEND</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
Harmon	<u>x</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Mello	<u>Not Present</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Barengo	<u>x</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Demers	<u>x</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Hayes	<u>Not Present</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Moody	<u>Not present</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Price	<u>x</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Sena	<u>x</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Weise	<u>x</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>

TALLY:

Original Motion: Passed  Defeated  Withdrawn

Amended & Passed \_\_\_\_\_ Amended & Defeated \_\_\_\_\_

Amended & Passed \_\_\_\_\_ Amended & Defeated \_\_\_\_\_

Attach to Minutes April 17, 1977  
Date

59TH NEVADA LEGISLATURE

COMMERCE COMMITTEE  
LEGISLATIVE ACTION

DATE April 17, 1977

SUBJECT A.B. 629

MOTION: \_\_\_\_\_

Do Pass  Amend  Indefinitely Postpone  Reconsider

Moved by Mr. Demers Seconded by Mr. Sena

AMENDMENT \_\_\_\_\_

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

AMENDMENT \_\_\_\_\_

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

VOTE:	<u>MOTION</u>		<u>AMEND</u>		<u>AMEND</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
Harmon	<u>x</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Mello	<u>Not present</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Barengo	<u>x</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Demers	<u>x</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Hayes	<u>Not present</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Moody	<u>x</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Price	<u>x</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Sena	<u>x</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Weise	<u>      </u>	<u>x</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>

TALLY:                    6                    1

Original Motion: Passed  Defeated  Withdrawn

Amended & Passed  Amended & Defeated

Amended & Passed  Amended & Defeated

Attach to Minutes April 17, 1977  
Date

59TH NEVADA LEGISLATURE

COMMERCE COMMITTEE  
LEGISLATIVE ACTION

DATE ~~SxRxxxix~~ April 17, 1977

SUBJECT S.B. 317

MOTION: \_\_\_\_\_

Do Pass  Amend \_\_\_\_\_ Indefinitely Postpone \_\_\_\_\_ Reconsider \_\_\_\_\_

Moved by Mr. Demers Seconded by Mr. Sena

AMENDMENT \_\_\_\_\_

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

AMENDMENT \_\_\_\_\_

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

VOTE:	<u>MOTION</u>		<u>AMEND</u>		<u>AMEND</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
Harmon	<u>x</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
Mello	<u>x</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
Barengo	<u>Abstaining</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
Demers	<u>x</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
Hayes	<u>Not present</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
Moody	<u>x</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
Price	<u>x</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
Sena	<u>x</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
Weise	<u>Abstaining</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>

TALLY:

Original Motion: Passed  Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_

Amended & Passed \_\_\_\_\_ Amended & Defeated \_\_\_\_\_

Amended & Passed \_\_\_\_\_ Amended & Defeated \_\_\_\_\_

Attach to Minutes April 17, 1977  
Date

59TH NEVADA LEGISLATURE

COMMERCE COMMITTEE  
LEGISLATIVE ACTION

DATE April 17, 1977

SUBJECT S.B. 319

MOTION: \_\_\_\_\_

Do Pass  Amend \_\_\_\_\_ Indefinitely Postpone \_\_\_\_\_ Reconsider \_\_\_\_\_

Moved by Mr. Demers Seconded by Mr. Sena

AMENDMENT \_\_\_\_\_

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

AMENDMENT \_\_\_\_\_

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

VOTE:	<u>MOTION</u>		<u>AMEND</u>		<u>AMEND</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
Harmon	<u>x</u>	_____	_____	_____	_____	_____
Mello	<u>x</u>	_____	_____	_____	_____	_____
Barengo	<u>Abstaining</u>	_____	_____	_____	_____	_____
Demers	<u>x</u>	_____	_____	_____	_____	_____
Hayes	<u>x</u>	_____	_____	_____	_____	_____
Moody	<u>x</u>	_____	_____	_____	_____	_____
Price	<u>x</u>	_____	_____	_____	_____	_____
Sena	<u>x</u>	_____	_____	_____	_____	_____
Weise	<u>Abstaining</u>	_____	_____	_____	_____	_____

TALLY:

Original Motion: Passed  Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_

Amended & Passed \_\_\_\_\_ Amended & Defeated \_\_\_\_\_

Amended & Passed \_\_\_\_\_ Amended & Defeated \_\_\_\_\_

Attach to Minutes April 17, 1977  
Date

59TH NEVADA LEGISLATURE

COMMERCE COMMITTEE  
LEGISLATIVE ACTION

DATE April 17, 1977

SUBJECT A.B. 638

MOTION: Amend & Do Pass

Do Pass  Amend  Indefinitely Postpone  Reconsider

Moved by Mr. Demers Seconded by Mr. Sena

AMENDMENT

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

AMENDMENT

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

VOTE:	<u>MOTION</u>		<u>AMEND</u>		<u>AMEND</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
Harmon	<u>x</u>	_____	_____	_____	_____	_____
Mello	<u>x</u>	_____	_____	_____	_____	_____
Barengo	<u>x</u>	_____	_____	_____	_____	_____
Demers	<u>x</u>	_____	_____	_____	_____	_____
Hayes	<u>x</u>	_____	_____	_____	_____	_____
Moody	<u>x</u>	_____	_____	_____	_____	_____
Price	<u>x</u>	_____	_____	_____	_____	_____
Sena	<u>x</u>	_____	_____	_____	_____	_____
Weise	<u>Abstaining</u>	_____	_____	_____	_____	_____

TALLY:

Original Motion: Passed x Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_

Amended & Passed \_\_\_\_\_ Amended & Defeated \_\_\_\_\_

Amended & Passed \_\_\_\_\_ Amended & Defeated \_\_\_\_\_

Attach to Minutes April 17, 1977  
Date

59TH NEVADA LEGISLATURE

COMMERCE COMMITTEE  
LEGISLATIVE ACTION

DATE April 17, 1977

SUBJECT A.B. 475 =

MOTION: Amend & Do Pass

Do Pass  Amend  Indefinitely Postpone  Reconsider

Moved by Mr. Demers Seconded by Mr. Sena

AMENDMENT (See Exhibit 5, Minutes of April 17, 1977)

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

AMENDMENT

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

VOTE:	<u>MOTION</u>		<u>AMEND</u>		<u>AMEND</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
Harmon	<u>X</u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
Mello	<u>Not present</u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
Barengo	<u>X</u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
Demers	<u>X</u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
Hayes	<u>X</u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
Moody	<u>X</u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
Price	<u>X</u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
Sena	<u>X</u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>
Weise	<u>X</u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>	<u>    </u>

TALLY:

Original Motion: Passed X Defeated      Withdrawn     

Amended & Passed      Amended & Defeated     

Amended & Passed      Amended & Defeated     

Attach to Minutes April 17, 1977  
Date

59TH NEVADA LEGISLATURE

COMMERCE COMMITTEE  
LEGISLATIVE ACTION

DATE April 17, 1977

SUBJECT A.B. 722

MOTION: \_\_\_\_\_

Do Pass  Amend \_\_\_\_\_ Indefinitely Postpone \_\_\_\_\_ Reconsider \_\_\_\_\_

Moved by Mrs. Hayes Seconded by Mr. Demers

AMENDMENT \_\_\_\_\_

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

AMENDMENT \_\_\_\_\_

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

VOTE:	<u>MOTION</u>		<u>AMEND</u>		<u>AMEND</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
Harmon	<u>x</u>	_____	_____	_____	_____	_____
Mello	<u>Not present</u>	_____	_____	_____	_____	_____
Barengo	<u>x</u>	_____	_____	_____	_____	_____
Demers	<u>x</u>	_____	_____	_____	_____	_____
Hayes	<u>x</u>	_____	_____	_____	_____	_____
Moody	<u>x</u>	_____	_____	_____	_____	_____
Price	<u>Not present</u>	_____	_____	_____	_____	_____
Sena	<u>x</u>	_____	_____	_____	_____	_____
Weise	_____	<u>x</u>	_____	_____	_____	_____

TALLY:                      6                      1

Original Motion: Passed  Defeated \_\_\_\_\_ Withdrawn \_\_\_\_\_

Amended & Passed \_\_\_\_\_ Amended & Defeated \_\_\_\_\_

Amended & Passed \_\_\_\_\_ Amended & Defeated \_\_\_\_\_

Attach to Minutes April 17, 1977  
Date

59TH NEVADA LEGISLATURE

COMMERCE COMMITTEE  
LEGISLATIVE ACTION

DATE April 17, 1977

SUBJECT A.B. 457

MOTION: DO PASS AS AMENDED

Do Pass  Amend  Indefinitely Postpone  Reconsider

Moved by Mr. Weise Seconded by Mr. Mello

AMENDMENT

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

AMENDMENT

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

VOTE:	<u>MOTION</u>		<u>AMEND</u>		<u>AMEND</u>	
	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>	<u>Yes</u>	<u>No</u>
Harmon	<u>x</u>	_____	_____	_____	_____	_____
Mello	<u>x</u>	_____	_____	_____	_____	_____
Barengo	<u>x</u>	_____	_____	_____	_____	_____
Demers	<u>x</u>	_____	_____	_____	_____	_____
Hayes	<u>Not present</u>		_____	_____	_____	_____
Moody	<u>x</u>	_____	_____	_____	_____	_____
Price	<u>x</u>	_____	_____	_____	_____	_____
Sena	<u>x</u>	_____	_____	_____	_____	_____
Weise	<u>x</u>	_____	_____	_____	_____	_____

TALLY:                      8                      0

Original Motion: Passed  Defeated  Withdrawn   
Amended & Passed \_\_\_\_\_ Amended & Defeated \_\_\_\_\_  
Amended & Passed \_\_\_\_\_ Amended & Defeated \_\_\_\_\_

Attach to Minutes April 17, 1977  
Date \_\_\_\_\_