

MEMBERS PRESENT: Chairman Robinson
Vice-Chairman Prengaman
Mr. Brady
Mr. Bremner
Mr. Dini
Mr. DuBois
Mr. Jeffrey
Mr. Kovacs
Mr. Rusk

MEMBERS ABSENT: Mr. Bennett (Excused)
Mr. Chaney (Excused)

GUESTS PRESENT: M. Gene Matteucci, Nevada Power Company
John McCarthy, Nevada Power Company
Keith Grant, Nevada Power Company
Max Jones, Jr., Sierra Pacific Power Company
Virgil Aramini, Sierra Pacific Power Company
William C. Branch, Sierra Pacific Power Company
W. Warren, Sierra Pacific Power Company
Vince Laveaga, Sierra Pacific Power Company
Joe Cathcart, City of North Las Vegas
David S. Schwartz, Coalition for Affordable Energy
John Madole, Association of General Contractors
Andrew Barbano, Coalition for Affordable Energy
Chuck King, Central Telephone Company
James Wadhams, Dept. of Commerce

Chairman Robinson called the meeting to order at 2:59 p.m. At 3:00 p.m. the fire alarm discharged and Dr. Robinson adjourned the meeting. The meeting was reconvened at 3:05 p.m..

Dr. Robinson asked the secretary to call roll. After the roll was called, he asked for a motion to have the minutes of the January 22nd meeting approved. A motion was made by Mr. Dini and seconded by Mr. Prengaman. The motion carried with a unanimous vote of the members present.

Chairman Robinson informed the Committee that they would hear AB 66 today.

AB 66 Requires competitive bidding on certain projects of public utilities.

Sponsors of AB 66, Assemblyman Horn and Assemblyman Westall, presented the bill to the committee. Assemblyman Nick Horn indicated that AB 66 came from the interim committee that was chaired by then Assemblyman Virgil Getto and that basically the purpose of the bill as it relates to competitive bidding was to get away from the "back room" type of concept. He stated that he realized that there were several concerns relating to the bill. Also, that it was not the intention of the sponsors to limit any in-house functions or work

crews or emergencies that should arise. He went on to say that he thought those types of situations were taken care of in Section 3 of the bill. Mr. Horn indicated that it was not the sponsors' intention to have the in-house crews become competitive in terms of bidding against outside crews or services. He also stated that there was a figure of \$2,500 in the bill. The state of New York, which has a similar concept, has this figure set at \$25,000, and he recommended that upon conclusion of the hearing, the sponsors should work with individuals, mainly the utilities, that might have some problems with the lower figure.

At this point, the Sergeant at Arms interrupted the meeting and asked everyone to vacate the building. Chairman Robinson reconvened the meeting for a second time at 3:14 p.m.

Mr. Horn concluded his remarks by saying that he realized that there were problems with the \$2,500 figure, but that he felt the concept of the bill was good. He then asked Sam Hohmann from the Research Department to give the Committee some background on AB 66.

Sam said that he had provided the subcommittee on AB 66 with some data on competitive bidding practices in other states. He stated that both New York and Pennsylvania had statutory provisions and that twelve other states that responded to his inquiries indicated that they did look for competitive bidding practices in their rate case evaluations.

Sam went on to say that testimony concerning AB 66 had been heard by the Public Service Commission, and that Mr. Hardy, Chairman of the PSC, had indicated to him that the Commission saw no problem with the requirement for competitive bidding. Sam then said that the utility companies had also been represented before the subcommittee and that those representatives had expressed some concern regarding qualifications in the bill but that they were not particularly concerned about a negative impact of the requirement for competitive bidding.

Assemblyman Westall then stated that the sponsors would be more than happy to work with anyone that had any objections to the bill, but that she felt the concept was good and that the sponsors would like to see the bill passed.

Mr. Horn then interjected that the whole concept behind the bill was to provide the lowest possible dollar rate for the consumer and to help limit "sky-rocketing" utility bills.

Mr. Dini questioned Mr. Horn and Mrs. Westall as to whether or not there was any evidence that had surfaced in the subcommittee hearings that would indicate that public confidence had been broken by allowing purchases from "favorite buddies" or questionable cost plus deals.

Assemblyman Westall responded to Mr. Dini's question by stating that

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the utilities only invited certain companies or persons to bid on projects, and that she felt the process should be more open.

Mr. Dini then asked Mrs. Westall if she knew whether or not most of the utility construction projects generally receive at least three bids. Mrs. Westall replied that she did not know.

Mr. Kovacs asked Mrs. Westall to clarify her statement concerning the fact that only certain contractors were asked to bid. Mrs. Westall said that during subcommittee hearings the power companies had indicated that there were only certain contractors in the nation that had the capability to handle many of the companies' needs; but that testimony from some of the local contractors seemed to indicate that they also had the necessary expertise, and that she felt locals ought to be given preference whenever possible.

Mr. Jeffrey stated that he had some experience in the area of contracting and that he tended to agree with the power companies on this matter. He further indicated that he was uncomfortable with the definition for a responsible bidder that appeared in the bill.

Dr. Robinson brought out the point that Section 2 of the bill addresses itself only to the construction or extension of facilities and excludes all other areas.

Mr. Brady then said that he too was uncomfortable with the restrictions placed on the utility companies by AB 66 with respect to the evaluation of responsible bidders, and that he felt some things in this evaluation should be left to the expertise of the buyer instead of being written into law.

Dr. Robinson asked that any person wishing to speak in favor of AB 66 come forward.

Dr. David Schwartz, appearing on behalf of the Coalition for Affordable Energy, was first to speak. He commented that he believed the public wants a competitive market system as opposed to one in which there are restrictions, monopoly and concentration. He also stated that sight should not be lost of the social objectives as opposed to the problems of implementation.

Dr. Schwartz said that he felt the triggering point of \$2,500 was too low and that it would be raised to \$25,000. He also warned that the exemptions in Section 3 of the bill should be handled very carefully. Dr. Schwartz stated that he would very strongly urge the passage of AB 66 with modifications so that the public utilities would not be able to make costly choices based on particular specialized interests as opposed to those which would result in savings to the consumers. He also expressed concern over the prospect of there being interlocking directorships that the public was not aware of. Summarizing, Dr. Schwartz said that AB 66 was a good bill that should be passed because it has the potential for serving the citizens of Nevada.

The next proponent of AB 66 was Andrew Barbano, representing the Coalition for Affordable Energy. He stated that any project of importance undertaken by a public utility should be open to public review. He also said that there should be a mandatory disclosure of any beneficial ownership interests by the utility company in a bidder on a job and vice versa. He also felt that any joint ventures of any type involving a public utility should be disclosed and went on to give examples to stress this point.

Mr. Barbano then elaborated on the relationship between Stone and Webster, a consulting firm, and Sierra Pacific Power Company and other utility companies in the country. As a parting comment, Mr. Barbano expressed concern over the fact that large jobs might be divided into smaller parcels to circumvent the bidding process.

Mr. John Madole, of the Associated General Contractors, made the statement that he felt the Sierra Pacific Power Company crews were less than efficient, and if some of the jobs that they now perform were put out to bid, a better job would be done and probably more economically. He indicated that he was in support of the bill and that it would be beneficial to consumers by holding down future rate increases.

Mr. Jeffrey responded to Mr. Madole's statements by saying that he did not feel that AB 66 addressed itself to the "smaller" jobs that Mr. Madole was speaking of.

There being no further proponents of AB 66, Dr. Robinson requested the opponents to speak. The first speaker opposing the bill was Chuck King, of the Central Telephone Company of Southern Nevada. He stated that AB 66 was an unnecessary regulation because most areas covered by this bill were already being put out to bid. He went on to enumerate a list of items for which Centel seeks competitive bids.

Mr. King indicated specifically what his company found objectionable with AB 66 and gave several examples of Centel's bidding process.

The next speaker opposing AB 66 was Stan Warren with Nevada Bell. He said that basically, his views on the bill paralleled those of Chuck King. He did add that the Public Service Commission has the right to call for a management audit of any of the utilities that they govern and can look to see if costs have been unreasonable. He indicated that he felt this bill would add costs to the consumers because of the added cost of compliance to the utility companies.

Chairman Robinson questioned Mr. Warren as to how frequently Nevada Bell had been audited by the Public Services Commission. Mr. Warren answered that to his knowledge, they had not been audited since the provision was added to the Commission's powers. Mr. Robinson then directed the same question to Mr. Hardy, Chairman of the PSC, who was sitting in the audience. Mr. Hardy responded that the Commission itself does not perform audits but that it has the power to order such audits and has done so only for Nevada Power Company.

Mr. Gene Matteucci, Chief Counsel and Vice-president of Nevada Power Company, was the next opponent to AB 66. With Mr. Matteucci and also representing Nevada Power Company were John McCarthy, Manager of Administrative Affairs and Keith Grant, Vice-president of Transmission and Distribution. Mr. Matteucci opened his statements by indicating that Nevada Power Company does have a bidding procedure and that his company is not adverse to competitive bidding; furthermore, it now bids every purchase in excess of \$1,500. A copy of Nevada Power Company's bidding and procurement procedures was filed with the Committee Secretary and marked as EXHIBIT A. Mr. Matteucci's main concern with AB 66 was that he felt this bill would take away management's right to evaluate bidders.

Mr. McCarthy then spoke stating that he felt there were problems with the bill as drafted in the areas of advertising and notice. He also felt that the restrictions placed on management with regard to the evaluation of bidders would not allow the utility companies to consider a contractor's past performance.

Keith Grant outlined some of the criteria that Nevada Power looks for in its contractors/suppliers, specifically with relation to equipment.

Mr. Prengaman questioned the three gentlemen from Nevada Power as to whether or not they felt that a set of regulations could be written which reflected the unique circumstances of the utility companies.

Mr. Brady asked if there had ever been any participation from the stockholders of Nevada Power Company in the bidding process. Mr. Matteucci replied that to his knowledge there had not been. Mr. Dubois then asked if there had been any major construction within the past three years that had not received at least three bids from different contractors. Mr. Grant responded by indicating that there had not been.

Mr. Brady asked whether or not there had ever been a study made to determine what portion of the consumers' monthly utility bills were attributable to regulations. Mr. Matteucci responded that no such study had ever been made; however, he misunderstood the question and after Mr. Brady elucidated, Mr. Matteucci stated that 93% of the utility bills were a result of regulations because the utility industry was a completely regulated industry.

Dr. Robinson asked the Committee if there were any further questions and then posed a question to Mr. Hardy asking if there had been any indiscretions revealed in the bidding processes of Nevada Power Company by the management audit that had been performed. Mr. Hardy said that the audit did not address itself to the Company's bidding and purchasing procedures, but if the Commission felt there was a problem in this area it would investigate.

The next speaker in opposition of the bill was Max Jones, Senior

Vice-president of Planning and Engineering for Sierra Pacific Power Company. Speaking with Mr. Jones was Mr. William Branch, Vice-president of Finance for Sierra Pacific Power Company. Mr. Jones said that his company had a written procurement and bidding procedure that he would file with the Committee (EXHIBIT B). One of Mr. Jones' major concerns with AB 66 is the huge paper mill that would be created by its implementation, which would result in added costs to the consumer. He also said that he felt that the bill would prevent contract negotiations in many areas. He narrated several examples to illustrate his point.

Mr. Jones also is opposed to the provision in the bill relating to advertising and public notice. He then discussed his company's methods of selecting contractors for jobs which are put out to bid. He said that he was concerned with the provisions in the bill for emergency situations. He then suggested that an alternative to the bill as it is proposed would be for the Assembly to make a resolution requiring a review of bidding procedures already being used by the utilities.

Mr. Branch then addressed the Committee and attempted to elaborate on the relationship between Stone and Webster and Sierra Pacific Power Company in response to Mr. Barbano's earlier allegations; however, Dr. Robinson indicated that he felt testimony in this area was not relevant to AB 66.

Mr. DuBois again asked the question regarding whether or not there had been any major construction within the past three years that had not had at least three bids. Mr. Jones responded that to his knowledge there had not been.

Dr. Robinson indicated that at this point he would like to diverge momentarily to introduce BDR 57-455*, concerning multiple insurance on motor vehicles, and BDR 54-299*, which is the act relating to audiology and speech pathology. The motion to introduce these two bills was made by Mr. Prengaman and seconded by Mr. Brady. The motion carried with a unanimous vote of those present. At this point, Dr. Robinson excused Mr. Brady to attend another committee meeting and asked that the hearing on AB 66 be continued.

Mr. Prengaman asked for a definition of a "forced account," a term used earlier by Mr. Jones. Mr. Jones responded with a detailed explanation. Mr. Prengaman then asked Mr. Jones if a set of regulations could not be written by the PSC to reflect the unique situations that the utility companies have. Mr. Jones stated that such a regulation would be very cumbersome and that he did not think this would be a reasonable approach.

Mr. Joe Cathcart, with the City of North Las Vegas came forward and informed the Committee that NRS 332, with minor modifications, covers almost all of the items that are discussed in AB 66.

There being no further questions, Chairman Robinson stated that he

*AB 111
**AB 110

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would like to appoint one member of the Committee to work with the sponsors of AB 66 to work out some of the problems with the bill. He asked Mr. DuBois to be the Committee's liaison between the sponsors and the Committee. He also asked that the utilities be represented in this group and appointed Chuck King, Max Jones, Stan Warren and John McCarthy.

In closing the hearing on AB 66, Mrs. Westall remarked that all of the testimony that was heard today was a repetition of what had been heard before the subcommittee that drafted AB 66, and that the present bill was a direct result of that testimony.

Dr. Robinson then indicated that the Committee would postpone making a decision regarding this bill until after Mr. DuBois and the representatives from the utilities had had a chance to work out some of the details of the bill with the sponsors.

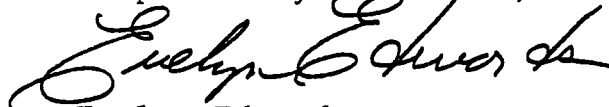
Mrs. Westall's comments concluded the hearing on AB 66, and Dr. Robinson said that the Committee would take care of some other business. He appointed a subcommittee for the purpose of holding hearings on AB 30 and AB 31 in Las Vegas. Chairman of the subcommittee will be Mr. Kovacs. Also on the subcommittee are Mr. Chaney and Mr. Prengaman. Dr. Robinson stated that Friday, February 20 would be a good day for the hearing. Mr. Don Rhodes, Chief Deputy Research Director and a secretary would also attend the hearing.

Dr. Robinson further indicated that there would be additional hearings on AB 30 and AB 31 in Carson City after the hearings in Las Vegas and he requested that the subcommittee chair those meetings.

Mr. James Wadhams, Director of the Department of Commerce came forward to give the Committee a brief account of the various divisions within the Department of Commerce. To illustrate his discussion, he passed out a list of the divisions (EXHIBIT C) as well as a brief description of the function of each of those divisions, (EXHIBIT D).

There being no further business, Chairman Robinson adjourned the Committee meeting at 5:25 p.m.

Respectfully submitted,



Evelyn Edwards
Committee Steno

NEVADA POWER COMPANY
P. O. BOX 230
LAS VEGAS, NEVADA 89151

PROCUREMENT POLICIES AND PROCEDURES

I. GENERAL

- a. Each year we estimate our annual requirements for wood poles, distribution transformers (pole types, single-phase and three-phase padmounts), meters, cable, conductors, bulk and bottled gases, grinding balls, acid, tires, certain high usage connectors and janitorial supplies, and they are purchased on a blanket order basis as the result of formal bidding.
- b. Equipment such as large three-phase padmount transformers, dry type and power transformers, switchgear, oil and air circuit breakers, air break switches, metering equipment, capacitor banks, automotive and material handling equipment, steel structures and poles, are purchased as required on an individual bid basis.
- c. Pole line hardware, certain underground connectors, service wire and most general materials are purchased from mostly local suppliers at list price, less a predetermined discount. The balance of general materials which are low-cost items are purchased where available without bid.

II. STATEMENTS OF PROCUREMENT POLICIES AND PROCEDURES

- a. The objectives of the Company in its procurement function are to purchase materials, equipment and services at the lowest possible costs, while still endeavoring to do business with locally operated wholesalers and distributors. (See paragraph d. below.)
- b. Policies governing choice of procurement.
 1. Equipment
 - (a) New equipment is purchased by competitive sealed bids from an approved bidders list (see paragraph f. for approved bidders list.)
 2. Materials and Supplies
 - (a) Materials and supplies referred to in paragraph I. c. are purchased from local stocking distributors handling certain manufacturers' merchandise.
 3. Construction
 - (a) All construction contracts are awarded on the basis of sealed bids, except where a critical completion date is involved or the amount of the purchase is under \$1,500.

II. STATEMENTS OF PROCUREMENT POLICIES AND PROCEDURES

b. Policies governing choice of procurement (Continued)

4. Repair and maintenance services

(a) Repair services on various equipment are negotiated on an annual basis with the manufacturer or his authorized representative in our area. Other repair services, such as plumbers, electricians and motor repair are placed with reliable local firms.

(b) Maintenance contracts, such as janitorial and landscaping, are awarded on a bid basis.

5. Research and Development

(a) Research and development evaluation is a function of our Engineering Standards Department, which works in conjunction with manufacturers and our Purchasing Department.

c. Direct notice to prospective suppliers - approved bidders list

1. With the exception of allocated items covered in paragraph d:1.(a), we send notices soliciting bids to all manufacturers, suppliers or contractors, as the case may be, on the relevant bidders list prior to purchases and the letting of contracts.
2. When a critical delivery is involved or the amount of the purchase is under \$1,000, telephone bids are received and confirmed by letter. (See paragraph d.2. for out-of-state bid invitations.)

d. Extent of competition and restriction of purchasing policies

1. Nevada Power Company follows a local purchase policy in certain material areas for several reasons:
 - (a) Very few manufacturers maintain sales or warehouse facilities in Las Vegas; also our own warehouse space is quite limited. We, therefore, depend upon our local wholesalers to represent the manufacturers on our approved lists and to assist us with stocking allocated materials we require for our daily needs.
2. See paragraph c.1. for our bidding policy concerning an approved bidders list. In procurement actions where no approval bidders list and no stock requirements are involved, we occasionally invite an out-of-state supplier to bid in order to maintain competition.

II. STATEMENTS OF PROCUREMENT POLICIES AND PROCEDURES

d. Extent of competition and restriction of purchasing policies
(Continued)

3. We have no procurement from corporate affiliates and no restrictions involving small business or minority business. (See paragraph II.k.)

e. Qualifying Suppliers

1. When a manufacturer's commodity involving engineering is considered for approval, the manufacturer starts with the Purchasing Department to make sure he is familiar with our purchasing policies. The commodity is referred to the Engineering Standards Department, where the item is evaluated as to engineering features pertaining to our system, past performance of the manufacturer, and other utilities' experience with the item. It is then placed before the Standards Committee and passed upon. The Purchasing Department has a list of all approved suppliers for bidding purposes.

f. Bidders List Policy

1. Prospective suppliers interested in bidding on our other requirements not involving engineering, are asked to submit a letter requesting that they be placed on our bidders list for their particular commodity or service. They are also asked to include pertinent information about their firm and their products and to provide us with a list of other companies and utilities with whom they are doing business. If found satisfactory, they are placed on the bidders list and are sent invitations to bid on the next business for which they are qualified.
2. A supplier may be removed from the bidders list for poor service, poor workmanship, inferior material or equipment or other justifiable cause. If an item of a certain manufacturer is causing a problem, that item of his manufacture may be removed from our bidders list until the problem with it has been overcome.

g. Company personnel vendors should contact

1. Salesmen from prospective vendors are instructed to first call on the Purchasing Department for introduction. From there they may be sent to Standards, Distribution, Transmission or Substation Engineering Departments, Lines Department, Maintenance Department, Garage or Generation Department.

h. Sealed Bid Opening Procedures and Negotiations

1. Sealed bids are opened at an appointed time at non-public openings by an authorized representative of the Purchasing Department, or

II. STATEMENTS OF PROCUREMENT POLICIES AND PROCEDURES

h. Sealed Bid Opening Procedures and Negotiations

1. (Continued) by an authorized officer of the Company. An Abstract of Bids is prepared and submitted, with recommendations, to the originator for evaluation. Final recommendation is for "Best Bid", which is based on price, evaluation, the meeting of specifications and delivery schedule. It is submitted for final approval to department head, vice-president, president, board chairman or board of directors, depending on the magnitude of the transaction.
2. When a change in quantity or specification occurs prior to award, all bidders are contacted and requested to incorporate these changes in their bid. If there is a change after the award has been made, it may be negotiated with the successful bidder and added to his contract by addendum.

i. Types of Contracts

1. The Company adheres to firm price contracts/purchase orders where possible. If escalation is quoted, we require that it be based on the latest American Metals Market ingot prices in the case of conductor and cable purchases, and on the latest BLS Indices for other equipment.

j. Negotiations for repair parts, accessories, supplemental equipment, etc.

1. Repairs and resulting repair parts are described in paragraph b.4.(a). Accessory and supplemental equipment matching or to be used with existing equipment, are considered proprietary items and are purchased from the manufacturer or his closest representative, using past purchases and published price lists for control.

k. Minority Business

1. Nevada Power Company is committed to transact business with minority firms wherever possible. We are represented on the board of directors of the Nevada Minority Purchasing Council, and make quarterly dollar volume reports to that organization.

l. Subcontracts and Subcontractors' approval

1. We exercise no approval of or control over subcontracts or subcontractors, except in compliance with E.E.O. provisions.

PROCUREMENT POLICIES AND PROCEDURES

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II. STATEMENTS OF PROCUREMENT POLICIES AND PROCEDURES (Continued)

m. Applicable laws and employee organization agreements

1. Vendors are required to comply with Federal Equal Employment Opportunity provisions of Paragraph One through Seven, Section 301, of Executive Orders 11246 and 11114, together with any amendments thereto.
2. No agreements with employee organizations affect our procurement policy.

May 1, 1978

F O R W A R D

This document states the policies and procedures of the Sierra Pacific Power Company regarding the procurement of materials, supplies and services required for the construction, operation, and maintenance of Company facilities.

It is issued for the guidance of all departments of the Company, and is available to the public, upon request, in compliance with the Federal Power Commission Order No. 386, issued July 31, 1969.

Questions pertaining to Company procurement policies and procedures should be directed to Virgil Aramini, Manager of Purchasing and Warehouse Operations, P. O. Box 10100, Reno, Nevada 89510.

COMPANY PROCUREMENT OBJECTIVE AND PHILOSOPHY

The procurement objective of the Sierra Pacific Power Company is to establish dependable sources of supply which will meet current and future Company requirements for volume and quality.

We also wish to obtain the maximum dollar value for the purchasing dollar spent. We believe that a dependable group of suppliers is essential to the achievement of our business purposes. A good relationship with such suppliers is considered an important asset of our Company.

We believe we are best served by fostering a high degree of competition among our suppliers. We value the contributions of present suppliers and we welcome prospective new suppliers, and our dealings with suppliers will be fair and ethical.

PURCHASING AND CONTRACTUAL PROCEDURES

The following procedures should be adhered to in handling and Purchasing of Contractual matters:

(1) Design and preparation of specifications of company projects required are to be prepared by the Engineering Department.

(2) Projects for structures of machinery, etc., designed at the Company's request by others are to be reviewed, evaluated and checked by the Engineering Department in collaboration with the using department or district head.

(3) Finalized bid specifications, required design drawings, and requisitions are to be supplied by the Engineering Department to the Purchasing Department.

(4) Invitations to bid are to be prepared and mailed by the Purchasing Department to suppliers who are on an "Approved Suppliers" list.

A review of the list should be made periodically by members of the Standards Committee and/or representatives of affected departments.

(5) The Purchasing Department will receive the bids from the vendors for summarization, evaluation, and the determination of the successful bidder. Bids for construction and technical engineering projects shall be passed on to the project engineer for summarization and evaluation under his directions and the recommendation of the successful bidder. The Purchasing Department shall then process all successful bids.

(6) On all quotations, sealed bids shall be requested by the Purchasing Department, and all such bids shall be opened simultaneously by two (2) representatives of the Purchasing Department and possibly a member of the affected department. The lowest bid may not necessarily be the one accepted for reasons such as past performance of the vendor in meeting delivery requirements, quality of material or services, or other pertinent factors. The securing and opening of the bids should be under the control of the Purchasing Department so that all facts regarding any order or contract are centralized there. Exceptions due to delivery when dollar differences are significant may require re-evaluation with the department head and the Purchasing Manager. In cases where the lowest bid is not accepted, notation should be made on the purchase file as to why the deviation was made.

(7) Upon determination of the successful bidder, the Purchasing Department shall immediately notify the successful bidder as well as the unsuccessful bidders.

(8) On some jobs it will be necessary to write detailed specifications for bid. These projects would be, for example, short gas and water main

extension trenchings and backfills, wiring of pump vaults and wells, fencing, or blanket work order authorizations. More than one contractor will be considered for such projects, except in unusual circumstances. The contractors should be selected from the list of approved contractors.

(9) All contracts between the Company, its agents and assigns, and construction contractors should be cleared with the Purchasing Department. Negotiated contracting without going through the bidding procedure must be kept to an absolute minimum. These should be confined in so far as possible only to those cases where a contract is already on an awarded bid project and the Company wishes to extend the scope of the work. Also, when a contractor is the on-sight contractor for the developer or the public agency in which case the Operations Manager or his assistant will negotiate with the contractor on the basis of recommendations provided by the Engineering Department analysis.

(10) When only one local contractor or vendor is available to bid on certain types of work or equipment, the Purchasing Department should periodically secure some "out of town" bids as check to see that the bids received from local vendors and contractors are in line.

(11) The Purchasing Department, in conjunction with the Legal Department will have the responsibility of seeing that the proper performance bonds are posted and that proper insurance coverage is secured when required.

(12) Bid forms, award forms, contracts, etc., should be standardized as much as practical and screened by Corporation Counsel for legal connotations.

(13) The procedure to be followed for the purchase of standard items for stock such as poles, crossarms, wire, pipe, transformers,

etc., except in cases where these items are sent out for bid, is as follows:

The Stores Department, after verifying the need and availability of an item system-wide, will send to the Purchasing Department a Stores Card requesting the material they need. The Purchasing Department will then research the item as to vendors, price, availability, etc., and place an order.

If the material to be ordered is for a large amount, usually over \$5,000, bids will be sought for the material before placing an order. When deemed advantageous to the Company, items under \$5,000 may also be bid.

For routine purchases of small items when there are several good vendors, an effort will be made to spread the orders among them, as long as their prices are deemed by the Purchasing Department to be competitive.

PROCUREMENT POLICIES AND PROCEDURES

These policies apply specifically to the procurement of:

- i. Equipment
- ii. Materials and Supplies
- iii. Construction
- iv. Repair, Maintenance and Management Services
- v. Research and Development

1. Procurement Policies

The Company's purchasing is conducted in accordance with the principles and standards of the purchasing practices of the National Association of Purchasing Managers.

2. Procurement Methods

a) Single Supplier Negotiations

Negotiations involving only a single supplier are used primarily only in the following cases:

- 1) emergencies where time does not permit the normal negotiation process
- 2) renewal parts which must be obtained from the original supplier
- 3) matching or adding to existing equipment
- 4) instances where there is only one supplier
- 5) for very small purchases where the cost of more formal negotiation procedure is not justified
- 6) where there is only one supplier within reasonable proximity to the place of use
- 7) when only one supplier complies with our specification or manufactures a specific item required by us.

In the above instances, we use our knowledge of going market prices or the knowledge of supplier's cost to determine that the price paid is a fair one.

b) Competitive Negotiations

This method is used for most high-value procurements. Our policies and procedures regarding this method of negotiation are as follows:

- 1) In all cases, specifications and requests for quotations will be sent to all qualified and approved bidders.
- 2) Prices and terms quoted by any one bidder will not be revealed to another bidder. In the event of change in

specifications during negotiations, all bidders will be given an equal chance to change their offering. Two copies of the bidder's quotation of price and terms of sale will be submitted to the Purchasing Department.

3) We will not take advantage of an obvious error on the part of the bidder. When we suspect such an error has occurred, it will be brought to the attention of the bidder.

c) Competitive Blanket Order Negotiations

On certain repetitive items, we will negotiate blanket orders covering the required items over a definite period of time, usually one year. Blanket orders may be placed with more than one supplier to insure the adequacy of supply sources.

d) Procurement of Management Services, Technical Services, Professional Services, etc.

The Company recognizes that in the selection of the above services, cost is very seldom the controlling factor in obtaining these services, that more important is the quality of the work, the reputation of the supplier and other conditions which tend to make the supplier's services in demand by the Company. In these cases, the Company policy shall be that no competitive bidding will be utilized, and the Company will select these services on the basis of criteria mentioned above.

PROCUREMENT RESPONSIBILITY

The Purchasing Department is responsible for:

- a) material procurement, but not accountability
- b) maintaining all commercial procurement relations with suppliers
- c) serving as the Company's official contact with suppliers seeking to provide products or services for the Company, and arranging meetings between them and other Company departments as required
- d) providing equipment, materials and construction and operating services for Company activities
- e) developing and maintaining adequate sources of supply
- f) assist in standardization of material when possible

POLICY AND PROCUREMENT WITH RESPECT TO TYPES OF CONTRACTS

The Company, from its past experience, has determined that there should be different types of contracts under certain circumstances. The awarding of the contract either on a cost-plus basis, an incentive basis, or a fixed-price basis shall be determined from all of the facts available to the Company prior to entering into such contract. The policy of our Company in determining the type of contract will vary from job to job and from site to site. Some of the reasons for selecting the contract type would be the same as found in Section B, 2-a.

In addition to the reasons set forth in Section B, 2-a, 1 through 7, the Company has found from experience that in remote regions or in areas where conditions of construction are unknown, a competitive bid situation results usually in the highest price, so that under those conditions, the Company's experience has shown a cost-plus contract to be more reasonably priced as an end result.

The Company policy should always result in the lowest price possible to the Company after considering all of the available information

prior to entering into such contract.

Contractors invited to submit bids or proposals are requested to submit names and addresses of any sub-contractors they plan to utilize. The Company reserves the right to approve or disapprove of any sub-contractor.

NOTICE OF PROSPECTIVE PROCUREMENTS

The Company directly notifies qualified and approved suppliers of its prospective procurements by written invitation to submit sealed bids or quotations or to enter into negotiations. All written invitations to bid are assigned an identifying quotation number, and all bids are to be delivered or mailed to the Purchasing Department at a specific date and time. Written bids are submitted in sealed form with the quotation number and/or project name indicated on the outside of the bid envelope.

PROCUREMENT COMPETITION

The Company sends an invitation to bid to all qualified and approved suppliers to assure adequate competition for its requirements. Under competitive bidding, the Company prefers a minimum of three bids for evaluation, where possible.

The Company prefers to invite bids from qualified domestic suppliers when adequate sources are available to insure competitive sources for its requirements. Additional consideration is given to suppliers having manufacturing plants or major stocking facilities located within the Company's service area. Foreign sources are considered when qualified domestic suppliers are non-competitive, unable to meet delivery requirements, or the foreign product has design and performance characteristics

desired by the Company which are not available domestically.

AWARD PROCEDURES

Awards are made as soon as possible after Company evaluation and approvals are obtained in accordance with Memorandum #344 dated December 1, 1977. Unsuccessful bidders on all procurements are notified in writing and given the successful bidder's name as soon as practicable after the award is made.

It is not our policy to open bids publicly. All quotations and related matters are kept completely confidential. No supplier is told what another supplier is quoting or has quoted.

The Purchasing Department may indicate to vendors, by telephone, who the successful bidder may be, prior to the award of the bid. It must be understood, however, that no award is final until the approvals are made and the purchase order is signed. For various reasons, including poor delivery time, error in pricing, or the product quoted does not meet our specifications, the next lowest bidder may receive the bid award.

The Company will, in its judgement, determine when it would be in its best interests to open bids publicly.

PROCEDURE FOR SUPPLIERS TO INTRODUCE NEW ITEMS

The procedure for introducing any new item, or any change in an existing item, shall be as follows:

- a) Initial interest made by the supplier will be presented or discussed through Engineering, Purchasing, Standards, Operating or any of the districts, but must be channeled through the Purchasing

Department in the form of a letter.

- b) The Purchasing Department shall procure from the interested supplier all necessary information to make a proper evaluation, i.e. equipment capability, employee experience (contracting jobs), insurance and bonding papers, and work done for other western utilities.
- c) All information obtained is to be submitted to the Standards Committee by the Manager of Purchasing and Warehouse Operations for initial discussion and determination of whether to proceed with further evaluation. Further evaluation shall be made by specific assignment to Engineering, Standards, Operations, District Managers, Purchasing, or any combination of these.
- d) After evaluation, all information shall be submitted back to the Standards Committee with a recommendation for whatever action is to be taken.
- e) In some cases, the evaluation procedure may not involve Standards. These would include paper products, forms and supplies, data processing supplies, etc. In such cases, the determination may be made by Purchasing and/or the department affected.
- f) The Purchasing Department shall notify the manufacturer of the evaluation.

SUPPLIER QUALIFICATIONS

The Company's requirements for products and services are procured from qualified suppliers who are required to compete for the Company's business in a fair, impartial and equitable basis. Supplier qualification criteria are as follows:

- a) Service availability

- b) Service reliability
- c) Product availability
- d) Product reliability
- e) Financial reliability
- f) Warranty and insurance provisions
- g) Technical abilities
- h) Research and development activities

PROCEDURE FOR REMOVAL OF SUPPLIER

Suppliers may be removed from the list of qualified vendors by the following procedure:

- a) Recommendation for removal of any supplier from the Approved Suppliers list due to unsatisfactory material and/or performance may be made from any source, in writing to the Purchasing Department, who in turn will submit the information to the Standards Committee.
- b) Based on a review of any accumulated information, and what may be gathered from other additional sources, a recommendation by the Standards Committee to drop or censure the manufacturer may be made, and submitted to the Executive Vice President for his approval.
- c) Final action will be made by the Purchasing Department who will notify the manufacturer.

REMOVAL OF SUPPLIER FROM APPROVED SUPPLIER LIST

Suppliers may be removed from the Company's list of qualified vendors for reasons as follows:

- a) Supplier no longer is able or willing to supply a product or service which the Company requires.
- b) Supplier consistently does not respond to requests for quotations or bids.

- c) Supplier proves to be consistently non-competitive.
- d) Supplier fails to cooperate with the company in any aspect of the contracted terms or conditions.

PURCHASE ORDERS, MATERIAL RECEIPTS AND INVOICE PAYMENT PROCEDURES

The Purchase Order Form is to be used for all purchases other than those made on Local Purchase Orders.

Purchase Orders will be prepared in the Purchasing Department, and the original signed copy (No. 1) will be sent to the vendor. The other copies of the Purchase Order are to be distributed as follows:

<u>Requisitions</u>	<u>Stock Cards</u>
No. 2 Accounts Payable Dept.	Accounts Payable Dept.
No. 3 Purch. Dept. Numerical File	Purch. Dept. Numerical File
No. 4 Purch. Dept. Alpha. File	Data Processing
No. 5 Requisitioner's copy	Purch. Dept. Alpha. File
No. 6 Material receipt copy	Material receipt copy
No. 7 Storekeeper's copy	Storekeeper's copy

RECEIPT OF STORES ITEMS BY STOREKEEPERS

When regular stores items are to be received, the following copies of the Purchase Order will be sent to the respective storekeeper, namely:

- No. 6 Material Receipt copy
- No. 7 Storekeeper's copy

When a complete shipment is received, the Material Receipt copy (No. 6) is to be signed and dated for receipt of material and forwarded promptly to the Accounts Payable Department for payment. Outside districts shall forward all material receipt information to the Reno

Warehouse, who in turn will forward it to the Accounts Payable Department. When a partial shipment is received, the Storekeeper will prepare a copy of the Material Receipt Form #464.01, showing the material received, and other necessary information including the P.O. number, sign and date the form, and forward it to the Accounts Payable Department. When the final partial shipment is received, the Material Receipt copy (No. 6) will then be signed, dated, and forwarded promptly to the Accounts Payable Department.

For receipt of all materials on blanket purchase orders, a handwritten Material Receipt Form #464.01, must be prepared (showing the description, P.O. number, etc.) signed and dated, and forwarded promptly to the Accounts Payable Department.

In all cases of partial shipments, notations should be made for each shipment received on the Material Receipt copy (No. 6) and the Storekeeper's copy (No. 7), as well as the date and quantity of the final shipment. The Storekeeper's copy should be retained as part of his permanent file for purchase orders.

RECEIPT OF NON-STORES ITEMS BY THE STOREKEEPER, EXCEPT GARAGE AND TRACY

When non-stores items are to be received (either from the Storekeeper or direct from the vendor), the following copies of the purchase order will be sent to the requisitioner, namely:

No. 6 Requisitioner's pink copy

When a complete shipment is received, the Warehouse receiving the material should sign and date the Material Receipt copy (No. 6) and forward it promptly to the Accounts Payable Department. They should also notify the Requisitioner that the material has been received.

However, if a partial shipment (one or more) is received on any order, the Warehouse should prepare a hand-written Material Receipt, Form #464.01, show the necessary information on it, (including the description and P.O. number), sign and date it, and forward to the Accounts Payable Department immediately.

In all cases of partial shipments, notations should be made for each partial shipment received on the Material Receipt copy (No. 6), as well as the date and quantity of the final shipment. After all the material has been received, this copy (No. 6) is to be forwarded promptly to the Accounts Payable Department.

For receipt of material on blanket purchase orders, a hand-written Material Receipt, Form #464.01 must be prepared (showing the description and P.O. number, etc.) signed and dated, and forwarded promptly to the Accounts Payable Department.

The Requisitioner's copy (No. 5) should be retained for a permanent file on purchase orders by the requisitioner.

RECEIPT OF MATERIALS FOR TRACY PLANT

It is anticipated that some material and equipment for the Tracy Plant will be delivered to the Reno storeroom to be later sent to the Tracy Plant by Company truck.

No. 6 Material Receipt Copy, and No. 7 Storekeeper's copy will be sent directly to the Reno Storekeeper.

No. 5 Requisitioner's copy will be sent to the Tracy Plant.

Upon receipt of the material in the Reno Storeroom, arrangements will be made immediately to transport it to the Tracy Plant. Upon receipt of the material, the Reno storekeeper will date and sign the

Material Receipt copy (No. 6) and forward it directly to the Accounts Payable Department. If a partial shipment is received, a hand-written Material Receipt, Form #464.01, (showing the description, P.O. number, etc.) will be prepared by the Reno storekeeper, will be signed and dated, and forwarded immediately to the Accounts Payable Department. When the final shipment is received, the Material Receipt copy (No. 6) will be completed and sent to the Accounts Payable Department.

When material or equipment is to be delivered directly to the plant, the same procedure as receipt of store items by storekeepers will be followed.

RECEIPT OF NON-STORES ITEMS BY THE GARAGE

When material is to be received by the Garage at One Ohm Place, Reno, Nevada, the following copies should be sent to the Garage:

No. 5 Requisitioner's copy

No. 6 Material Receipt copy

The Storekeeper's copy (No. 7) will be sent to the Reno Warehouse. In the event that the material ordered is delivered to the warehouse, warehouse personnel will notify the Garage.

Upon receipt of the material, personnel at the Garage will sign and date Material Receipt copy (No. 6) and forward it promptly to the Accounts Payable Department. In case of a partial shipment, they shall fill out a hand-written Material Receipt, Form #464.01, showing description, P.O. number, etc., and forward it immediately to the Accounts Payable Department. When the final shipment has been made, the Material Receipt copy, signed and dated, shall be forwarded to the Accounts Payable Department.

PROCEDURE RELATING TO INVOICES

Invoices covering the purchase of supply or other items (excepting contract items, etc., as outlined below), will not be sent to the various locations for approval and receipt of material, as this information will be available in Accounts Payable.

INVOICES FOR CONTRACT ITEMS, LABOR CHARGES, AND EQUIPMENT RENTALS, ETC.

A copy of the purchase order, Requisitioner copy (No. 5), will be furnished to the requisitioner.

Invoices in duplicate covering these items will be received in the Accounts Payable Department directly from the vendor. The Accounts Payable Department will retain the duplicate copy (stamped "Duplicate - Do Not Pay on this Copy") in their open file in alphabetical order attached to the P.O. The original invoice will be sent to the responsible operating personnel, who will check all necessary features, including prices, quantities, etc., and if in satisfactory order, he will sign on the invoice for receipt of material (or services) and date and approve for payment. When requested by the Engineering Department, a duplicate invoice (stamped "Duplicate - Do Not Pay on this Copy") will be forwarded to the project engineer for his review and comments. The original invoice should then be returned promptly and directly to the Accounts Payable Department where it will be approved, if in order, for payment. No payment shall be made unless properly approved by the authorized person or persons on the original invoice. No payments may be made on a duplicate copy of any invoice unless approved in writing by an officer of the Company.

LOCAL PURCHASE ORDERS

In order to facilitate the purchase of necessary small items which

can be obtained from local suppliers, the Purchasing Department has authorized personnel specified by division managers and department heads to make such purchases locally up to a maximum of \$100.00 per invoice.

In view of the amount placed on Local Purchase Orders, it is necessary that the following instructions be adhered to;

1. The Local Purchase Order is limited to a maximum of \$100.00 per invoice and no purchase may be subdivided to come within this. It is for your convenience in obtaining necessary small items from local suppliers only.
2. The Local Purchase Order is not to be used for local purchases of printing, stationery, or office supplies of any kind which are normally available through the Forms and Supplies Department.
3. All Local Purchase Orders will be prepared in triplicate and signed by the individual who has been authorized to originate local orders. The full name of the originator is required. No initials please.
4. All Local Purchase Orders will be originated prior to ordering of or receipt of material and must be approved by the department supervisor. The full name of the supervisor is required.
5. All items on the Local Purchase Order must be either delivered when the order is presented or cancelled. There will be no back orders.
6. Be sure to complete the "To Be Used For" and "Account to Be charged" section of the Local Purchase Order in sufficient detail to enable Accounting to make the proper classification.
7. In the event the invoice is not attached to the copy of the Local Purchase Order which is sent to the Accounts Payable Department,

suppliers should be encouraged to promptly submit invoices directly to the Accounts Payable Department in Reno. At the time of the purchase, the invoice number should be written on the Local Purchase Order.

8. Please write or print legibly.
9. Notify the Accounts Payable Department immediately of any changes in personnel who are responsible for approving Local Purchase Orders. Requests for additional books should be directed to the Purchasing Department. A list will be kept by the Accounts Payable Department of personnel responsible for approving Local Purchase Orders. A list of departments having books will be kept by both the Purchasing Department and the Accounts Payable Department.
10. Completed Local Purchase Order Books must be returned to the Accounts Payable Department.

CONFIRMING PURCHASE ORDERS

In connection with purchases over \$100.00 or for out of town shipment, you should continue to prepare a Purchase Requisition Form.

Do not use Purchase Requisitions to secure material prior to the issuance of a Purchase Order, except in extreme emergency. If it is necessary to write up a Confirming Purchase Order, you should obtain a Purchase Order Number from Purchasing prior to ordering the material. The number should be given to the vendor, as well as written on the Purchase Requisition.

Use of the Confirming Purchase Order should be kept to a bare minimum.

CHANGE ORDERS

From time to time it may be necessary to make a change on an existing Purchase Order, for example, you may wish to change the quantity ordered,

the color, price, description, etc.

To initiate a change, fill out completely and legibly a Request for Change Order Form #458.04. Include the Purchase Order Number, the vendor, the new material description, if any, and the reason for the change.

The Request for Change Order Form should then be approved by the same persons as the original requisition, and routed to Purchasing for preparation of a Change Order.

Purchasing shall prepare a Change Order and route the original copy to the vendor. Additional copies shall be routed to Accounts Payable, the Requisitioner, the warehouse where the material will be received, and Purchasing shall attach one copy to the purchase file.

PREPARING, ROUTING, AND APPROVING PURCHASE REQUISITIONS

Purchase Requisitions, Form #450.01, should be prepared in duplicate as required.

The procedure for preparing, routing, and approving purchase requisitions should be as follows:

(1) The originator should prepare and sign his full name on the requisition in the lower left hand section of the form in the space provided "Ordered By". Information such as "Used For", describing and indicating if to be used for operation, maintenance, construction, or other, should, in all cases, be inserted in the spaces provided for this information in the upper right hand section of the form in sufficient detail to enable proper classification. State, for example, "Repair of Transformer Bushings, Tree Trimming line 602, Replace Insulators" etc. The "Account Number", if known, should also be inserted in the space provided.

(2) The original requisition should then be routed by the originator directly to the person or persons authorized to approve it in accordance with Memorandum #344 dated December 1, 1977. If it is in order, it should be initialed in the spaces provided on the bottom of the form marked "Approved".

(3) The original requisition should then be routed immediately to the Classification Section of the General Accounting Department. Classification "Account Numbers" should be checked or inserted, as the case may be, in the section provided on the form and initialed in the "Classification Approved" portion of the lower right hand section. It may not be necessary to route the requisition to Classification if the proper work order number has already been inserted by the originator, as long as it is a budgeted item.

(4) After the requisition has been properly approved by authorized individuals, it should be routed directly to the Purchasing Department. If the requisition is in order and approved, the Purchasing Department will make the necessary arrangements for the procurement of the item either directly by the preparation of a Purchase Order, or by a call for bids, as the case may be..

LEGAL REQUIREMENTS

Company procedure is conducted in accordance with all applicable local, state, and federal laws, rules, and regulations.

PRINCIPLES AND STANDARDS
OF THE
NATIONAL ASSOCIATION OF PURCHASING MANAGERS

The following principles of purchasing practice for buyers are quoted from the National Association of Purchasing Agents Standards of Conduct:

1. Loyalty to His Company
2. Justice to Those with Whom He Deals
3. Faith in His Profession

From these principles are derived the N.A.P.A. standards or purchasing practice:

1. To consider, first, the interests of his company in all transactions and to carry out and believe in its established policies.
2. To be receptive to competent counsel from his colleagues and to be guided by such counsel without impairing the dignity and responsibility of his office.
3. To buy without prejudice, seeking to obtain the maximum ultimate value for each dollar of expenditure.
4. To strive consistently for knowledge of the materials and processes of manufacture, and to establish practical methods for the conduct of his office.
5. To subscribe to and work for honesty and truth in buying and selling, and to denounce all forms and manifestations of commercial bribery.
6. To accord a prompt and courteous reception, so far as conditions will permit, to all who call on a legitimate business mission.
7. To respect his obligations and to require that obligations to him and to his concern be respected, consistent with good business practice.
8. To avoid sharp practice.
9. To counsel and assist fellow purchasing agents in the performance of their duties, whenever occasion permits.
10. To cooperate with all organizations and individuals engaged in activities designed to enhance the development and standing of purchasing.

WE SUBSCRIBE TO THESE STANDARDS

FEDERAL POWER COMMISSION
ORDER NO. 386

Section 50.1 Filing of Company Procurement Policies and Practices

Not later than January 1, 1970, each licensee, permittee and public utility shall be required to reduce in writing, file with the Commission in triplicate and make available to any member of the public upon request a comprehensive statement of its procurement policies and procedures. Amendments thereto shall likewise be filed and made available to the public, upon specific request, within thirty days of their effective dates. Statements of Procurement Policies and Procedures shall include, but not be limited to, the following:

- a. The objectives of the Company in its procurement function.
- b. Policies governing the choice of procurement method (sealed-bid formal advertising, competitive negotiation, noncompetitive contract awards, etc.) with specific reference to the following categories:
 - i. Equipment
 - ii. Materials and supplies
 - iii. Construction
 - iv. Repair, maintenance and management services
 - v. Research and development
- c. Extent and nature of public notice of proposed procurements, and direct notice to prospective suppliers.
- d. The extent of the competition required. This should include any limitations to or preferences for suppliers in the utility service areas.
- e. The method of qualifying suppliers.
- f. The policy adopted by the utility of putting names on their bidders list and also under what circumstances names would be removed from the bidders list.
- g. The Company personnel that vendors should contact.
- h. Procedures governing the opening of sealed bids and proposals, negotiations with bidders or offerors, and criteria for contract award thereunder.
- i. Policies and procedures with respect to types of contracts (cost-plus, incentive type, fixed price, etc.)
- j. The circumstances under which negotiations are made without competition such as for emergencies, repair parts, accessory and supplemental equipment, matching existing equipment or architectural design.
- k. Any special procurement policies or restrictions such as those relating to regional, state or local suppliers, small business suppliers, procurement from corporate affiliates, and union or non-union suppliers.
- l. Any "Buy American" policy that the Company may adopt.
- m. Policies and procedures, if any, with respect to approval or control of sub-contracts and subcontractors.
- n. Any applicable Federal and State laws and agreements with employee organizations which might affect procurement policy.

JAMES L. WADHAMS, DIRECTOR
DEPARTMENT OF COMMERCE
201 So. Fall Street, Rm. 321
Carson City, NV 89710
885-4250

Banking Division
Joseph O. Sevigny, Superintendent
406 E. Second Street
Carson City, NV 89710
885-4260

Housing Division
Al McNitt, Jr., Administrator
201 So. Fall Street, Rm. 300
Carson City, NV 89710
885-4258

Savings and Loan Division
Norman Okada, Acting Commissioner
406 E. Second Street
Carson City, NV 89710
885-4259

Manufactured Housing Division
A. Wayne Tetrault, Administrator
201 So. Fall Street, Rm. 325
Carson City, NV 89710
885-4298

Credit Union Division
Norman Okada, Commissioner
201 So. Fall Street, Rm. 324
Carson City, NV 89710
885-4250

State Fire Marshal Division
T. J. Huddleston, State Fire Marshal
1923 No. Carson Street, Suite 236
Carson City, NV 89710
885-4290

Thrift Companies Section
Norman Okada
201 So. Fall Street, Rm. 324
Carson City, NV 89710
885-4250

Consumer Affairs Division
Nancy Sprague, Commissioner
2501 E. Sahara Ave., Rm. 304
Las Vegas, NV 89158
386-5293

Insurance Division
Donald Heath, Commissioner
201 So. Fall Street, Rm. 315
Carson City, NV 89710
885-4270

Unclaimed Property Section
David A. Shaffer, Administrator
1785 E. Sahara Ave., Suite 470
Las Vegas, NV 89158
386-5317

Real Estate Division
R. Lynn Luman, Administrator
201 So. Fall Street, Rm. 130
Carson City, NV 89710
885-4280

Protection & Advocacy Program
Holli Elder, Project Director
944 Matley Lane, #6
Reno, NV 89502
784-6375

EXHIBIT D

DEPARTMENT OF COMMERCE

The Department of Commerce consists of nine divisions and three sections regulating and licensing businesses and individuals within and external to Nevada. The Department of Commerce is administered by the Director from Carson City.

I.

Banking Division - The Superintendent is responsible for regulating and examining the 6 state chartered banks, 15 small loan companies, and 18 collection agencies statewide.

II.

Savings and Loan Division - The Commissioner is responsible for regulating and examining the 7 state chartered savings and loan associations and 130 mortgage companies.

III.

Credit Union Division - The Commissioner regulates and examines 18 state chartered credit unions ranging in asset size from a few thousand dollars to several millions.

IV.

Thrift Companies Section - The Commerce Director has delegated to the Commissioner of Credit Unions the responsibility for regulating and examining the 4 state chartered thrift companies.

V.

Insurance Division - The Commissioner has licensing and auditing authority for 1,050 insurance companies; foreign and domestic. The division licenses over 10,000 agents, brokers, solicitors and bailbondsmen.

VI.

Real Estate Division - The Administrator is responsible for regulating over 11,000 licensed real estate brokers, salesmen, owner-developers, and escrow agents. The division also approves subdivision filings.

VII.

Housing Division - The Administrator is responsible for providing low interest mortgage money to the residents of Nevada who cannot obtain housing without government assistance on single or multi-family dwellings.

VIII.

Manufactured Housing Division - The Administrator is responsible for the licensing of dealers, salesmen and installers. The division also issues titles to mobile home owners statewide.

IX.

State Fire Marshal - The Fire Marshal coordinates fire prevention programs throughout the state and licenses fire extinguisher companies, fire alarm companies, sprinkler companies, and individuals performing fire extinguisher servicing.

X.

Consumer Affairs Division - The Commissioner enforces the Deceptive Trade Practices Act, Door to Door Sales Act and the Automotive Repair Act to protect consumers from deceptive practices.

XI.

Unclaimed Property Section - The Administrator is the custodian of abandoned property reported by various businesses, both foreign and domestic. After attempts to locate owners are completed, any property not refunded is placed in the general fund.

XII.

Protection and Advocacy Program - The Project Director advocates for and on behalf of developmentally disabled individuals located throughout the state. Advocacy includes any necessary services--information and referral, counseling, negotiation, and litigation in order to secure those social services to which the individual is entitled but not receiving.

ASSEMBLY COMMERCE COMMITTEE

GUEST LIST

DATE: 2-4-81

PLEASE PRINT YOUR NAME	PLEASE PRINT WHO YOU REPRESENT	I WISH TO SPEAK		
		FOR	AGAINST	BILL NO.
M. GENE MATTEUCCI	NEV POWER Co.		✓	AB66
L. R. JARITY	" " "		✓	"
Keith GRANT	" " "		✓	"
MAX L. JONES JR.	SIERRA PACIFIC POWER Co.		✓	AB66
Vergil ARACINI	" " " "			
William C. BRANCH	" " " "			
Chuck King	" " " "			
VINCE LAURAGA	" " " "			
Joe Cathcart	City of North Las Vegas			
DAVID C. SCHWARTZ	Coalition for Affordable Energy	✓		
JOHN MANDOLE	ASSOC. GEN. INTL.	✓		
Andrew BARBANO	Coalition For AFFORDABLE Energy	✓		
CHUCK KING	OPEN TEL		✓	AB66

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