

MEMBERS PRESENT: Chairman Horn
Vice Chairman Bedrosian
Mr. Barengo
Mrs. Cavnar
Mr. Harmon
Mr. Hickey
Mr. Malone

MEMBERS ABSENT: None

GUESTS PRESENT: See attached guest list.

Chairman Horn called the meeting to order at 3:03 p.m. He said that the first bill they would consider would be AB 13.

AB 13: Prescribes order of offices and questions on ballots for general elections.

Mr. Horn explained that the Senate had amended AB 13 to include President and Vice President of the United States; United States Senator and Representative in Congress, in that sequence; Governor, lieutenant governor, secretary of state, treasurer, controller and attorney general, in that sequence. He stated that he had checked with Mr. Potts and Mr. Daykin to make sure there was no problem in listing the president and vice president, etc., if those offices were not being elected certain years. He explained that he learned there was no problem and asked the committee if they concurred with the Senate's amendment.

Mr. Bedrosian moved to concur with Senate amendment #231 to AB 13, seconded by Mrs. Cavnar. The motion was carried by a vote of six to one with Mr. Hickey voting no.

Mr. Horn informed the committee that committee introduction was needed for two bills that were requested by the committee from the Secretary of State's office, one limiting the reports of contributions and expenses to the Secretary of State and the second requiring the Secretary of State's office to offer classes in election administration. Mr. Hickey moved for a committee introduction of these two bills, seconded by Mr. Bedrosian and unanimously carried by the committee.

Mr. Horn then explained that he would like to clear up unfinished business and asked the committee to consider AJR 8 of the 59th Session.

AJR 8 of the 59th Session: Proposes to amend Nevada constitution by deleting public administrators from list of elective county officers.

Mr. Malone moved DO PASS on AJR 8, seconded by Mr. Harmon. Mrs. Cavnar stated that she would like the record to show that she is against AJR 8 because it is deleting one more elective office and making it appointive.

The motion was carried by a roll call vote in which Mr. Bedrosian, Mr. Harmon, Mr. Hickey, Mr. Malone and Mr. Horn voted yes and Mr. Barengo and Mrs. Cavnar voted no.

Mr. Horn informed the committee that the first bill they would hear would be SB 38 sponsored by the Senate Government Affairs Committee.

SB 38: Clarifies procedure for transferring certain registrations by voters.

Mr. Russ McDonald, representing the Nevada Association of Counties and the Washoe County Registrar of Voters, explained that the Washoe County Registrar of Voters endorsed this bill and had written a letter to the committee giving the background circumstances. He stated that these circumstances were a law suit in the federal court because of the indifferent language, that a candidate prior to the last election had changed his residence within the district and claimed that the law was so general he should be allowed to vote. He added that in the closing moments the court allowed him to vote. Mr. McDonald further explained that this bill did not disenfranchise anyone but does require submission without affidavit of the change of address prior to the close of registration. He noted that this might not be a problem in the small counties but certainly was in the larger counties. He added that the bill was amended in the Senate to become effective on passage and approval because of the impending city elections.

Mrs. Cavnar asked if this meant that if a person did not change his registration he could not vote.

Mr. McDonald replied that a voter must give notice prior to the close of registration for that particular registration.

Mr. David Howard, Chief Deputy Secretary of State, stated that he would like to clarify the point that this would not restrict anyone from voting per se but would restrict them from voting in their new precinct. He explained that the origin of this bill was the law suit in which the individual insisted that he be allowed to vote in his new resident district but the materials to make this possible were in his old precinct, and therefore the lapse in the law was discovered. He added that what this bill will do is establish a timeframe where if a voter changes his address after close of registration, he must vote in his old district. He noted that the Secretary of State's office urges passage of SB 38.

Since there was no further testimony on SB 38, Mr. Horn said the committee would hear testimony on AB 271.

AB 271: Provides for election of commissioners of public service commission of Nevada.

Mr. Horn asked Mr. Bedrosian, as sponsor of this bill, to take the witness stand and explain his bill.

Tod Bedrosian, Assembly District #24, explained that this bill is simplistic in intent but might be complicated in its effect. He noted that in going door to door in his campaign the second biggest concern of the voters was their utility bill rising every month. He added that this bill was introduced in response to the concern of utility consumers and is one of four bills introduced in an attempt to address the issue of energy and high utility bills. He explained that after research and speaking with the commissioners, who were very helpful, he appreciated more fully their tremendous work load and difficult task. He said he did not have as much appetite for this bill as he did originally but still felt it should be considered by the committee in light of the new emphasis on energy. He noted that the problem was being addressed by other legislation such as AB 279 which increases the number of commissioners to five and AB 364 which establishes an office of consumer advocacy. He stated that he definitely was in favor of increasing the number of commissioners realizing their heavy work load and that he thought the office of consumer advocacy was the superior concept in answering the frustration of the utility consumers.

Mr. Malone questioned why the new language on page 2, lines 32 through the end of the bill, were not italicized. Mr. Barengo explained that it was probably because it was not actually a part of the statute but only set up a procedure that would be completed by 1984.

Mr. Hickey asked whether the election would be partisan or non-partisan which was not stated in the bill. Mr. Bedrosian replied that the intent was nonpartisan and the bill could be amended to include this if the committee was in favor of passage.

When Mrs. Cavnar questioned his lack of enthusiasm for the bill, Mr. Bedrosian explained that he felt other bills were addressing the problem in superior ways.

Heber P. Hardy, Chairman of the Public Service Commission, stated that he had great respect for the public's concern for high energy bills but he wondered if electing commissioners would address that concern. He said he had talked to a commissioner from a midwestern state where they elected commissioners who said that it was the worst system possible because of the time spent in campaigning and the source of funds which would most likely be public utilities who have the most vested interest. He said he felt that politics should be kept out of the PSC as in the present system where the governor who is an elected official appoints commissioners for a four year term. He pointed out that he had talked with one commissioner who said there should be a moratorium on all utility rates for twelve months because that commissioner was running for reelection. He referred to a friend in Nebraska who felt that commissioners who were running for reelection avoided being present for decisions on controversial subjects.

Mr. Hickey asked what the difference was between the rates in

Nebraska where commissioners are elected and Nevada where they are selected. Mr. Hardy said that he did not know and Mr. Hickey asked Mr. Hardy to provide the committee with statistical comparisons of Reno, Las Vegas, Omaha and Lincoln.

Mr. Hardy went on to say that there are 38 states where commissioners are appointed and twelve where elected out of fifty. He commented that he did not see any valid reason for five commissioners rather than three, that the cost would be approximately \$161,000 the first year and \$154,000 the second year. He added that he felt that if they did need extra help it was in staff and not additional commissioners.

Mr. Bedrosian said he would like to enter the research paper from the Legislative Counsel Bureau regarding public service commissions in other states into the record. This paper is attached to these minutes as Exhibit A. Mr. Bedrosian stated that the Public Service Commission has opposed every suggestion made and he felt that they should at least support some of the concepts put forth.

Mr. Hardy said that adding two commissioners would add cost and he had not seen any demonstration of how this would reduce rates. He added that he would gladly support something that he felt would be in the public interest.

Mr. Bedrosian pointed out that he had written to every state that had an office of consumer advocacy and he had not received any answer yet that said it had not been cost beneficial to the consumer.

Mr. Hickey asked if there was any state that did not have a PSC and Mr. Hardy answered not now, that some have more than one.

Stan Warren, representing Nevada Bell, stated that if this legislation is passed it could directly impact his company through the possible quality of neutrality of the decisions made by the commissioners. He added that regionally elected commissioners are more apt to be politically motivated and might not adhere to the policy of balancing the needs of the public and the utilities. He explained that regional commissioners might not make decisions that would be good for the entire state and might divide the commission. He felt that elected commissioners might be pressured into short term special interests rather than long term benefits.

Mr. Warren noted that the commission often has a problem getting staff and emphasized the need for data processing equipment to enable the commission to make quicker and more comprehensive analyses. He pointed out that the cost of enlarging the commission would be assessed from the utilities and would ultimately be passed on to the subscribers.

Mr. Bedrosian asked where the consumer gained his input in the rate hike hearings and Mr. Warren replied that possibly through the Consumer Affairs Division of the state as well as the county.

Joe McKibben, Vice President of Finance and Accounting for Sierra Pacific Power Company, read his prepared testimony in opposition to AB 271, which is attached to these minutes as Exhibit B. He referred to four graphs during his testimony which are attached as Exhibits B-1, B-2, B-3 and B-4.

When Mr. Horn asked where it would stop, Mr. McKibben replied that in their opinion the Federal Government must address an energy policy, that on a state level nothing could be done. He explained that the OPEC nations effect the oil prices and the Canadians effect the gas prices.

Mr. Horn asked whether it was Mr. McKibben's contention that there was nothing that could be done and that it would make no difference whether the commission were elected or appointed.

Mr. McKibben said he felt that the present and past commissioners had done an excellent job and that they have been thoroughly audited and reviewed before any decisions were made. He pointed out that the main thrust of the cost of doing business was the escalating fuel costs over which no commission had any control.

Mrs. Cavnar asked if other costs included new facilities or if the system was adequate to serve the entire state at the present time.

Mr. McKibben replied that this would be listed as capital expenditures and with the rapid growth in Nevada he could see no end to the demand. He explained that capital expenditures are not initially paid for by the consumer but come from the investors in the company, but on the bottom line any dividends or interest requirements are paid by the consumer. He added that they are trying to change the rules so that more of the capital costs can be passed on to the developers.

When Mr. Bedrosian asked whether it was true that California consumers pay lower rates, Mr. McKibben answered that California has established a life-line rate policy which means that for the first certain amount of units utilized by the consumer there is a lower rate but the larger consumers are paying a higher rate. He noted that in the northwest where they have hydro power the rates are much less.

Mrs. Cavnar commented that it would seem that even if the consumer conserved on energy, his bills would still escalate, and Mr. McKibben pointed out that this was true to a certain extent because the consumer could only conserve to a certain level, but the initial conservation that reduces the fuel and purchase power costs is a true savings to the consumer.

Chuck King, representing the Central Telephone Company, stated that they were against AB 271 because they feel they need the expertise of knowledgeable people who serve on the Public Service Commission. He added that they felt that electing an office holder

that requires this type of expertise is not in the best interest of the public. He said that the Public Service Commission has done a good job and has required his company to be prudent.

Janet MacDonald, a Public Service Commissioner, said that she was not an adversary of public utilities and that she tried to remain neutral. She pointed out that concern over the expenditure of \$160,000 was being pennywise and pound foolish when multi-million dollar decisions were being made. She added that she was in favor of increasing the number of commissioners as they needed all the talent possible, and that she was also in favor of the office of consumer advocacy.

When Mrs. Cavnar asked if she thought an elected commissioner could fill the purpose of consumer advocate, Ms. MacDonald replied that she felt it was most important for a commissioner to remain neutral and listen to the facts of both sides. She pointed out that an elected commissioner might cut rates which in the long range would place a tremendous burden on the rates. She explained that if rates were lowered for residential use and raised for industry, it might force companies to seek power elsewhere which in the long run would raise residential rates.

When Mr. Malone asked what her qualifications were for commissioner, Ms. MacDonald replied that she was a CPA with twelve or thirteen years of experience and that she had had two years of law school. Mr. Malone questioned whether an ordinary citizen could handle the job of commissioner and Ms. MacDonald said she thought they could if it was a good case where both sides were presented and the person could remain neutral and use good common sense.

David Hagen, representing Southwest Gas, stated that they joined in opposition to this bill.

Mr. Bedrosian commented that it made him nervous that all the power companies were so satisfied with the commission as it is.

Debbie Sheltra, representing various property owner associations in Washoe County, stated that they have appeared before the Public Service Commission on several occasions and felt that the commission should be expanded because of the increased work load. She pointed out that often there is only one commissioner available for hearings and the others must make a decision without hearing the direct testimony. She also suggested that the committee consider qualification requirements for Public Service Commissioners.

Mr. Horn asked Mr. Hardy if the open meeting law has effected the commission and Mr. Hardy responded that it has had a most dampening effect on the efficiency of the commissioners.

Mr. Horn asked Mr. Getto if he had the amendments to AB 89 so that the committee could take action.

AB 89: Authorizes posting of temporary political signs near time of election with few restrictions.

Date: MARCH 20, 1979

Page: 7

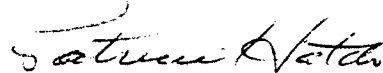
Mr. Getto presented the amendment to AB 89 which is attached to these minutes as Exhibit C. Mr. Barengo moved DO PASS AS AMENDED on AB 89, seconded by Mr. Hickey and unanimously carried by the members present with Mr. Harmon absent.

Mr. Hickey moved DO PASS on SB 38, seconded by Mrs. Cavnar and unanimously carried by the members present with Mr. Harmon absent.

Mr. Horn said that the amendments to AB 147 were being clarified and the committee would take action on this bill at the next meeting. He added that the committee would hear testimony on SB 37, SB 128 and AB 114 at the next meeting, March 26th.

Mr. Horn adjourned the meeting at 4:20 p.m.

Respectfully submitted,



Patricia Hatch
Assembly Attache

ASSEMBLY ELECTIONS COMMITTEE

GUEST LIST

Date: MARCH 20, 1979

| PLEASE PRINT YOUR NAME | PLEASE PRINT WHO YOU REPRESENT | I WISH TO SPEAK | | |
|---------------------------|-----------------------------------|-----------------|---------|----------|
| | | FOR | AGAINST | BILL NO. |
| STAN WARREN | NEVADA BELL | X | ✓ | AB 271 |
| CHUCK KING | CENTRAL TELEPHONE | (C) | ✓ | AB 201 |
| HAREN BEYER | | | | |
| JOHN HOLT | | | | |
| VALDY MARTINDALE | | | | |
| FRED FITTS | | | | |
| Robin H. Joyce | | | | |
| Jane Wilson | | | ? ✓ | AB 147 |
| HEBER P. HARDY | | X | ✓ | AB 271 |
| Joe McLibben | Sierra Pacific Power Co | (S) | ✓ | AB 271 |
| RUCE McDONALD | NEVADA ASSN. OF COUNTIES | X | ✓ | SB 38 |
| DAVID L. HOWARD | Sec of State | X | ✓ | SB 38 |
| Janet Mae Donald | PSC | X | | AB 271 |
| David Hagen | | | | |
| Tottie Sleeter | | | | |
| | | | | |
| | | | | |

60th NEVADA LEGISLATURE

ASSEMBLY ELECTIONS COMMITTEE

LEGISLATION ACTION

DATE MARCH 20, 1979

SUBJECT AJR 8 of the 59th Session: Proposes to amend Nevada constitution by deleting public administrators from list of elective county officers.

MOTION:

Do Pass XX Amend Indefinitely Postpone Reconsider

Moved By Mr. Malone Seconded By Mr. Harmon

AMENDMENT:

Moved By Seconded By

AMENDMENT:

Moved BY Seconded By

Table with columns: MOTION (Yes/No), AMEND (Yes/No), AMEND (Yes/No) and rows for VOTE: BEDROSIAN, BARENGO, CAVNAR, HARMON, HICKEY, MALONE, HORN, TALLY: (5/2)

ORIGINAL MOTION: Passed XX Defeated Withdrawn

AMENDED & PASSED AMENDED & DEFEATED

AMENDED & PASSED AMENDED & DEFEATED

Attached to Minutes March 20, 1979

60th NEVADA LEGISLATURE

ASSEMBLY ELECTIONS COMMITTEE

LEGISLATION ACTION

DATE MARCH 20, 1979

SUBJECT AB 89: Authorizes posting of temporary political signs near time of election with few restrictions.

MOTION: DO PASS AS AMENDED

Do Pass XX Amend XX Indefinitely Postpone _____ Reconsider _____

Moved By Mr. Barengo Seconded By Mr. Hickey

AMENDMENT: _____

Moved By _____ Seconded By _____

AMENDMENT: _____

Moved BY _____ Seconded By _____

MOTION

AMEND

AMEND

| 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> |
| BEDROSIAN | <u>X</u> | _____ | _____ | _____ | _____ | _____ |
| BARENGO | <u>X</u> | _____ | _____ | _____ | _____ | _____ |
| CAVNAR | <u>X</u> | _____ | _____ | _____ | _____ | _____ |
| HARMON | <u>absent</u> | _____ | _____ | _____ | _____ | _____ |
| HICKEY | <u>X</u> | _____ | _____ | _____ | _____ | _____ |
| MALONE | <u>X</u> | _____ | _____ | _____ | _____ | _____ |
| HORN | <u>X</u> | _____ | _____ | _____ | _____ | _____ |

TALLY: 6 0

ORIGINAL MOTION: Passed XX Defeated _____ Withdrawn _____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

AMENDED & PASSED _____ AMENDED & DEFEATED _____

Attached to Minutes March 20, 1979

60th NEVADA LEGISLATURE

ASSEMBLY ELECTIONS COMMITTEE

LEGISLATION ACTION

DATE MARCH 20, 1979

SUBJECT SB 38: Clarifies procedure for transferring certain registrations by voters.

MOTION: DO PASS

Do Pass XX Amend Indefinitely Postpone Reconsider

Moved By Mr. Hickey Seconded By Mrs. Cavnar

AMENDMENT:

Moved By Seconded By

AMENDMENT:

Moved BY Seconded By

MOTION

AMEND

AMEND

Table with columns for VOTE, MOTION (Yes/No), AMEND (Yes/No), and AMEND (Yes/No). Rows include BEDROSIAN, BARENGO, CAVNAR, HARMON, HICKEY, MALONE, HORN, and TALLY.

ORIGINAL MOTION: Passed XX Defeated Withdrawn

AMENDED & PASSED AMENDED & DEFEATED

AMENDED & PASSED AMENDED & DEFEATED

Attached to Minutes March 20, 1979

STATE OF NEVADA
LEGISLATIVE COUNSEL BUREAU

LEGISLATIVE BUILDING
CAPITOL COMPLEX
CARSON CITY, NEVADA 89710



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Arthur J. Palmer, *Director, Secretary*

INTERIM FINANCE COMMITTEE (702) 885-5640

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Ronald W. Sparks, *Senate Fiscal Analyst*
William A. Bible, *Assembly Fiscal Analyst*

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JOHN R. CROSSLEY, *Legislative Auditor* (702) 885-5620
ANDREW P. GROSE, *Research Director* (702) 885-5637

December 11, 1978

M E M O R A N D U M

TO: Frank W. Daykin, Legislative Counsel
FROM: Andrew P. Grose, Research Director
SUBJECT: Utility Regulatory Commissions in Other States

Please convey to the interested legislator the following information on utility regulatory commissions:

1. Size - In 35 states there are three-member commissions. Another 12 have five-member commissions. Two states have seven-member commissions and one, Oregon, has a single commissioner.
2. Appointment/Election - In 31 states, the governor appoints commissioners with some sort of legislative confirmation. In 12 states, commissioners are elected; eight at-large and four from districts. In five states, including Nevada, commissioners are appointed by the governor. Finally, in two states the legislature selects the commissioners.
3. Terms - Terms range from 4 years to 10 years. In 33 states, the term is 6 years. In 11 states, 4 years. In two states, 5 years. In two states, 7 years. In one state, 8 years, and in one state 10 years.

Of the 12 states that elect commissioners, six are in the South. A seventh, Oklahoma, is often considered southern. Those states are:

Page 2

Alabama
 Arizona
 Florida
 Georgia
 Louisiana
 Mississippi

Montana
 Nebraska
 North Dakota
 Oklahoma
 South Dakota
 Tennessee

The type of commission that a state has is based upon that state's perspective on what best insures independence and competence in commissioners. These two features, according to The Council of State Governments, are universally accepted criteria for comparing commissions. Concerning independence, in only seven states may the governor remove a commissioner. Since 12 commissions are elected, this means that in 31 states commissioners are protected from removal by the appointing authority. In addition, in all but two states terms of commissioners are staggered, thus precluding rapid turnover of commission membership. These elements increase independence.

Competence is made more likely in the 25 states, including Nevada, which have statutory selection criteria. Not all of the 25 have selection criteria dealing with technical competence or special experience such as Nevada's.

Historically, the first state regulatory commissions were established in 1907 in Georgia, New York and Wisconsin. Nevada's PSC was created in 1919. Prior to 1907, a number of state legislatures tried to set utility (mostly railroad) rates. This proved unworkable and use of the courts proved very cumbersome and costly. The result was the creation of public service commissions in every state, most patterned on the Interstate Commerce Commission which Congress created in 1887.

There is no ready answer to whether elected or appointed commissions are more effective in regulating utilities.

Page 3

Nationwide, there have been few investigations of public utility commissioners or calls for removal. In those few cases, it cannot be shown that elected commissioners are more or less subject to conflicts of interest than are appointed ones. Neither is there any conclusive study to show that the type or quality of utility regulation is any different between appointive or elective commissions. In terms of trends, since World War II three states, Iowa, Minnesota and Texas, have gone from elected to appointed commissioners. No state has gone the other way.

Please advise the interested legislator to contact us for additional information on specific states.

APG/jld

A. B. 271

My name is Joe McKibben and I am the Vice President of Finance and Accounting for Sierra Pacific Power Company. I am appearing before this Committee in opposition to A. B. 271.

It is our opinion that the introduction of this bill is an implication that existing regulation is inadequate because of the rapidly escalating utility rates since 1973.

With this in mind, I would like to briefly address such rate increases as they apply to Sierra Pacific Power Company.

In 1974, Sierra's average electric rate charged to customers was 2.14¢ per kWh. Today, five years later, this same average rate per kWh has increased to 4.55¢ per kWh, or an increase of 113%. Similarly, gas rates have risen from 12.67¢ per therm in 1974 to 31.45¢ per therm in 1979, or 148%.

With these statistics alone, we in the utility industry clearly understand the public outcry and the massive anti utility legislation that has been introduced to the legislature in 1977 and in this current legislature. There has been pure frustration by the public and great concern that the cause of this increase is inefficient operations by companies and/or inadequate regulation by the Public Service Commission.

The single culprit that has affected this drastic cost increase to Sierra's consumers and all utility consumers in the United States is the cost of basic fossil fuels required to generate electricity and heat homes. You must understand that these cost increases are absolutely beyond any control by Sierra or its regulators. Sierra's natural gas costs are heavily affected by the stated pricing policies of the Canadian Government. As you are all aware, in



October 1973, the Arab oil embargo caused the world price of oil to more than double. This event had the same effect on United States domestic oil prices.

Please refer to Exhibit No. 1 which illustrates the average costs paid by Sierra for oil and natural gas.

Now, please refer to Exhibit No. 2 which shows that the same thing has occurred to the costs of power purchased from Pacific Gas and Electric Company and Utah Power and Light Company.

I have prepared Exhibit No. 3 to illustrate how the energy costs I have just discussed compare to the consumers price index over the past eight years. I have also shown what has occurred to all other costs of doing business in Sierra. From this you can see two important things:

- (1) The energy costs have accelerated at approximately 4 times the rate of the Consumer Price Index.
- (2) All other costs which for the most part are controllable by Sierra and by the Public Service Commission have increased at a rate below the Consumer Price Index.

My final Exhibit No. 4 graphically illustrates that the utility cost increases experienced by our consumers have for the most part been caused by energy cost increases.

Through rules established by the Nevada Public Service Commission, Sierra's consumers are guaranteed that all energy cost increases will be passed on a dollar for dollar basis. That is to say, that not one cent of other costs or profits can be included in energy charges to our customers. Just as important, no energy cost pass along is authorized by the Public Service Commission without a public hearing and a complete audit by the Commission staff.



Unlike many other states, there are no automatic energy cost pass alongs in Nevada.

The point I am leading up to by presenting all of the foregoing information, is that neither an appointed commission, elected commission, or a greater number of commissioners could have reduced the costs of energy to Sierra Pacific Power Company and its customers over the past five years.

Managing a utility requires utilizing a wide spectrum of skills, including electrical, mechanical, civil, geological, and chemical engineers; accountants; lawyers, economists; and people with special training in taxes, environmental matters, construction, data processing, employee relations, etc.

A regulator, in order to adequately perform the responsibilities mandated by law to this position, should, as part of his qualifications, have a background in one of the major fields I have just discussed. Even with such a background, it then requires a great deal of experience to develop a comprehensive understanding and knowledge that is required to be an effective regulator.

Nevada governors in the past have recognized the importance of these above mentioned qualifications and experiences. As a result, we have seen commissioners re-appointed regardless of party affiliation.

The advantage of the present appointive system is that the Governor has the opportunity to thoroughly assess the past performance of an incumbent commissioner or to evaluate the qualifications of a prospective candidate.

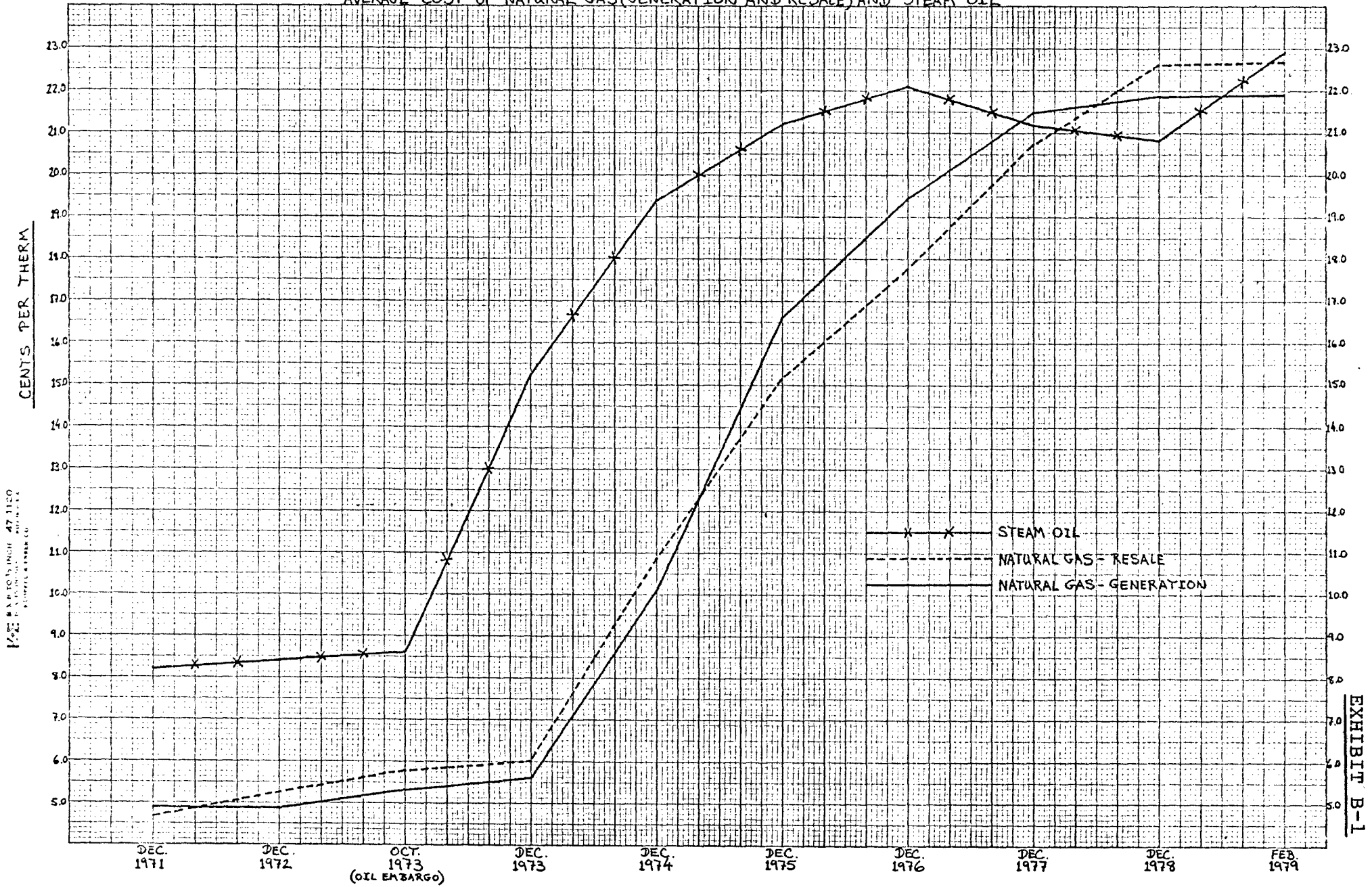
There would be no guarantee under an elective process that any of the commissioners would be qualified to assume this very important responsibility--important to both the consumer and the regulated utility.

In my opinion, the passage of A. B. 271 would be a backward step in Nevada utility regulation.

SIERRA PACIFIC POWER COMPANY

EXHIBIT 1

AVERAGE COST OF NATURAL GAS (GENERATION AND RESALE) AND STEAM OIL



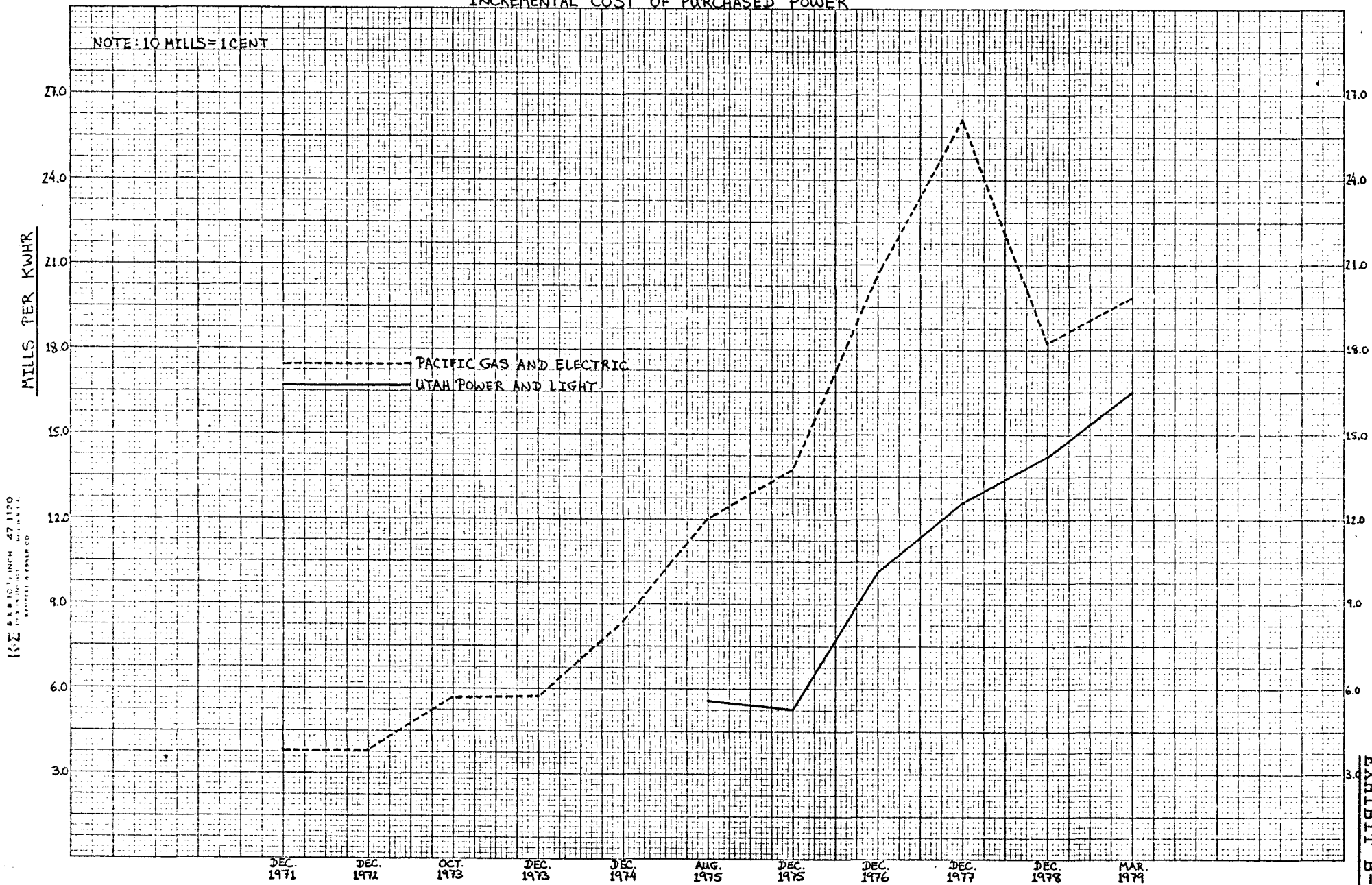
PREPARED BY: 471100
 SIERRA PACIFIC POWER COMPANY

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EXHIBIT B-1

SIERRA PACIFIC POWER COMPANY
INCREMENTAL COST OF PURCHASED POWER

EXHIBIT 2



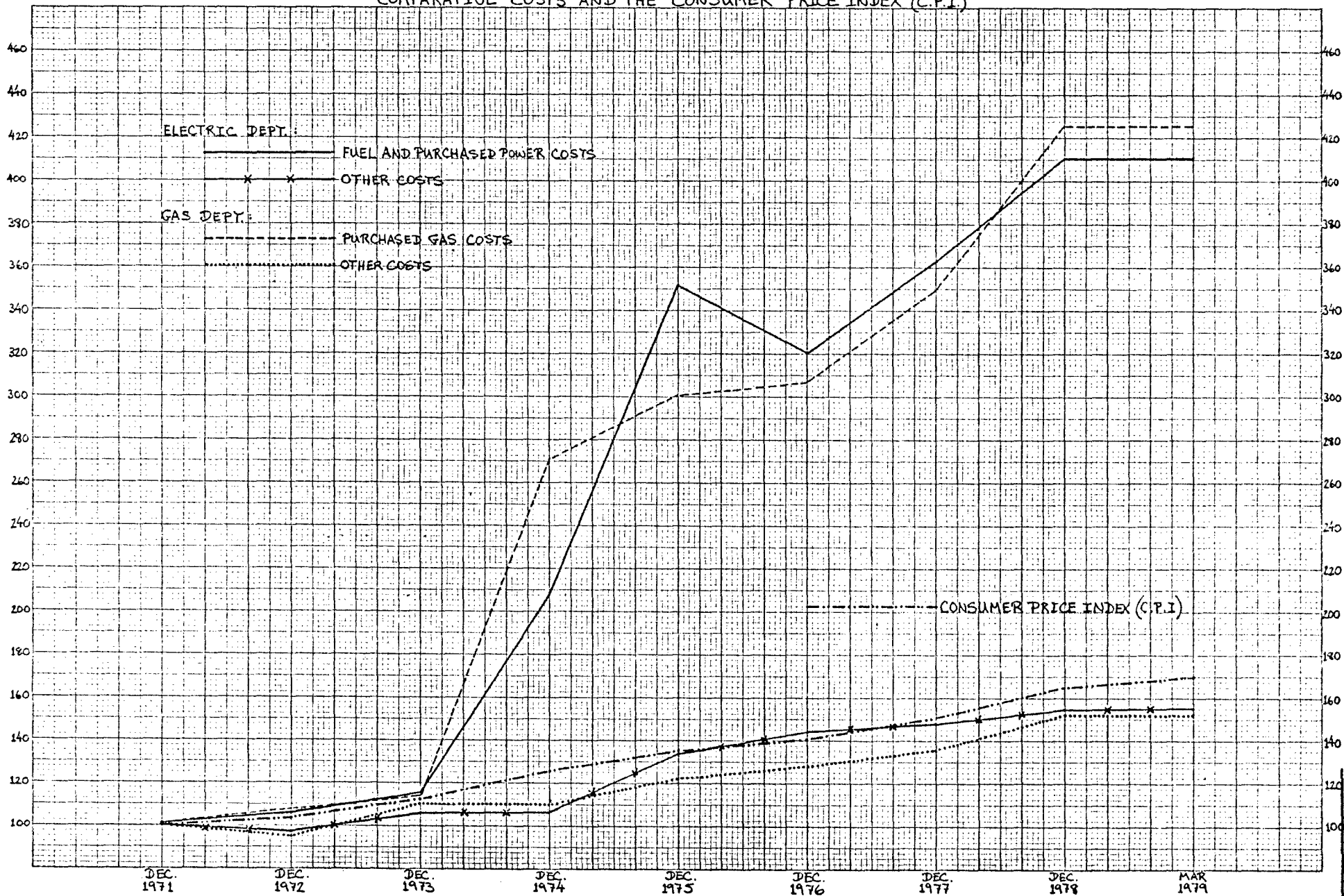
RE EXHIBIT INCH 47 1100
 RAUFEL & PERRY CO

EXHIBIT B-2

SIERRA PACIFIC POWER COMPANY
 COMPARATIVE COSTS AND THE CONSUMER PRICE INDEX (C.P.I.)

EXHIBIT 3

INDEX

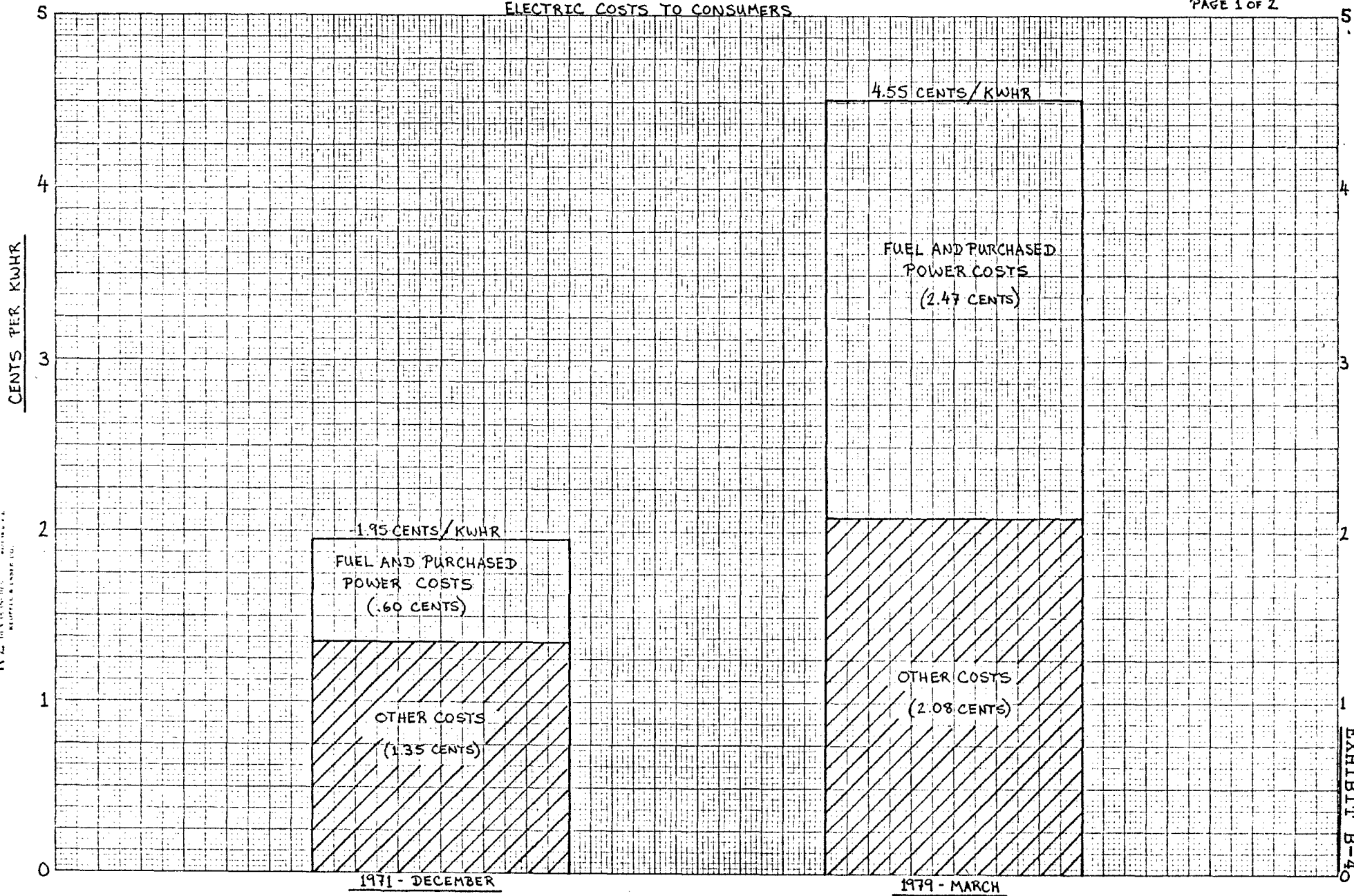


SCALE: SIX TO ONE INCH 47 1120
 1971-1979
 SIERRA PACIFIC POWER CO.

235

EXHIBIT B-3

SIERRA PACIFIC POWER COMPANY
ELECTRIC COSTS TO CONSUMERS

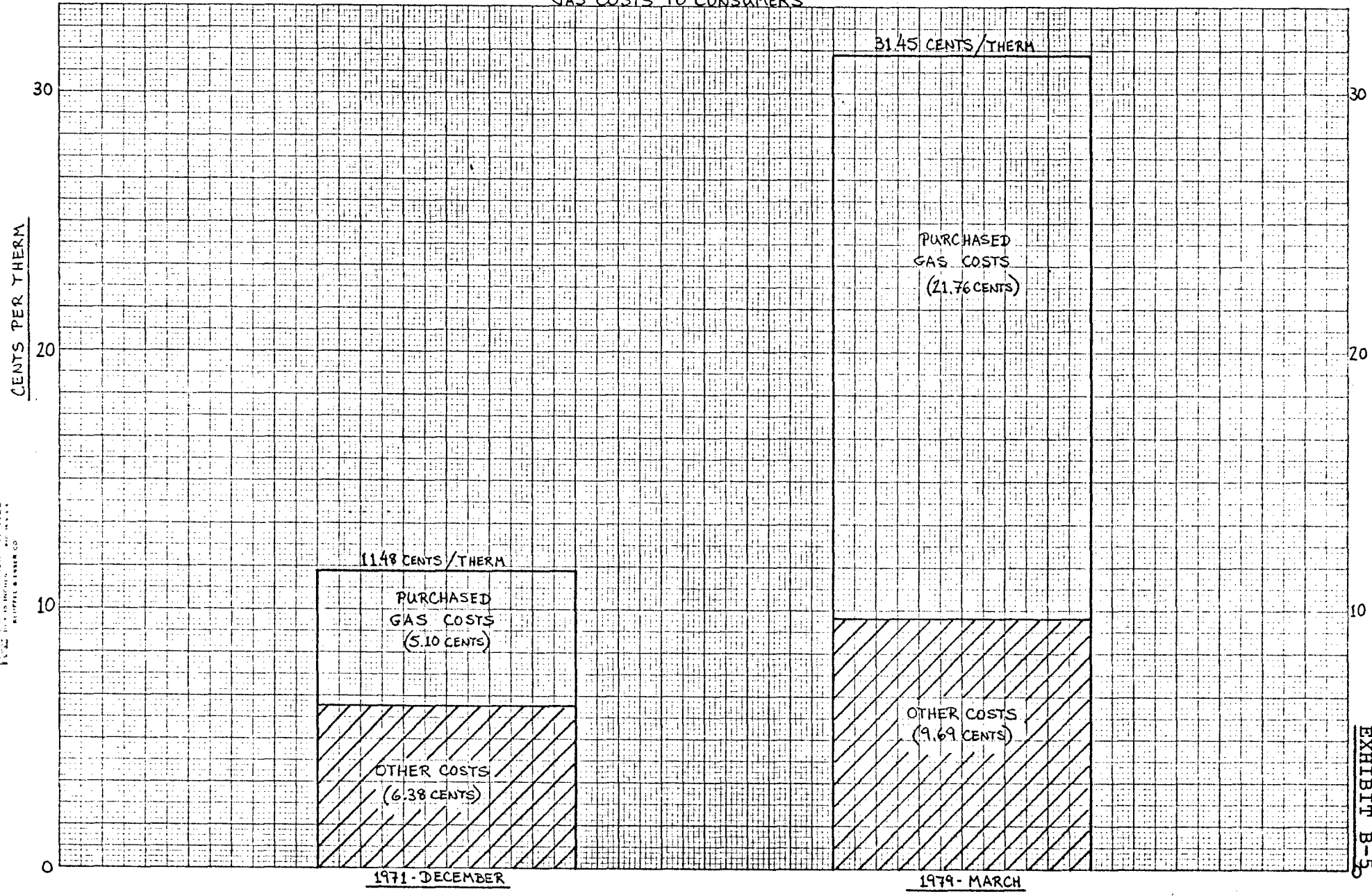


W&S 8 1/2" x 11" INCH 47 1120
REPRODUCTION BY
REDFIELD & LANGE, INC.

236

EXHIBIT B-40

SIERRA PACIFIC POWER COMPANY
GAS COSTS TO CONSUMERS



1/2" BAR TOL. INCH 47 1120
1/2" BAR TOL. INCH 47 1120
RUFFEL & LAMER CO.

237

EXHIBIT B-5

"AMENDED ASSEMBLY BILL 89 PROPOSED BY THE NEVADA HIGHWAY DEPARTMENT"

410.400 Regulations concerning permits, fees, other matters; fee not required for certain signs; disposition of permit fees.

1. The board shall prescribe:

(a) Rules and regulations governing the issuance of permits for advertising signs, displays or devices and the collection fees therefor reasonably related to defraying the administrative costs of processing and issuing such permits; and

(b) Such other rules and regulations as it deems necessary to implement the provisions of NRS 410.220 to 410.410, inclusive.

2. No fee shall be collected for any authorized directional sign, display or device, or for authorized signs, displays or devices erected by chambers of commerce, civic organizations or local governments, advertising exclusively any city, town or geographic area.

3. No fee shall be collected for any temporary political sign so long as such signs are erected not more than sixty (60) days prior to the election to which they pertain and are removed not more than thirty (30) days after the election.

a. The Department shall have the right to summarily remove any temporary political signs

erected in violation of the prescribed time period.

【3】 4. All permit fees shall be deposited with the State treasurer in the state highway fund.

Note:

The purpose and intent of this proposed amendment is to replace the original A.B. 89 in its entirety. This amendment subjects political signs to all size, spacing, lighting and zoning criteria applicable to all off-premise signs, but exempts such signs from payment of permit and inspection fees. This is as far as the Department can go and maintain compliance with federal codes and regulations, thereby protecting our federal participation.