MINUTES

ENVIRONMENT AND PUBLIC RESOURCES COMMITTEE
April 12, 1977

Members Present: Chairman Moody
Mr. Coulter
Mr. Jeffrey
Mr. Kissam
Mr. Ross
Mr. Chaney
Mr. Polish

Members Excused: Mr. Serpa
Mr. Rhoads

Guests Present: Roger Steele, Desert Research Institute
Jim Hannah, Environmental Protection Service
Larry Taylor
Don Crosby, Nevada Highway Department
Donald Arkell, Clark County Health Department
Daisy Talvitie, League of Women Voters
Fred Welden, State Land Use Planning
Chuck Breese, Washoe County Health Department
Glen Griffith, Nevada Fish and Game Department
Dick Serdoz, Nevada Air Quality Officer
John Ciardella, Department of Motor Vehicles
Dale Rain, Department of Motor Vehicles
Ernie Gregory, Environmental Protection Service
L. Gubler, Nevada State Highway Department
John Holmes
Charlie Vaughn, Nevada Power Company
Reeve Fagg, Sierra Pacific Power Company

The meeting was called to order by Chairman Moody. He stated that the first item on the agenda was a report by Mr. Ross on what had been done in the subcommittee meetings on A.B. 464, and said that further testimony would be heard on that bill on Thursday, April 14, 1977.

Mr. Ross reported that the subcommittee had met on April 1, 4 and 5. The meetings were attended by many interested parties representing various state agencies, individual groups, local entities, and there was input from a potential private contractor and from those who were interested in the environment and various citizens groups. Due to the complexity of the issue, the areas of disagreement were discussed. The two approaches discussed were the independent contractor method of inspection and the private garage method. Rough drafts of the amendments covering these two different approaches were studied and areas of dispute were pinpointed. Copies of these two approaches will be furnished to the committee on Thursday.

Assembly

Disputes that could not be resolved at the subcommittee level were dropped, and some additional areas of language that should be included in the proposed bill were created, but not in detail. The end result was to be the public hearing before the full committee so they could present witnesses testifying as to the various ideas and the committee would make the final decisions on what approach would be used and what would be contained therein. Mr. Ross set a meeting of the subcommittee in the Assembly Lounge on Wednesday, April 13, at 3:30 p.m. to set ground rules for the presentation on Thursday of the testimony so that everybody would be able to be heard in an orderly and efficient fashion.

Mr. Moody thanked Mr. Ross and the subcommittee for their work. Chairman Moody called on Mr. Kissam to present testimony on A.J.R. 45.

ASSEMBLY JOINT RESOLUTION 45 - Memorializes Congress to allow states to adopt perpetual daylight saving time.

Assemblyman Kissam, sponsor of A.J.R. 45, explained that this resolution memorializes Congress to allow the states to adopt perpetual daylight saving time. The reasoning behind this and the heavy support he has received is based on the premise of, why haven't we had this before. The objections raised have been that school children have to go to school in the dark. The school board of Clark County said the school hours are not that firm and could be adjusted. Traditionally the farmers and ranchers have been opposed because of livestock schedules and harvesting schedules, which Mr. Kissam feels could be readjusted to benefit the majority of people. Essentially, this fools us into feeling we are getting more daylight hours, which is not so, it is just the re-distribution of the effective hours of daylight time. This concept originally started in 1918 with the railroads. Daylight saving time was used in the First and Second World Wars to save fuel. Those principally interested in this concept are in the Northeast and in the West. The South and Midwest are against it. That is the reason there is a federal law not allowing perpetual daylight saving time and that is why this is in the form of a joint resolution to Congress. One way of going about this would be to change Nevada to Mountain Time, changing the actual standard time zones. California has a similar bill to ours in their Legislature, so Mr. Kissam and Mr. Daykin, of the Legislative Counsel Bureau, felt that the best way to handle this would be to memorialize Congress to change the federal law to allow us to have daylight saving time in this state so California could go along with us also. There are no records available on the energy savings.

Testimony was concluded on A.J.R. 45.

A motion was made by Mr. Jeffrey that the committee recommend do pass for A.J.R. 45, was seconded by Mr. Polish and passed unanimously.

April 12, 1977

Chairman Moody called for testimony in favor of S.B. 106.

SENATE BILL 106 - Modifies requirements for the regulation of certain sources of air pollution.

Assemblyman Daniel Demers requested that some sort of amendment be put on S.B. 106 with regard to fossil fuel power plants. He presented proposed amendments to the bill, a copy of which is attached hereto and marked Exhibit A. In their interim committee in which they studied the electric and gas utilities, a large portion of time and money was devoted to conducting a study regarding standards relevant to these pollution control devices, particularly on the Mojave Power Plant in Southern Nevada. Recommendation Nine is an ambient air quality that is defined by the Federal Environmental Protection Agency, Class 2 increment plus background to be taken as the criterion upon which to base emission regulations in the non-urban areas of Nevada. Recommendation Ten, the current emission regulations within Nevada should be replaced with the Federal New Source Performance Standards promulgated by the E.P.A. as the upper limit of emissions permitted from fossil fuel power plants. The actual emissions permitted in a given power plant impact area would be determined on a case by case basis, and the A.B. 708 of the last session placed a moratorium on any further action of the Mojave Plant so that the study could be conducted. The reason for this is that it was revealed in hearings at the last session of the Legislature that the existing standards that were in effect at that time in Clark County with regard to the Mojave Power Plant would force an expenditure of approximately 200-300 million dollars in order to achieve those standards. That would mean an increase on individual power bills of around $3.00 t0 $5.00 per month. One way to go would be the state taking over regulations and compliance schedules, variance orders and other things of that nature with regard to electric generating facilities, or the state could set the standards and allow the counties to continue to be the policing agency. The basic problem is, if they allow the Clark County standards to apply, there could be an increase in individual consumer power bills of roughly $36.00 upwards to $60.00.

Senator Keith Ashworth, the vice chairman on this particular study, concurred with Mr. Demers testimony and the committee concurs. They heard testimony that the air quality standards of Clark County are much more stringent than the requirements of the State of Nevada, and the State of Nevada's are more stringent than the federal government's. The power plant is on the Colorado River and not close to the population center and is really closer to Arizona, where their air quality standards are not as stringent as ours. The committee felt that the determinations should be left on a case by case basis taking into consideration the area involved and not just necessarily on a regulation that was promulgated and adopted by some agency. He also recommended that the State Environmental Protection Agency and Commission be the responsible party for the case by case basis for present and future power

plants. He feels that they will have to make the determination between air quality standards and the need for additional energy. He feels that the State Environmental Protection Agency was created to take care of this sort of thing, and it would be a step backward if we took that responsibility away from them.

Mr. Ross asked why the county has not responded to these arguments, and also asked if these power plants are not getting so large that they are affecting wider areas than just the county.

Mr. Demers said that because of very strict standards in Clark and Washoe Counties there are projects like the Valmy plant being built in Winnemucca after being forced out of the urban areas to get away from the standards. There should be some kind of state-wide policy regarding this. The county standards should be upheld where they affect urban areas, but they should be modified in other areas.

Mr. Ross asked if 86 percent of the cost would not be born by users outside the state

Mr. Demers said that would be so for a period of time. Out of the 200 million dollar figure, 14 percent or 30 million dollars of that applies to the Nevada Power Company and would come to 2.4 million dollars per year for 20 years, and with depreciation you would have to figure how it would apply to the individual residential user versus the commercial user, so it gets involved in percentages. But it boils down to $3.00 to $5.00 per month increases in power bills for environmental surcharge. About 6 percent of the energy used is to run the environmental equipment.

Charlie Vaughn, Chief Mechanical Engineer at Nevada Power, presented a prepared statement in favor of S.B. 106, a copy of which is attached hereto and marked Exhibit B.

Mr. Ross was concerned about what effect this propsed legislation would have on other power plants presently being considered for construction.

Mr. Vaughn said that after much testimony, last Fall it was decided that New Source Performance Standards would be used but the case by case concept would be kept on the back burner and would be brought up again before any public utility could make application to the P.S.C. or the State Environmental Commission to build a new plant.

Mr. Ross asked what the effect would be on the Las Vegas basin if this change were made whereby the lower standards of the state would prevail rather than those of the county.

Mr. Vaughn said there would be no degradation from the old plant as it is already complying with county standards and would not be lowered, and if anything, would be improved. He does not think

the Mojave Plant would affect the quality of air in the Las Vegas Valley.

Discussion was carred on regarding the other plants planned and how they would affect the Las Vegas Valley, and how they would be controlled by the Environmental Protection Agency.

Fred Welden, with the State Land Use Planning Agency, stated that S.B. 106 is one of three bills the result of the interim study. The original bill was designed to address indirect sources of air pollution and the amendments were not recommendations of this group. There has been no enforcement of standards by the U.S. Environmental Protection Agency on indirect sources of air pollution, and there is currently no state program currently existing to address indirect sources of air pollution. S.B. 106 says if the federal government in the future begins to enforce its regulations on indirect sources, that Nevada's program will be administered at the city and county level as much as the federal law will allow. This is what this bill was originally designed to address.

Chairman Moody called for testimony in opposition to S.B. 106.

Don Crosby, representing the State Highway Department, presented a prepared statement on the Highway Department's position on S.B. 106, a copy of which is attached hereto and marked Exhibit C.

Mr. Gubler of the State Highway Department, said that he is in agreement with the concept of authority at the local level. He questioned if indirect source review ever helps improve air quality. He said that from their experience it does not.

Dick Serdoz, Air Quality Officer of the State of Nevada, presented a prepared statement, a copy of which is attached hereto and marked Exhibit D.

Mr. Jeffrey questioned tha part of Mr. Serdoz' testimony stating that there were delays of up to four months in initial reviews of applications prior to 1975. He asked if there have been less delays since that time. Mr. Serdoz said that was correct. He explained the new regulations that are being considered by the State Environmental Protection Agency which will be ready for the next Legislature.

Daisy Talvitie, League of Women Voters, said they have a basic disagreement with the philosophy of the bill. It seems to them that it is the reverse of the normal pattern that we, as a state, abdicate our right to review something and say we will leave it up to the Federal Government. They feel the state should retain its right to make its own decisions. Those things that attract heavy amounts of mobile sources of pollution are a large part of the problem, such as large shopping centers, etc.

Testimony was concluded on S.B. 106.

Mr. Jeffrey moved to amend and do pass on S.B. 106, and was seconded by Mr. Kissam. Mr. Jeffrey explained that this is a combination of two bills passed in the last session. One was the moratorium on the Mojave Plant to keep from having to spend the huge amount of money they were talking about there so the environmental considerations could be studied. Part of the rationale was that it was 90 miles from Las Vegas and would cause large increases in cost to individual users of power. The indirect sources amendment is also a rehash of what was done last time and basically continues the process that we have been under the last two years. He served on one of the interim committees and learned that most of the things they are talking about on indirect sources are difficult to define and they have been time consuming and costly and need to be incorporated into local planning processes, and there is nothing to preclude local planning departments from seeing to it that any shopping center or other facility that attracts traffic has proper ingress and egress and proper traffic patterns. He sees no problem with this legislation. The basic difference between the federal and county regulations is the size of the project. The federal regulations are very vague and talk more about the size of the facilities to be reviewed rather than what is to be reviewed. They have never defined what should be reviewed outside of traffic patterns. Traffic patterns are, logically, a local planning process rather than an air pollution, environmental consideration.

The motion was carried unanimously.

The next item on the agenda was A.J.R. 42.

ASSEMBLY JOINT RESOLUTION 42 - Memorializes Congress to enact legislation requiring Bureau of Land Management to hold local public hearings, issue economic impact statements and obtain congressional approval before adopting regulations.
Mr. Reeve Fagg, of the Sierra Pacific Power Company, presented a prepared statement in favor of A.J.R. 42, a copy of which is attached hereto and marked Exhibit E.

Mr. Jeffrey moved that the committee recommend do pass on A.J.R. 42, was seconded by Mr. Coulter and the motion was carried unanimously.

Chairman Moody called for testimony on A.J.R. 41.

ASSEMBLY JOINT RESOLUTION 41 - Memorializes Congress and Department of the Interior to suspend projects on Pyramid Lake and portions of Truckee River.
Assemblyman Joe Dini explained facts about the suit on the water rights on the Truckee River and about the fish hatchery. He said not enough consideration has been given to the rights of the people upstream. He feels that projects should be held up until the suit with the Indians has been resolved.

Glen Griffith, of the Fish and Game Department, questioned why Derby Dam was selected rather than the boundary of the Indian

Reservation. The fisheries program is under the state's jurisdiction from the reservation upstream.

It was felt by the committee that the Resolution should be amended to include the river from the Reservation downstream rather than from Derby Dam.

Mr. Jeffrey moved that the committee recommend do pass on A.J.R. 41, with the amendment, was seconded by Mr. Polish, and the motion was carried unanimously.

Chairman Moody called for testimony on A.J.R. 47.

ASSEMBLY JOINT RESOLUTION 47 - Urges Congress to ratify California-Nevada Interstate Compact.

Assemblyman Joe Dini explained that in the 1967 or 1969 session, they passed the Nevada-California Water Compact, an agreement between Nevada and California to split the water in the three streams, the Walker, Carson and Truckee Rivers, between the two states. Both states ratified the compact and sent it to Congress for ratification, and it has never been passed. Senator Laxalt has re-introduced the measure in the Senate and he would like this resolution sent back for support, as he is afraid of California diverting the water to its own use before the split has been accomplished.

Mr. Kissam moved that the committee recommend do pass on A.J.R. 47, was seconded by Mr. Polish, and the motion was carried unanimously.

The meeting was adjourned by Chairman Moody.

Respectfully submitted,

Ruth Olguin

Ruth Olguin
Assembly Attache

(REPRINTED WITH ADOPTED AMENDMENTS)
FIRST REPRINT **S. B. 106**

SENATE BILL NO. 106—COMMITTEE ON ENVIRONMENT, PUBLIC RESOURCES AND AGRICULTURE

JANUARY 20, 1977

Referred to Committee on Environment, Public Resources and Agriculture

SUMMARY—Modifies requirements for the regulation of certain sources of air pollution. (BDR 40-86)
FISCAL NOTE: Local Government Impact: Yes.
State or Industrial Insurance Impact: Yes.

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

AN ACT relating to air pollution control; modifying requirements for the regulation of certain sources of air pollution; and providing other matters properly relating thereto.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

SECTION 1. NRS 445.446 is hereby amended to read as follows:

445.446 1. "Source" means any property, real or personal, which directly emits or may emit any air contaminant.

2. [~~"Complex"~~] *"Indirect* source" means any property or facility that has or solicits secondary or adjunctive activity which emits or may emit any air contaminant for which there is an ambient air quality standard, notwithstanding that such property or facility may not itself possess the capability of emitting such air contaminants. [~~Complex~~] *Indirect* sources include, but are not limited to:

(a) Highways and roads;
(b) Parking facilities;
(c) Retail, commercial and industrial facilities;
(d) Recreation, amusement, sports and entertainment facilities;
(e) Airports;
(f) Office and government buildings;
(g) Apartment and condominium buildings;
(h) Educational facilities,

and other such property or facilities which will result in increased air contaminant emissions from motor vehicles or other stationary sources.

SEC. 2. NRS 445.493 is hereby amended to read as follows:

445.493 1. No regulation adopted pursuant to any provision of NRS 445.401 to 445.601, inclusive, may be enforced as to indirect sources [which] *if it* is more stringent with respect to *the* size cutoffs [as] established for designated areas pursuant to the United States Clean Air Act of 1963 and the rules and regulations adopted in furtherance thereof.

2. [Should] *Except as provided in subsection 3, if* the United States Environmental Protection Agency [delay] *delays* the effective date for enforcement of its indirect source regulations beyond January 17, 1977, the [state's] authority *of a state agency or district board of health* to review new [complex] *indirect* sources shall expire. Those projects approved prior to that date shall continue under the guidelines established in their permit.

3. If the federal indirect source regulations become effective after January 17, 1977, then:

(a) The authority of a state agency to review new indirect sources may be exercised only:

(1) In the enforcement of the federal indirect source regulations; and

(2) To the extent enforcement by the state agency is required by the federal act.

(b) The governing body of each county and each incorporated city may enforce within its jurisdiction the federal indirect source regulations or any indirect source regulations it adopts which are no more strict than the federal indirect source regulations, to the extent such local enforcement is not inconsistent with the requirements of the federal act.

SEC. 3. NRS 445.496 is hereby amended to read as follows:

445.496 1. The commission shall require, with respect to all sources of air contaminant, including [complex] *indirect* sources, that plans, specifications and such other information as the commission may direct be submitted to the director not later than a specified interval prior to the construction or alteration of a building or other structure if such construction or alteration includes the establishment or alteration of a source or [complex] *indirect* sources of air contaminant.

2. The local government authority, if any, responsible for issuing any required building permit shall not issue such building permit until the registration has been made pursuant to regulation and no stop order prohibiting such construction or alteration has been issued.

Sec. 4. NRS 445.546 is hereby amended to read as follows:

445.546 1. Except as provided in subsection 4 and in subsection 2 and 3 of NRS 445.493:

(a) The district board of health, county board of health or board of county commissioners in each county which has a population of 100,000 or more, as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce, shall establish an air pollution control program within 2 years after July 1, 1971, and administer such program within its jurisdiction unless superseded.

[2.] *(b)* The program shall:

[(a)] *(1)* Establish by ordinance or local regulation standards of emission control, emergency procedures and variance procedures [which:

(1) In the case of complex sources, are equivalent to, but not stricter than; and

(2) In the case of all other sources, are] equivalent to or stricter than [,] those established by statute or state regulation; and

[(b)] *(2)* Provide for adequate administration, enforcement, financing and staff.

[3.] *(c)* The district board of health, county board of health or board of county commissioners is designated as the air pollution control agency of the county for the purposes of NRS 445.401 to 445.601, inclusive, and the federal act insofar as it pertains to local programs, and such agency is authorized to take all action necessary to secure for the county the benefits of the federal act.

[4.] *(d)* Powers and responsibilities provided for in NRS 445.461, 445.476 to 445.526, inclusive, 445.571 to 445.581, inclusive, and 445.601 shall be binding upon and shall inure to the benefit of local air pollution control authorities within their jurisdiction.

[5.] *2.* The local air pollution control board shall carry out all provisions of NRS 445.466 with the exception that notices of public hearings shall be given in any newspaper, qualified pursuant to the provisions of chapter 238 of NRS, as amended from time to time, once a week for 3 weeks, which notice shall specify with particularity the reasons for the proposed rules or regulations and provide other informative details. [Such rules or regulations may be more restrictive, except as provided in subsection 2, than those adopted by the commission.] NRS 445.466 shall not apply to the adoption of existing regulations upon transfer of authority as provided in NRS 445.598.

[6.] *3.* Any county whose population is less than 100,000 or any city may meet the requirements of this section for administration and enforcement through cooperative or interlocal agreement with one or more other counties, or through agreement with the state, or may establish its own air pollution control program. If such county establishes such program, it shall be subject to the approval of the commission.

[7.] 4. No [existing] district board of health, county board of health or board of county commissioners may adopt regulations or establish a compliance schedule, variance order or other enforcement action relating to [air pollution by] emission control of fossil fuel-fired electric generating facilities. [, with a capacity greater than 1,000 megawatts, may be enforced until July 1, 1977.

8. The state environmental commission shall hold 1 or more public hearings prior to July 1, 1976, for the purpose of reviewing air contaminant emission standards applicable to fossil fuel-fired steam generating facilities.]

Amendment 7

My name is Charlie F. Vaughn. I am Chief Mechanical Engineer for the Nevada Power Company.

We appreciate the opportunity to appear before this Committee with our views on SB #106.

Our responsibility here is to apprise you of the incremental costs associated with meeting Clark County's air pollution standards as opposed to the Nevada State Environmental Commission's standards.

In these days of rising energy costs, Nevada Power is deeply concerned over adding what might be unnecessary additional costs to our customers' electric bills. As SB#106 now stands, such costs promise to be substantial. For example, if wet scrubbers are required on Mohave Station after July 1, 1977 to meet the very strict Clark County regulations, Nevada Power Company's average residential customer monthly bill is expected to increase approximately 5%.

The estimated added first costs of scrubbers amount to $185 million and the estimated annual operating costs for these scrubbers amount to $16 million annually. Over the operating life of this facility, the added operating costs alone of these scrubbers exceed 1/3 of a billion dollars - in terms of 1977 dollars.

In 1976, the State Environmental Commission adopted the U. S. Environmental Protection Agency's New Source Performance Standards for all existing and new sources of SO_2 and visible emissions from fossil fuel fired steam generators in the State of Nevada. This action was taken after a series of public hearings during 1975 and 1976 during which expert testimony was taken on the subject.

As SB #106 now stands, the conclusion of the State Environmental Commission will be abbrogated since the proposed legislation will permit the appropriate board in a county which has a population of more than 100,000 to establish air emission control regulations stricter than those established by the State Environmental Commission.

Highway Department Position on S. B. 106

The Highway Department would like to take this opportunity to state our position on S. B. 106.

Since enactment of the Clean Air Amendments Act of 1970, the State of Nevada had adopted and implemented an Air Quality Implementation Plan. This plan contains air quality standards, control procedures, enforcement and inspection procedures, etc. It also contains provisions for review of "indirect sources" of air pollution which included projects such as highways, parking lots, and airports. However, Federal EPA delayed enforcement and review of these indirect sources. Therefore, the 1975 Nevada Legislature approved an amendment to Nevada Statutes which would eliminate State Indirect Source reviews if EPA did not implement a Federal review procedure before January 17, 1977.

At this time, Federal EPA regulations affecting highways are not in effect, thus there is no State authority to review "indirect sources".

During that period of time when "indirect source" reviews were required, the Highway Department expended approximately $1,300,000 directly related to air quality studies. To date, there has been no demonstrable evidence that an indirect source review improves air quality. In fact, we have encountered long and unnecessary delays in the construction of projects which improve traffic flows. Like experiences have been encountered elsewhere.

We have also noted that Nevada is only one of sixteen states which even enacted "indirect source" review procedures and the only state in Federal EPA Region IX (California, Nevada, Arizona, Hawaii, Guam, American Samoa, and Trust territory of the Pacific Islands) to

enact such a regulation. It is apparent that other states and Federal EPA are having difficulty in determining the usefulness of "indirect source" reviews. We also question the future usefulness of such regulations in improving air quality. Therefore, we question the need for S. B. 106.

ASSEMBLY COMMITTEE ON ENVIRONMENT AND PUBLIC RESOURCES, ROOM 214
TUESDAY, APRIL 12, 1977 AT 3:00 P.M. ON SB 106

I AM HERE TO REQUEST THAT THE PROHIBITIONS OF ENFORCING COMPLEX OR INDIRECT SOURCE REGULATIONS CONTAINED ON PAGE 2, LINES 6 THROUGH 24, AND PAGE 2, LINES 38 THROUGH 39, BE AMENDED TO ALLOW BOTH THE STATE AND LOCAL AGENCIES TO IMPLEMENT THE INDIRECT SOURCE REVIEW PROCEDURES ON MAJOR ATTRACTORS OF AUTOMOBILES.

THIS PROGRAM, WHILE IT WAS BEING FULLY IMPLEMENTED, DID NOT AFFECT THE CONSTRUCTION INDUSTRY IN ANY APPRECIABLE DEGREE. A SUMMARY OF THE EFFECTS ON THE CONSTRUCTION INDUSTRY IS AS FOLLOWS: THERE HAVE NOT BEEN ANY DISAPPROVALS OF A MAJOR COMPLEX SOURCE SINCE THE REGULATIONS WERE IMPLEMENTED, THOUGH THERE WERE 10 PERMITS ISSUED BY THE STATE 6 BY CLARK COUNTY AND 3 BY WASHOE COUNTY. THERE WERE DELAYS UP TO 4 MONTHS IN THE INITIAL REVIEW OF APPLICATIONS PRIOR TO 1975. SINCE THAT TIME THERE HAVE NOT BEEN ANY DELAYS OUTSIDE OF THE DELAYS THAT ARE REQUIRED BY THE REGULATIONS, WHICH ARE 15 DAYS TO REVIEW THE RECEIVED INFORMATION AND TO PUBLISH AN INTENT, 30 DAYS FOR PUBLIC REVIEW, 30 DAYS FOR EVALUATION AND ANSWERING OF COMMENTS. IN MOST CASES THERE HAVE BEEN LESS THAN 60 DAYS FROM THE TIME OF RECEIPT OF THE APPLICATION UNTIL THE REGISTRATION CERTIFICATE HAS BEEN ISSUED.

NONE OF THE ADMINISTRATORS OF AN AIR POLLUTION PROGRAM HAVE RECEIVED COMPLAINTS ON THE REQUIRED MODIFICATIONS INCORPORATED INTO THE REGISTRATION CERTIFICATES AFTER PUBLIC NOTICE. THE COST ESTIMATES THAT HAVE BEEN RECEIVED BY ME FOR THE VARIOUS REGISTRATION APPLICATIONS HAVE RANGED FROM A MINIMUM OF $1,000 TO A MAXIMUM OF $15,000 ON A PROJECT FOR THE PREPARATION OF THE ENVIRONMENTAL ASSESSMENT. THE HIGHER COST FIGURES WERE DUE TO NEEDED CHANGES OR MODIFICATIONS IN THE TRAFFIC CIRCULATION PATTERNS PRIOR TO THE RESUBMITTAL TO THE STATE AIR POLLUTION CONTROL AGENCIES. THE EFFECTS THE INDIRECT SOURCE REGULATIONS HAVE HAD ON THE THREE AIR POLLUTION CONTROL AGENCIES HAVE BEEN SIGNIFICANT. FIRST OF ALL, ALL THREE AGENCIES HAVE HAD TO UPGRADE THEIR STAFF AND PROVIDE THEM TRAINING. THIS

THE PARTICULATE OR DUST LEVELS IN AREAS LIKE THE SAHARA CASINO IN LAS VEGAS, THE LAS VEGAS FIRE DEPARTMENT, THE NORTH LAS VEGAS FIRE DEPARTMENT, AND THE DOWNTOWN AREAS OF RENO AND SPARKS, REQUIRE PARTICULATE EMISSIONS TO BE REDUCED BY AT LEAST 40% TO MEET THE HEALTH RELATED PARTICULATE STANDARD. THESE URBAN SITES WERE SIGNIFICANTLY HIGHER THAN THE SITES IN THE MORE REMOTE AREAS. THE EPA HAS DISAPPROVED THE STATE'S IMPLEMENTATION PLAN FOR CARBON MONOXIDE IN BOTH CLARK COUNTY AND WASHOE COUNTY. BECAUSE OF THIS DISAPPROVAL THE STATE AND LOCAL AGENCIES ARE REQUIRED TO LOOK AT THE REASONABLE AVAILABLE CONTROL MEASURES. THEY ARE: INSPECTION MAINTENANCE, VAPOR CONTROLS AT THE SERVICE STATION, TRAFFIC MANAGEMENT, INDIRECT SOURCE REVIEWS, AND EMISSIONS ALLOCATIONS. ONLY TWO OF THOSE CONTROL MEASURES WILL REALLY GET AT THE LONG TERM CARBON MONOXIDE PROBLEMS. THEY ARE INSPECTION MAINTENANCE AND TRAFFIC MANAGEMENT. THE INSPECTION MAINTENANCE PROGRAM, IS BEING CONSIDERED DURING THIS LEGISLATIVE SESSION.

HOWEVER, EVEN IF IT IS IMPLEMENTED, IT WILL BE ONE OR TWO YEARS DOWN THE ROAD BEFORE ANY SIGNIFICANT IMPACT WILL BE REALIZED. THE TRAFFIC MANAGEMENT CONCEPT IS ANOTHER AREA WHERE CARBON MONOXIDE PROBLEMS CAN BE MINIMIZED. BUT, AGAIN, THIS WILL TAKE A NUMBER OF YEARS BEFORE THE TOTAL PACKAGE CAN BE DEVELOPED. OVER THE SHORT RUN, THE INDIRECT SOURCE REVIEW IS A WAY OF HEADING OFF A PROBLEM BEFORE IT GETS TOO SEVERE OR UNTIL OTHER TYPES OF CONTROL STRATEGIES CAN BE IMPLEMENTED.

THE REGULATIONS THAT WERE ADOPTED AND IMPLEMENTED FROM 1975 THROUGH 1977 WERE A RELAXED SET OF REGULATIONS IN CONFORMANCE WITH THE 1975 STATUTORY REQUIREMENTS. I DO FEEL THAT THE STATUTORY RELAXED REGULATIONS HAVE HINDERED THE AGENCIES IN NOT ALLOWING THE STATE AND LOCAL AIR POLLUTION AGENCIES TO LOOK AT SOURCES WHICH ARE HIGH ATTRACTORS IN NEVADA AS OPPOSED TO THOSE HIGH ATTRACTORS OF NATIONAL INTEREST IN SUCH CITIES AS NEW YORK OR LOS ANGELES. WE HAVE A UNIQUE

Statement, Sierra Pacific Power Co.
A.J.R. 42

Sierra Pacific Power Company fully supports the Resolution A.J.R. 42 even though a similar resolution S.J.R. 11 has been passed and recently signed by the Governor.

Resolution A.J.R. 42 is more general in nature and recognizes that mining and grazing are not the only beneficial uses of public lands. Specifically, utilities must deal with the BLM for rights-of-way across public lands. Any unnecessary delays or encumbrances required for issuance of BLM permits needed by utilities to cross public lands with transmission lines or to construct substation and generation facilities result in higher costs. These costs are eventually passed on to the consumer in the form of higher rates.

Resolution A.J.R. 42 also calls for issuance of an economic impact statement as well as an environmental impact statement. Sierra is very much in favor of relating all mitigating measures which are environmentally oriented to their cost benefit. Too often costly requirements are imposed on utilities by the BLM which border on "nice to do" but which have little effect on our functional environment.

SIERRA PACIFIC POWER COMPANY

Problems and Proposed Solutions for consideration of the Nevada State Multiple Use Advisory Board - Dec. 10, 1976
Showboat Hotel, Las Vegas Nevada

Problems are numbered "I" through "VII"in order of decreasing importance.

I.PROBLEM - APPLICATION FILING PROCEDURE

With the present procedure there seems to be a lack of standardization in steps to be taken prior to filing an application.

On the Tracy-Hunt project an extensive environmental analysis and constraint study was done by SPPCo for the entire area traversed by the line. All interested governmental agencies were contacted for input on the most acceptable corridor. Public hearings were held in all population centers and county seats along the line. Discussions were also held with County commissioners.

Particular emphasis was placed on involving all affected BLM District Managers since it was believed that their approval of the route selected was essential to final approval by the State Director.

Detailed surveying and mapping was also done to satisfy the requirements of the application since centerline drawings of the proposed route are requested by the BLM.

After filing, the BLM study team went to work analyzing the project and developing alternate routes. Apparently the analysis presented by SPPCo had little value since the study team duplicated SPPCo's efforts almost entirely. The result is that two environmental reports exist for the proposed action. The study team's bill at the present time is $250,000 and still growing.

They apparently must take the approach that a request has been made by SPPCo for a transmission line R/W permit from Tracy to Hunt. They will determine which routes are feasible and analyze each accordingly with little input from SPPCo. Some alternate reoutes in the SPPCo study were not included in the EIS Draft.

I. SOLUTION - APPLICATION FILING PROCEDURE

The application procedure should be standardized as much as possible with a specific listing of data to be furnished by applicant. This could even be accomplished by filling out a form supplied by the BLM.

The actual environmental impact statement could be performed by a consultant under the direction of the BLM with input from SPPCo via the application form. SPPCo feels the results would be more satisfactory than the study team approach, and at lower cost. The actual environmental work done by SPPCo's consultant was $53,000 as opposed to $250,000 for the BLM report.

This approach would hopefully speed up the entire permit procedure since the applicant would spend much less time prior to filing the formal application by knowing exactly what data would be required. Also any duplication of effort would be minimized, which would reduce the total cost to the applicant.

II. PROBLEM - CONTRIBUTION OF APPLICANT TO DRAFT EIS

Applicant is not allowed to contribute to the content of the EIS in areas where the applicant is most qualified. Particular areas of concern on the Tracy-Hunt project were economic considerations and soil disturbance.

The economic comparisons made between the four (4) routes were grossly oversimplified. This was understandable since the study team had no first hand knowledge of the actual complex economic factors involved in SPPCo's financial structure. For example, an annual cost of money of 11.5 percent was used to represent the total annual cost of ownership when in actual fact the total should have been 16.3 percent when considering all fixed costs.

In several cases such as this, the report is in error simply because of a lack of communication between SPPCo and the study team, ostensibly to maintain credibility for the report in the eyes of critics; in other words, the study team was not "in bed with SPPCo."

II. SOLUTION - CONTRIBUTION OF APPLICANT TO DRAFT EIS

The proposal to utilize a standard input form for all transmission line applications might eliminate this problem if the form had sufficient foresight to anticipate all required data the first time around.

More realistically we would like to see a periodic review of the report, as it develops, between the BLM, the BLM consultant or study team as the case may be, and SPPCo. We should all realize there are certain aspects of a project which can only be accurately known by the applicant.

The intent of the review would not be to influence the outcome, but to insure that information contained in the report represents the facts as accurately as possible.

This would result in a better report and minimize the need for a reply to the Draft EIS by the applicant.

With the present situation, SPPCo is commenting on the draft EIS very conservatively with the concern that if the draft is completely picked apart, the time and money required by the study team to reply in detail would be exorbitant. We feel the belief that, "close participation by the applicant during the development of the draft EIS constitutes conflict of interest," is unfounded.

III. PROBLEM - PUBLIC OPINION SAMPLING

There had in the past been no scientific approach to the problem of sampling public opinion on the merits of one route versus another, or even on the need for a project. We feel the BLM is hypersensitive to two factions; 1) Special environmental interest groups, such as the Sierra club and 2) Other Bureaus, such as the Bureau of Indian Affairs. Criticism from either of these areas has been described by some BLM representatives as "public pressure."

The first is probably due to the concern that it is not too difficult for any group to stop a project simply by filing an injunction. The second is showing proper respect one agency should have for another.

III.PROBLEM - PUBLIC OPINION SAMPLING (cont'd)

At times one must wonder whether anyone really cares what the general public thinks about a specific project. It should be emphasized that this is a democratic republic where the majority rules. In the case of most transmission projects the general public owns most of the land the line crosses, the service area public pays for all costs associated with the project and the general public must live with the results.

III.SOLUTION - PUBLIC OPINION SAMPLING

Since we live in the age of modern computers and higher mathematics, it would be very simple to develop a random sampling procedure whereby a small sample of the general public could be furnished with all the pertinent data required to form an opinion on alternatives surrounding a specific project.

This sampling could be made through a professional polling agency much the same as Gallup or Harris polls are taken. Local public opinion should be weighted more heavily since the local population would be affected most.

Specific details could be worked out by the BLM, since we have no strong feelings about how it is done, only that it is done.

The desired result would be that when someone from the BLM says public opinion is very strong against or in favor of this route, or that project, they can in fact substantiate the statement with documentary proof rather than hearsay, or two phone calls from Friends of Nevada Wilderness.

IV.PROBLEM - EXTENSION OF BLM AUTHORITY

We have been victims of a form of blackmail by the BLM in being forced to meet certain stipulations in areas where the BLM admittedly has no jurisdiction. They exercise this power in the name of what is best for the public and the environment.

IV. PROBLEM - EXTENSION OF BLM AUTHORITY (cont'd)

Specifically, we are asked to conform to all public land stipulations on private land. This includes archeological clearing, excavation if necessary, access road location, type of structure to be used on agricultural land and so on.

The BLM has no contact with private land owners and does not pretend to have any authority over the conditions of right-of-way agreements between an applicant and a private landowner. The BLM permit stipulations simply say that the recipient will observe the same procedures on private land as public land, or their will be no construction on public land. In some cases this will result in a conflict with a private landowner, such as an access road location, which results in the BLM indirectly dictating the terms of a private R/W agreement.

It is also extremely frustrating to cross a privately owned undeveloped agricultural area after carefully performing an archeological clearing at considerable expense, only to observe the landowner plowing up thousands of similar acres with no archeological work required. It would seem at times that uitlities are single-handedly supporting the entire archeological and historical system in Nevada. We are victims of a dual standard at best.

Another example of this power was experienced when the environmental review procedure was stopped for almost six (6) months on the Tracy-Oreana section because of a four (4) mile corssing on the Pyramid Indian Reservation. The BLM refused to process the permit for 90 miles of line until an agreement was reached. This placed the Indians in a most desireable bargaining position and finally resulted in payment by SPPCo of $100,000 for four (4) miles of right-of-way with a total appraised value of $10,000.

The interesting point is that the BLM was not concerned about the status of many more miles of private right-of-way even though the results of no agreement could have lead to an amendment to the permit much the same as would the Indian crossing.

IV. SOLUTION - EXTENSION OF BLM AUTHORITY

The applicant should be given an opportunity to voluntarily negotiate a reasonable agreement with the BLM regarding mitigating measures to be followed on private lands. The statement that private land stipulations will be the same as public land should not be made in the mitigating measures section of the EIS report.

Also, structure configuration or location on privately owned agricultural land should not be of any concern to the BLM.

Either a court case or additional legislation will be required to correct this situation and the sooner the better.

V. PROBLEM - DELAY OF CONSTRUCTION START AFTER ISSUANCE OF PERMIT

After many months of work by us and by the BLM, and after considerable expense the long awaited permit is finally received and we are ready to go to work. But wait! First a long list of stipulations must be met before construction can begin. This includes compliance with the Visual Resource Stips., location of access roads, filing of amendments for all permanent access road outside the right-of-way and ad infinitive; and incidentally this must be done for the entire route before work can start.

We have no objections to the mitigating measures but are dismayed by the delay added on to the already considerable time required to get to the point of issuing the permit. The frustrating part is that we can meet none of these requirements in advance during the waiting period since we don't know where we are going.

V. SOLUTION - DELAY OF CONSTRUCTION START AFTER ISSUANCE OF PERMIT

This is a tough problem and may have no solution. Possibly after the draft EIS is published the State Director could rule on an apparently preferred route and notify the applicant that he may start gearing up to be ready for the receipt of the permit. This could be a noncommittal judgement but would be better than guessing.

V.SOLUTION - DELAY OF CONSTRUCTION START AFTER ISSUANCE OF PERMIT(cont'd)

Another possibility is that portions of the route may be obvious and common to most alternatives, such as the Oreana-Valmy section, 70 miles of which are common to three (3) alternatives and have the least impact. We could at least get started on mitigating measures for that section if permission could be granted by the State Director. At the present time we are not even allowed to enter the proposed right-of-way to do soil boring tests for foundation design.

VI.PROBLEM - TIME REQUIRED TO PROCESS PERMITS

Time to process permits from the date of filing to final issuance varies considerably and is almost always too long. Within the Nevada BLM Districts there is a considerable difference with the Winnemucca District almost always requiring more time.

State level approval projects are much more timely since a Washington review is not required. Because of the wording the regulations all permits of 33KV and above go to Washington and require a power marketing clearance.

In some cases the extent of the transmission may be no more than 50 feet of conductor dropping off on existing pole into a very small distribution substation, all of which would require only state level approval except forthe 50 feet. In some of these instances we have waited as long as nine months for the permit. In other cases we have made a liberal interpretation of the original line right-of-way description by aclling the substation one of the "necessary appurtenances" and gone ahead with construction of a narrow substation directly under the line to avoid unnecessary delay.

VI.SOLUTION - TIME REQUIRED TO PROCESS PERMITS

Since the answer to the problem of excessive time to acquire small project permits lies primarily in the wording of regulations, it is not within the BLM's scope of authority on a state level, however they should join with the utilities in calling for correction of some of the less realistic regulations.

VI. SOLUTION - TIME REQUIRED TO PROCESS PERMITS (cont'd)

We feel the original legislators did not intend for Washington to review 50 feet of 60KV line and a 500 kilowatt substation application. Rather than determine approval requirements strictly on a voltage level the regulation should consider the extent of the higher voltage system and size of substation involved.

It has been rumored that work is being done to increase state level authority to include certain projects in excess of 120KV. We heartily agree with this idea and would like to see approval even in excess of that voltage if the project magnitude does not warrant higher level review.

State level permit acquisition would proceed in a more orderly fashion if a periodic status report could be made available to the applicant. At times, because of the number of BLM people and Districts involved it is difficult to find out exactly what a permit status is, or approximately when it might be received.

VII. PROBLEM - LACK OF ESTABLISHED CORRIDORS IN NEVADA

The accepted definition of an existing Right-of-way corridor which can be used for multiple facilities is logical in areas of the U.S. with years of development.

This concept in Nevada does not work well in Nevada where development is 50 to 75 years behind that of eastern states. Well established corridors are rare in Nevada. As a result, when applying the corridor concept, utilities find themselves being pressured into alignments which are longer in length and may contain facilities which are not compatible with power lines.

An example of this occurred between Tracy and Oreana where we were following an existing high pressure gas line for 55 miles. Our first inquiry with the gas company did not bring an negative response. We proceeded to survey and locate structures immediately adjacent to the gas line R/W, planning to use the existing maintenance road.

Two years later the gas company completed a study which declared the power line a menace to the gas line. We were forced to relocate 55 miles a distance of 1000 feet at a surveying cost of $20,000.

VII. PROBLEM - LACK OF ESTABLISHED CORRIDORS IN NEVADA (cont'd)

- The gas company would have preferred an even greater distance. We then had to build all new road with several interconnecting roads at 90 degrees to the power line.

  At some date in the future when a second line is built from Valmy it will occupy the same corridor with a separation as wide as the BLM will allow since power lines are not completely compatible with each other when one considers protective relaying problems caused by induced voltages.

  This is not to mention the question of reliability, or "all the eggs in one basket", when one considers effect of an earthquake on a corridor which contains both boiler fuel gas and intertie lines.

VII. SOLUTION - LACK OF ESTABLISHED CORRIDORS IN NEVADA

Perhaps a more liberal interpretation of the common corridor approach would recognize how few corridors exist in Nevada. A major addition to a scant system such as the Valmy Plant completely changes the corridor requirements. Those responsible for corridor alignments must take this into consideration at least until Nevada develops to a point where this is no longer a problem.