

MINUTES OF THE
MEETING OF THE SENATE COMMITTEE
ON COMMERCE AND LABOR

SIXTY-FIRST SESSION
NEVADA STATE LEGISLATURE
February 16, 1981

The Senate Committee on Commerce and Labor was called to order by Chairman Thomas R. C. Wilson, at 1:30 p.m., Monday, February 16, 1981, in Room 213 of the Legislative Building, Carson City, Nevada. Exhibit A is the Meeting Agenda. Exhibit B is the Attendance Roster.

COMMITTEE MEMBERS PRESENT:

Senator Thomas R. C. Wilson, Chairman
Senator Richard Blakemore, Vice Chairman
Senator Don Ashworth
Senator Melvin Close
Senator William Hernstadt
Senator Clifford McCorkle
Senator William Raggio

STAFF MEMBER PRESENT:

Betty Steele, Committee Secretary

Chairman Wilson explained the committee wished to review several matters from last meeting.

SENATE BILL NO. 125

Chairman Wilson stated the utilities asked to be heard on the matter since if they do not get approval from the state, it would be necessary to get approval from the federal board. Those utilities responding were Sierra Pacific Power Company, Nevada Power Company, Southwest Gas Company, and Union Pacific Railroad.

Mr. Clark Guild, representing Southwest Gas Company and Union Pacific Railroad, commented his understanding of this legislation, Senate Bill No. 125, was that it was probably directed against Southwest Gas. He reviewed some pertinent provisions of the bill as it pertained to an energy utility but said it also appeared to cover railroads. He indicated the utility would prefer to be subject to the present law, remaining under the jurisdiction of the state agency.

MEETING OF THE SENATE COMMITTEE ON COMMERCE AND LABOR
FEBRUARY 16, 1981

Senator Wilson indicated that, if the committee had preference, they would repeal the entire section and remove jurisdiction from the public service commission to issue any securities at all for the utilities or railroads, whether foreign or domestic to the State of Nevada. However, the bill is being re-considered because the utilities indicated their preference for state agency jurisdiction.

In response to Senator Close's question, Mr. Guild indicated that Union Pacific Railroad was regulated by the public service commission to a certain extent since they come within the definition of public utilities under NRS 704.020. (See Exhibit C, copy given to members of committee and secretary for the record.)

Mr. Gene Matteucci, vice president, and chief counsel of Nevada Power Company, introduced Mr. Charles Lenzie, Sr., vice president of finance, Nevada Power Company. Mr. Matteucci stated he and Mr. Lenzie were in opposition to Senate Bill 125. (See Exhibit D, Mr. Lenzie's testimony.)

Senator Wilson stated again the purpose of this meeting is to decide whether or not to kill the bill. He emphasized the amendment, voted for by the committee in a prior meeting, would end the bill by effectively repealing a provision giving the public service commission jurisdiction to approve the issuance of securities by Nevada utilities. Mr. Matteucci commented the utilities would prefer the committee to kill the bill and leave the statute as is. Mr. Lenzie added if the pertinent section of Nevada Revised Statutes were repealed, the utilities would have to go to the federal regulatory commission for approval on their security transactions, and they prefer to avoid doing that.

Mr. Bill Branch, vice president, controller of Sierra Pacific Power Company, stated he endorsed the comments of the Nevada Power Company representatives and submitted to the committee the pertinent section of the federal energy regulatory commission's jurisdiction, should the state give up their jurisdiction over issuance of utility securities. (See Exhibit E.) He indicated since at least 85 percent of Sierra Pacific's business is in the State of Nevada, and they must get California's approval as well, they should get approval of securities issuance from the states in which they operate.

Senator Raggio suggested, from previous testimony submitted, that public service commission approval usually takes about

MEETING OF THE SENATE COMMITTEE ON COMMERCE AND LABOR
FEBRUARY 16, 1981

thirty days to be processed. Mr. Walter Hernandez, representing the public service commission, affirmed Senator Raggio's statement, and added that California approval usually takes about six weeks.

There was general discussion regarding the issuance of the utilities' securities in various states and with federal commission approval and the time lags thereto.

With no further testimony, Vice Chairman Blakemore closed this hearing on Senate Bill No. 125.

SENATE BILL NO. 134

Vice Chairman Blakemore opened the hearing on Senate Bill No. 134 which pertains to regulation of certain pipelines for natural gas.

Mr. Phil Herrington, director of the department of building and safety for the City of Reno, stated Chairman Wilson has asked him to appear before the committee with regard to inspections on piping from a master meter into structures or mobile homes. He emphasized that the meters are inspected any time there are interruptions of the status quo on a line and the valves are not turned back on by Sierra Pacific Power Company until approval is received from the City of Reno building department. He stated this was the mode of operation also in the City of Sparks and the Washoe County building department.

In response to Senator Ashworth's questions, Mr. Herrington said they had about 19 field inspectors but a licensed plumbing contractor or licensed gas installer was required to perform the testing of pipelines or meters; and in the case of high pressure lines it is just a matter of verifying the pressure is held for a specified time period.

Responding to Senator Blakemore's request for an explanation to the committee of the difference in high pressure versus normal gas pipe pressure, Mr. Herrington explained that high pressure lines in the City of Reno are black iron pipe, with yellow wrapping, coming from the meter into the facility served. He told Senator Close the safety standards followed conformed to the Uniform Plumbing Code, as applicable to natural gas lines. In answer to Senator Ashworth's question, Mr. Herrington stated the only reason he could see for public service commission regulation of this function was that, in the smaller counties, the inspections may not be performed. He said the City of Las Vegas

MEETING OF THE SENATE COMMITTEE ON COMMERCE AND LABOR
FEBRUARY 16, 1981

and Clark County, under the department of building and safety, followed the same practices as the City of Reno.

Senator Raggio inquired if Mr. Herrington was familiar with the provisions of Senate Bill No. 134. Mr. Herrington replied he had read it and understood the public service commission would like jurisdiction from the meter, whether master meter or not, to the structure. In response to Senator McCorkle's statement, Mr. Herrington said that overlapping jurisdictions can lead to arguments and he would like to see a definite decision as to the responsibility. Senator Ashworth commented the committee's concern, due to only two federal inspectors available, was to see if the counties were capable of handling the inspections adequately.

There was general discussion among the senators, Mr. Herrington and Mr. Hernandez regarding the provisions of the bill, the lack of adequate federal inspection it was meant to remedy, and the performance of local governments in inspection and testing. There were statements of definition of the functions, and necessity for the public service commission to oversee and enforce the performance of local building departments in these duties. With regard to overlapping jurisdictions, Senator Wilson stated the public service commission would merely be one of several. Mr. Hernandez replied the New Pipeline Act of 1979, charged the U.S. Department of Transportation to clarify the master meter operator, at what point the jurisdiction of the master meter operator ends, and when it is turned over to the jurisdiction of the state. That report is due May 30, 1981, but Senator Wilson stated the committee could not wait for that and would have to proceed on the limited knowledge they have.

With no further testimony, Chairman Wilson closed this hearing on Senate Bill No. 134.

Senator Hernstadt inquired whether Mr. Hernandez and Mr. Herrington would be around to testify on Senate Bill No. 137, which deals with same subject as Senate Bill No. 134. He said the bill gives the public service authority to go into mobile home parks and order resumption of service where it has been discontinued. He stated he had an amendment to submit to that bill. Mr. Hernandez commented that Mr. John Clark was handling that bill. Senator Wilson said the amendment should be submitted to the public service commission for review. (See Exhibit F, Amendment #45 to Senate Bill No. 137.)

MEETING OF THE SENATE COMMITTEE ON COMMERCE AND LABOR
FEBRUARY 16, 1981

SENATE BILL NO. 125 (Exhibit G)

The hearing was re-opened for voting action on Senate Bill No. 125.

Senator Close moved that Senate Bill No. 125 be indefinitely postponed.

Senator Hernstadt seconded the motion.

Chairman Wilson did not call for a vote on the motion, and no action was taken. The motion and second were not withdrawn.

Discussion was re-opened on the question of the utilities bringing gas into the state and therefore being responsible for going before the public service commission for approval on selling securities. The examples of California and Arizona compliance were noted. Senator Close stated every other utility in Nevada must go before the commission for approval except Southwest Gas Company at this time. There was general agreement that since the domestic, local utility companies must comply with the regulations, those from out-of-state should comply also.

Senator McCorkle moved that Senate Bill No. 125 be indefinitely postponed.

Senator Blakemore seconded the motion.

The motion carried. (Senator Close voted "No".)

BDR 9-140

Senator Wilson stated he thought the committee had voted on this BDR, but he could not find it.

BDR 54-168 (SB 239)

Senator Wilson asked for approval of the committee to introduce BDR 54-168, which makes various changes to the law governing the practice of traditional Oriental medicine, otherwise known as acupuncture.

The committee unanimously agreed to introduction of BDR 54-168.

BDR TO BE DRAFTED (Exhibit H)

Senator Wilson stated he had a request from the Nevada State

MEETING OF THE SENATE COMMITTEE ON COMMERCE AND LABOR
FEBRUARY 16, 1981

Board of Landscape Architecture, asking for preparation and introduction of a BDR which amends Chapter 623 of Nevada Revised Statutes. In effect, it would give the board jurisdiction to provide for certification of licensure upon reciprocity with foreign countries, etc.

The committee unanimously agreed to preparation and introduction of the requested bill drafting request. (SB 553)

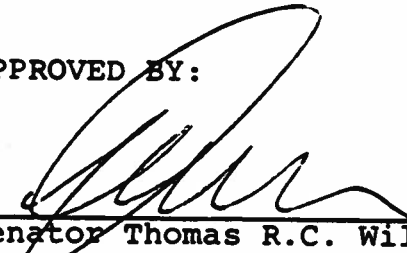
Chairman Wilson stated he wanted to start meetings on time and would appreciate the cooperation of the committee members.

There being no further business, the meeting adjourned at 2:38 p.m.

Respectfully submitted by:


Betty Steele, Committee Secretary

APPROVED BY:



Senator Thomas R.C. Wilson, Chairman

DATE: _____

EXHIBITS, FEBRUARY 16 MEETING

Exhibit A is the Meeting Agenda

Exhibit B is the Attendance Roster

Exhibit C is Copy of NRS section 704.020

Exhibit D is Testimony of Charles Lenzies, Sr.,
Nevada Power Company

Exhibit E is Copy of Part 20, Chapter 1, Federal
Energy Regulatory Commission regulations

Exhibit F is Amendment #45 to Senate Bill No. 137

Exhibit G is Senate Bill No. 125

Exhibit H is Memorandum, dated February 12, 1981, to
Senator Thomas R.C. Wilson, from Nevada
State Board of Landscape Architecture

SENATE AGENDA

COMMITTEE MEETINGS

EXHIBIT A

Committee on COMMERCE AND LABOR, Room 213.

Day Monday, Date February 16, Time 1:30 p.m.

Legislation Request--To be added to NRS 623A.190 Examinations: Time; nature; grades; waiver of examination.

Amendment No. 45 to S. B. No. 137--Provides penalties for violation of certain regulations relating to pipelines.

S. B. No. 134--Allows Public Service Commission to regulate certain pipelines for natural gas.

Amendment No. 39 to S. B. No. 125--Requires foreign public utility companies to obtain authorization from Public Service Commission before issuing securities.

BDR 9-140--Changes place to file to perfect certain security interests and provides filing and indexing fee and procedure for federal tax liens.

BDR 54-168--Makes various changes to law governing practice of traditional Oriental medicine.

REGULATION OF PUBLIC UTILITIES

GENERAL PROVISIONS AND DEFINITIONS

704.010 "Commission" defined. As used in this chapter, "commission" means the public service commission of Nevada.

704.015 "Person" defined. As used in this chapter, "person" means any individual, firm, association, partnership, corporation, lessee, trustee, receiver or company engaged in or intending to engage in the operation of a public utility.

(Added to NRS by 1969, 1161)

704.020 "Public utility" defined.

1. As used in this chapter, "public utility" shall mean and embrace:

(a) Any person, partnership, corporation, company, association, their lessees, trustees or receivers (appointed by any court whatsoever) that now, or may hereafter, own, operate, manage, or control any railroad or part of a railroad as a common carrier in this state, or cars or other equipment used thereon, or bridges, terminals, or sidetracks, or any docks or wharves or storage elevators used in connection therewith, whether owned by such railroads or otherwise.

(b) Express companies, telegraph and telephone companies.

(c) Any plant, property or facility furnishing facilities to the public for the transmission of intelligence via electricity. The provisions of this paragraph do not apply to interstate commerce.

(d) Radio or broadcasting instrumentalities providing common or contract service and aircraft common and contract carriers.

(e) All companies which may own cars of any kind or character, used and operated as a part of railroad trains, in or through this state.

All duties required of and penalties imposed upon any railroad or any officer or agent thereof shall, insofar as the same are applicable, be required of and imposed upon the owner or operator of such express companies, telegraph and telephone, radio, broadcasting, aircraft companies, and companies which may own cars of any kind or character, used and operated as a part of railroad trains in or through this state, and their officers and agents, and the commission shall have the power of supervision and control of all such companies and individuals to the same extent as of railroads.

(f) Community antenna television companies.

2. "Public utility" shall also embrace:

(a) Any person, partnership, corporation, company, association, their lessees, trustees or receivers (appointed by any court whatsoever) that now or hereafter may own, operate or control any ditch, flume, tunnel or tunnel and drainage system, charging rates, fares or tolls, directly or indirectly.

(b) Any plant or equipment, or any part of a plant or equipment, within the state for the production, delivery or furnishing for or to other persons, firms, associations, or corporations, private or municipal, heat, gas, coal slurry, light, power in any form or by any agency, water for business, manufacturing, agricultural or household use, or sewerage service, whether within the limits of municipalities, towns or villages, or elsewhere.

The commission is hereby invested with full power of supervision, regulation and control of all such utilities, subject to the provisions of this chapter and to the exclusion of the jurisdiction, regulation and control of such utilities by any municipality, town or village, unless otherwise provided by law.

3. The provisions of this chapter and the term "public utility" shall apply to:

(a) The transportation of passengers and property by aircraft common and contract carriers, except helicopters used on construction projects, and the transmission or receipt of messages, intelligence or entertainment, between points within the state.

(b) The receiving, switching, delivering, storing and hauling of such property, and receiving and delivering messages.

(c) All charges connected therewith, including icing charges and mileage charges.

(d) All railroads, express companies, car companies, and all associations of persons, whether incorporated or otherwise, that shall do any business as a common carrier upon or over any line of railroad within this state.

(e) Any common or contract carrier engaged in the transportation of passengers and property, except common or contract motor carriers subject to the provisions of chapter 706 of NRS.

[Part 7:109:1919; A 1925, 243; 1928, 58; NCL § 6106]—(NRS A 1963, 10, 811, 1115; 1967, 1230; 1969, 1155; 1971, 724; 1977, 630)

704.030 Persons not included in "public utility." [Effective until January 1, 1980.] "Public utility," as used in this chapter, shall not include:

1. Corporations, companies, individuals, associations of individuals, their lessees, trustees or receivers (appointed by any court whatsoever) insofar as they own, control, operate or manage motor vehicles operated as hearses, ambulances or hotel buses engaged in the transportation of persons for hire exclusively within the limits of a city of the State of Nevada.

2. Corporations, companies, individuals or associations of individuals engaged in the production and sale of natural gas, other than sales to the public, or engaged in the transmission thereof other than as a common carrier transmission or distribution line or system.

3. Corporations, cooperatives, nonprofit corporations or associations, companies, individuals, associations of individuals, their lessees, trustees or receivers appointed by any court whatsoever, engaged in the

NEVADA POWER COMPANY
TESTIMONY OF CHARLES A. LENZIE
SENIOR VICE PRESIDENT-FINANCE AND ACCOUNTING SERVICES
BEFORE THE SENATE COMMITTEE ON COMMERCE AND LABOR

EXHIBIT D

Under the Federal Power Act, if NRS 704.323 is repealed, any future security issues by Nevada Power Company would be subject to approval and authorization by the Federal Energy Regulatory Commission in Washington, D.C.

Enclosed with these remarks is a copy of the pertinent sections of the Federal Power Act. As indicated in the enclosure, the requirement of authorization by the Federal Energy Regulatory Commission does not presently extend to the security issues of Nevada Power since such issues are regulated by the Nevada Public Service Commission.

The Public Service Commission of Nevada is much more familiar with the situation here in Nevada and, in our opinion, would be in a much better position than the Federal Energy Regulatory Commission to rule upon the Company's security issues.

I have spoken with the chief financial officer of Montana-Dakota Utilities Company about their situation because they presently have to obtain approval of their security transactions from the Federal Energy Regulatory Commission. He informs me that getting the necessary approval from FERC takes them a minimum of sixty days. Our experience has been that it takes about thirty days to get approval from the Public Service Commission of Nevada for security issues.

We are extremely concerned about potential delays on security offerings, especially with the high degree of volatility in the financial markets these days. It would not be improbable that any delay in marketing securities could result in higher interest rates when the securities are marketed. This higher interest rates would ultimately be reflected in the electric bills to customers.

It should also be noted that at times private placements of securities directly with large lending institutions are desirable because of conditions in the public financial markets. The rules of the Federal Energy Regulatory Commission require competitive public offerings of securities. To obtain an exemption allowing private placements requires a very detailed filing with the Federal Energy Regulatory Commission and could further delay the security offering--again, to the detriment of the utility's customers.

We urge that NRS 704.323 not be repealed and the approval for Nevada Power Company security offerings remain with the Public Service Commission of Nevada.

Chapter 12.—FEDERAL REGULATION AND DEVELOPMENT OF POWER

SUBCHAPTER I—REGULATION OF THE DEVELOPMENT OF WATER POWER AND RESOURCES

- Sec.
791. Repealed.
791a. Short title.
792. Federal Power Commission; creation; number; appointment; term; qualifications; vacancies; quorum; chairman; salary; place of holding sessions.
793. Same; officers and employees; appointment, duties, and salaries; detail of officers and employees from other departments; expenditures authorized.
793a. Repealed.
794. Omitted.
795. Omitted.
796. Definitions.
797. General powers of Commission.
 (a) Investigations and data.
 (b) Statements as to investment of licenses in projects; access to projects, maps and so forth.
 (c) Cooperation with executive departments; information and aid furnished commission.
 (d) Publication of information, and so forth; reports to Congress.
 (e) Issue of licenses for construction, and so forth, of dams, conduits, reservoirs, and so forth.
 (f) Preliminary permits; notice of application.
 (g) Investigation of occupancy for developing power; orders.
797a. Congressional authorization for permits, licenses, leases, or authorizations for dams, conduits, reservoirs, etc., within national parks or monuments.
798. Purpose and scope of preliminary permits; transfer and cancellation.
799. License; duration, conditions, revocation, alteration, or surrender.
800. Preferences in issuance of preliminary permits or licenses; development of water resources by Government; taking over of projects by Government when licenses expire.
801. Transfer of license; obligations of transferee.
802. Information to accompany application for license.
803. Conditions of license generally.
 (a) Modification of plans, etc., to secure adaptability of project.
 (b) Alterations in project works.
 (c) Maintenance and repair of project works; liability of licensee for damages.
 (d) Amortization reserves.
 (e) Annual charges payable by licensee.
 (f) Reimbursement by licensee of other licensees, and so forth.
 (g) Conditions in discretion of commission.
 (h) Monopolistic combinations prohibited.
 (i) Waiver of conditions.
804. Project works affecting navigable waters; requirements insertable in license.
805. Participation by Government in costs of locks, and so forth.
806. Time limit for construction of project works; extension of time; termination or revocation of licenses for delay.
807. Right of Government to take over project works.
 (a) Compensation; condemnation by Federal or State Government.
 (b) Time of applications for new licenses; relicensing proceedings; Federal agency recommendations of take over by Government; stay of orders for new licenses; termination of stay; notice to Congress.
808. New licenses and renewals; compensation of old licensee; licenses for nonpower use; record-keeping.
809. Temporary use by Government of project works for national safety; compensation for use.

- Sec.
810. Disposition of charges arising from licenses.
811. Operation of navigation facilities; rules and regulations; penalties.
812. Public-service licenses; regulations by State or by commission as to service, rates, charges, etc.
813. Power entering into interstate commerce; regulation of rates, charges, and so forth.
814. Exercise by licensee of power of eminent domain.
815. Contract to furnish power extending beyond period of license; obligations of new licensee.
816. Preservation of rights vested prior to June 10, 1920.
817. Projects not affecting navigable waters; necessity for Federal license.
818. Public lands included in project; reservation of lands from entry.
819. Repealed.
820. Proceedings for revocation of license or to prevent violations of license.
821. State laws and water rights unaffected.
822. Reservation of right to alter or repeal chapter.
823. Repeal of inconsistent laws.
823a. Conduit hydroelectric facilities.
 (a) Exemption qualifications.
 (b) Facilities with installation capacity greater than 15 megawatts.
 (c) Consultation with Federal and State agencies.
 (d) Violation of terms of exemption.
- SUBCHAPTER II—REGULATION OF ELECTRIC UTILITY COMPANIES ENGAGED IN INTERSTATE COMMERCE
824. Declaration of policy; application of subchapter; definitions.
824a. Interconnection and coordination of facilities; emergencies; transmission to foreign countries.
 (a) Regional districts; establishment; notice to State commissions.
 (b) Sale or exchange of energy; establishing physical connections.
 (c) Temporary connection and exchange of facilities during emergency.
 (d) Temporary connection during emergency by persons without jurisdiction of Commission.
 (e) Transmission of electric energy to foreign country.
 (f) Transmission or sale at wholesale of electric energy; regulation.
 (g) Continuance of service.
824a-1. Pooling.
 (a) State laws.
 (b) Pooling study.
824a-2. Reliability.
 (a) Study.
 (b) Examination of reliability issues by reliability councils.
 (c) Department of Energy recommendations.
824a-3. Cogeneration and small power production.
 (a) Cogeneration and small power production rules.
 (b) Rates for purchases by electric utilities.
 (c) Rates for sales by utilities.
 (d) Definition.
 (e) Exemptions.
 (f) Implementation of rules for qualifying cogeneration and qualifying small power production facilities.
 (g) Judicial review and enforcement.
 (h) Commission enforcement.
 (i) Federal contracts.
 (j) Definitions.
824a-4. Seasonal diversity electricity exchange.
 (a) Authority.
 (b) Permit.
 (c) Title acquisition by other means.
 (d) Payments by permittees.
 (e) Federal law governing Federal lands.
 (f) Reports.

- Sec.**
824b. Disposition of property; consolidations; purchase of securities.
824c. Issuance of securities; assumption of liabilities; filing duplicate reports with Securities and Exchange Commission.
824d. Rates and charges; schedules; suspension of new rates.
824e. Power of Commission to fix rates and charges; determination of cost of production or transmission.
824f. Ordering furnishing of adequate service.
824g. Ascertainment of cost of property and depreciation.
824h. Joint boards; composition; references to boards by Commission; cooperation with State commissions.
824i. Interconnection authority.
 (a) Powers of Commission; application by state regulatory authority.
 (b) Notice, hearing and determination by Commission.
 (c) Necessary findings.
 (d) Motion of Commission.
 (e) Definitions.
824j. Wheeling authority.
 (a) Transmission service by any electric utility; notice, hearing and findings by Commission.
 (b) Transmission service by sellers of electric energy for resale; notice, hearing and determinations by Commission.
 (c) Preservation of competitive relationships; replacement of electric energy; inconsistent state laws.
 (d) Termination or modification of order; notice, hearing and findings of Commission; contents of order; inclusion in order of terms and conditions agreed upon by parties.
 (e) Definitions.
824k. Orders requiring interconnection or wheeling.
 (a) Determinations by Commission.
 (b) Reimbursement of parties subject to orders.
 (c) Issuance of proposed order; agreement; by parties to terms and conditions of order; approval by Commission; inclusion in final order; failure to agree.
 (d) Statement of reasons for denial.
 (e) Utilization of interconnection or wheeling authority in lieu of other authority; limitation of Commission authority.
 (f) Effective date of order; hearing; notice; review.

SUBCHAPTER III—LICENSEES AND PUBLIC UTILITIES; PROCEDURAL AND ADMINISTRATIVE PROVISIONS

- 825.** Accounts, records and memoranda; duty to keep; examination by Commission; disclosure of information.
825a. Rates of depreciation; notice to State authorities before fixing.
825b. Requirements applicable to agencies of United States.
825c. Periodic and special reports; obstructing filing reports or keeping accounts, etc.
825d. Officials dealing in securities; declaring dividends out of capital account; interlocking directorates; statement of prior positions; definitions.
825e. Complaints.
825f. Investigations by Commission; attendance of witnesses; dispositions.
825g. Hearings; rules of procedure.
825h. Administrative powers of Commission; rules, regulations, and orders.
825i. Appointment of officers and employees; compensation.
825j. Investigations relating to electric energy; reports to Congress.
825k. Publication and sale of reports.
825l. Rehearings; court review of orders.

- Sec.**
825m. Restraining violations; mandamus to compel compliance with law; employment of attorneys.
825n. Penalties.
825o. Penalties.
825p. Jurisdiction of offenses; enforcement of liabilities and duties.
825q. Conflict of jurisdiction.
825q-1. Office of Public Participation.
825r. Separability of provisions.
825s. Sale of electric power from reservoir projects; rate schedules; preference in sale; construction of transmission lines; disposition of moneys.
825s-1. Same; southwestern area; disposition of receipts; creation of continuing fund; use of fund.
825s-2. Same; southeastern area; disposition of receipts; creation of continuing fund; use of fund.
825s-3. Southwestern area sale at uniform system-wide rates of electric power over transmission lines constructed with appropriated funds or used under contractual arrangements.
825t. Utilization of power revenues.
825u. Interest rate on power bonds held by Administrator of General Services.

SUBCHAPTER IV—STATE AND MUNICIPAL WATER CONSERVATION FACILITIES

- 828.** Facilitation of development and construction of water conservation facilities; exemption from certain Federal requirements.
828a. Definitions.
828b. Exemption from formula, books and records, and project cost statement requirements; annual charges.
828c. Applicability of this chapter.

APPLICATION TO NATIONAL PARKS

- Acadia National Park, see section 347b of this title.
 Big Bend National Park, see section 158 of this title.
 Bryce Canyon National Park, see section 402e of this title.
 Carlsbad Caverns National Park, see section 407b of this title.
 Everglades National Park, see section 410b of this title.
 Grand Canyon National Park, see section 221b of this title.
 Great Smoky Mountains National Park, see section 403b of this title.
 Isle Royale National Park, see section 408b of this title.
 Lands reserved for park purposes in Coos County, Oregon, see section 405 of this title.
 Lassen Volcanic National Park, see sections 201b, 204l, 205a, and 207a of this title.
 Mammoth Cave National Park, see section 404b of this title.
 Mount Rainier National Park, see section 108 of this title.
 Rocky Mountain National Park, see section 197 of this title.
 Shenandoah National Park, see section 403b of this title.
 Yellowstone National Park, see section 21b of this title.
 Yosemite National Park, see section 477 of this title.

CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in title 25 section 326.

SUBCHAPTER I—REGULATION OF THE DEVELOPMENT OF WATER POWER AND RESOURCES

Section 212 of act of Aug. 26, 1935, ch. 687, 49 Stat. 847, provided that sections 1 to 29 of the Federal Water Power Act, as amended (sections 792, 793, 794 [eliminated], 795—797, 798—818, 819 [repealed], and 820—823 of this title) shall constitute Subchapter I of the act, as set out above. Said section 212 also repealed sections 25 and 30 of the act (former sections 819, 791 of this title). It also contained a proviso as follows: "That nothing in that Act, as amended, shall be construed to repeal or amend the provisions of the amendment to the Federal Water Power Act approved March 3, 1921 (41 Stat. 1353 [section 797 of this title]), or the provisions of any other Act relating to national parks and national monuments."

Commission finds that the proposed disposition, consolidation, acquisition, or control will be consistent with the public interest, it shall approve the same.

(b) The Commission may grant any application for an order under this section in whole or in part and upon such terms and conditions as it finds necessary or appropriate to secure the maintenance of adequate service and the coordination in the public interest of facilities subject to the jurisdiction of the Commission. The Commission may from time to time for good cause shown make such orders supplemental to any order made under this section as it may find necessary or appropriate. (June 10, 1920, ch. 285, § 203, as added Aug. 26, 1935, ch. 687, title II, § 213, 49 Stat. 849.)

TRANSFER OF FUNCTIONS

All executive and administrative functions of the Federal Power Commission were, with certain reservations, transferred to the Chairman of such Commission, with authority vested in him to authorize their performance by any officer, employee, or administrative unit under his jurisdiction, by 1950 Reorg. Plan No. 9, §§ 1, 2, eff. May 24, 1950, 15 F. R. 3175, 64 Stat. 1265, set out as a note under section 792 of this title.

§ 824c. Issuance of securities; assumption of liabilities; filing duplicate reports with Securities and Exchange Commission.

(a) No public utility shall issue any security or assume any obligation or liability as guarantor, indorser, surety, or otherwise in respect of any security of another person, unless and until, and then only to the extent that, upon application by the public utility, the Commission by order authorizes such issue or assumption of liability. The Commission shall make such order only if it finds that such issue or assumption (a) is for some lawful object, within the corporate purposes of the applicant and compatible with the public interest, which is necessary or appropriate for or consistent with the proper performance by the applicant of service as a public utility and which will not impair its ability to perform that service, and (b) is reasonably necessary or appropriate for such purposes. The provisions of this section shall be effective six months after August 26, 1935.

(b) The Commission, after opportunity for hearing, may grant any application under this section in whole or in part, and with such modifications and upon such terms and conditions as it may find necessary or appropriate, and may from time to time, after opportunity for hearing and for good cause shown, make such supplemental orders in the premises as it may find necessary or appropriate, and may by any such supplemental order modify the provisions of any previous order as to the particular purposes, uses, and extent to which, or the conditions under which, any security so theretofore authorized or the proceeds thereof may be applied, subject always to the requirements of subsection (a) of this section.

(c) No public utility shall, without the consent of the Commission, apply any security or any proceeds thereof to any purpose not specified in the Commission's order, or supplemental order, or to any purpose in excess of the amount allowed for such purpose in such order, or otherwise in contravention of such order.

(d) The Commission shall not authorize the capitalization of the right to be a corporation or of any

franchise, permit, or contract for consolidation, merger, or lease in excess of the amount (exclusive of any tax or annual charge) actually paid as the consideration for such right, franchise, permit, or contract.

(e) Subsection (a) of this section shall not apply to the issue or renewal of, or assumption of liability on, a note or draft maturing not more than one year after the date of such issue, renewal, or assumption of liability, and aggregating (together with all other then outstanding notes and drafts of a maturity of one year or less on which such public utility is primarily or secondarily liable) not more than 5 per centum of the par value of the other securities of the public utility then outstanding. In the case of securities having no par value, the par value for the purpose of this subsection shall be the fair market value as of the date of issue. Within ten days after any such issue, renewal, or assumption of liability, the public utility shall file with the Commission a certificate of notification, in such form as may be prescribed by the Commission, setting forth such matters as the Commission shall by regulation require.

(f) The provisions of this section shall not extend to a public utility organized and operating in a State under the laws of which its security issues are regulated by a State commission.

(g) Nothing in this section shall be construed to imply any guarantee or obligation on the part of the United States in respect of any securities to which the provisions of this section relate.

(h) Any public utility whose security issues are approved by the Commission under this section may file with the Securities and Exchange Commission duplicate copies of reports filed with the Federal Power Commission in lieu of the reports, information, and documents required under sections 77g, 78l, and 78m of Title 15. (June 10, 1920, ch. 285, § 204, as added Aug. 26, 1935, ch. 687, title II, § 213, 49 Stat. 850.)

TRANSFER OF FUNCTIONS

All executive and administrative functions of the Federal Power Commission were, with certain reservations, transferred to the Chairman of such Commission, with authority vested in him to authorize their performance by any officer, employee, or administrative unit under his jurisdiction, by 1950 Reorg. Plan No. 9, §§ 1, 2, eff. May 24, 1950, 15 F. R. 3175, 64 Stat. 1265, set out as a note under section 792 of this title.

All executive and administrative functions of the Securities and Exchange Commission were, with certain exceptions, transferred to the Chairman of such Commission, with authority vested in him to authorize their performance by any officer, employee, or administrative unit under his jurisdiction, by 1950 Reorg. Plan No. 10, §§ 1, 2, eff. May 24, 1950, 15 F. R. 3175, 64 Stat. 1265, set out in the Appendix to Title 5, Government Organization and Employees.

§ 824d. Rates and charges; schedules; suspension of new rates.

(a) All rates and charges made, demanded, or received by any public utility for or in connection with the transmission or sale of electric energy subject to the jurisdiction of the Commission, and all rules and regulations affecting or pertaining to such rates or charges shall be just and reasonable, and any such rate or charge that is not just and reasonable is hereby declared to be unlawful.

(b) No public utility shall, with respect to any transmission or sale subject to the jurisdiction of the Commission, (1) make or grant any undue prefer-

~~license order shall automatically become effective in accordance with its terms. The Commission will notify Congress of each license order which has become effective by reason of the expiration or termination of a stat.~~

§ 16.11. Procedures upon congressional authorization of takeover.

A determination whether or not there is to be a Federal takeover of a project could ultimately be made by Congress through the enactment of appropriate legislation. If Congress authorizes takeover, the Secretary will immediately give the licensee not less than 2 years notice in writing of such action. Within 6 months of issuance of such notice the licensee shall present to the Commission any claim for compensation consistent with the provisions of section 14 of the Federal Power Act and the regulations of the Commission.

§ 16.12. Renewal of minor or minor part license or short-form license (minor) not subject to sections 14 and 15.

A licensee whose minor or minor part license or short-form license (minor) is not subject to sections 14 and 15 of the act and who wishes to continue operation of the project after the end of the license term shall file an application for a "new license" year prior to the expiration of the original license in accordance with applicable provisions of Part 4 of this chapter. Each application for new license under this section shall conform to § 131.6 of this chapter, and shall set forth all information and exhibits prescribed in § 4.60 of this chapter.

16 U.S.C. 792 et seq.; Pub. L. 95-91; E.O. 2009, 42 FR 46267)

43 FR 40217, Sept. 11, 1978)

16.13. Acceptance for filing or rejection of application.

Acceptance for filing or rejection of applications under this Part shall be in accordance with the provisions of § 4.31 of this chapter.

PART 20—AUTHORIZATION OF THE ISSUANCE OF SECURITIES BY LICENSEES AND COMPANIES SUBJECT TO SECTIONS 19 AND 20 OF THE FEDERAL POWER ACT

Sec.

20.1 Applicability.

20.2 Regulation of issuance of securities.

§ 20.1. Applicability.

(a) *Without special proceeding for regulation.* Every security issue within the scope of the jurisdiction conferred upon the Commission by sections 19 and 20 of the Federal Power Act shall be subject to the provisions of § 20.2, except a security issue by a person organized and operating in a State under the laws of which its security issues are regulated by a State commission, or by any one described in subsection 201(f) of the act. No other security issue within the scope of sections 19 and 20 shall be subject to § 20.2 except as provided in paragraph (b) of this section.

(b) *Reservation of possibility of regulation in other cases.* Not later than 10 days prior to any proposed security issuance which is within the scope of section 19 or section 20 of the act, but excepted by paragraph (a) of this section, any person or state entitled to do so under section 19 or section 20, may file a complaint or request in accordance with the applicable rules of the Commission, or the Commission upon its own motion may by order initiate a proceeding, raising the question whether issuance of such security should be subjected by Commission order to the provisions of § 20.2. After notice of such filing or order, and until such request or complaint is denied or dismissed or the proceeding initiated by such order is terminated without subjecting the issuance of the security to the provisions of § 20.2, the security in question shall not be issued except it be issued subject to and in compliance with § 20.2.

(Secs. 3(16), 19, 20, 41 Stat. 1063, 1073; Secs. 201, 309, 49 Stat. 838, 858, 16 U.S.C. 796 (16), 812, 813, 825k)

Order 170, 19 FR 2013, Apr. 8, 1954)

§ 20.2

Title 18—Conservation of Power, Water Resource

§ 20.2 Regulation of issuance of securities.

The licensee or other person issuing or proposing to issue any security subject to this section by or pursuant to § 20.1, shall be subject to and shall comply with the same requirements as the Commission would administer to it if it were a public utility issuing the security within the meaning and subject to the requirements of section 204 of the act and Part 34 of this subchapter.

(Secs. 3(16), 19, 20, 41 Stat. 1063, 1073; Secs. 201, 309, 49 Stat. 838, 858; 16 U.S.C. 796 (16), 812, 813, 825k)

(Order 170, 19 FR 2013, Apr. 8, 1954)

Cross Reference: For applications for authorization of the issuance of securities or the assumption of liabilities, see Part 34 of this chapter.

PART 24—DECLARATION OF INTENTION

§ 21.1 Filing.

An original and ten conformed copies of each declaration of intention under the provisions of section 23(b) of the act shall be filed. The declaration shall give the name and post office address of the person to whom correspondence in regard to it shall be addressed, and shall be accompanied by:

(a) A brief description of the proposed project and its purposes, including such data as maximum height of the dams, a storage capacity curve of the reservoir or reservoirs showing the maximum, average, and minimum operating pool levels, the initial and ultimate installed capacity of the project, the rated horsepower and head on the turbines, and a curve of turbine discharge versus output at average and minimum operating heads.

(b) (1) A general map (one tracing and three prints) of any convenient size and scale, showing the stream or streams to be utilized and the approximate location and the general plan of the project.

(2) Also a detailed map of the proposed project area showing all Federal lands, and lands owned by States, if any, occupied by the project.

(3) A profile of the river within the vicinity of the project showing the lo-

cation of the proposed project and any existing improvements in the river.

(4) A duration curve and hydrograph for the natural and proposed regulated flows at the dam site. Furnish references to the published stream flow records used and submit copies of any unpublished records used in preparation of these curves.

(c) (1) A definite statement of the proposed method of utilizing storage or pondage seasonally, weekly and daily, during periods of low and normal flows after the plant is in operation and the system load has grown to the extent that the capacity of the plant is required to meet the load. For example, furnish:

(i) Hydrographs covering a 10-day low water period showing the natural flow of the stream and the effect thereon caused by operations of the proposed power plant;

(ii) Similar hydrographs covering a 10-day period during which the discharge of the stream approximate average recorded yearly flow, and

(iii) Similar hydrographs covering a low water year using average monthly flows.

(2) A system load curve, both daily and monthly, and the position on the load curve that the proposed project would have occupied had it been in operation.

(3) A proposed annual rule of operation for the storage reservoir or reservoirs.

(Sec. 23, 309, 49 Stat. 841, 858; 16 U.S.C. 816, 817, 825h)

(Order 175, 19 FR 5217, Aug. 18, 1954, as amended by Order 260, 28 FR 315, Jan. 11, 1963)

PART 25—APPLICATION FOR VACATION OF WITHDRAWAL AND FOR DETERMINATION PERMITTING RESTORATION TO ENTRY

Sec.

25.1 Contents of application.

25.2 Hearings.

§ 25.1 Contents of application.

Any application for vacation of a reservation effected by the filing of an application for preliminary permit of license or for a determination under the provisions of section 24 of the Act

ASSEMBLY ACTION	SENATE ACTION	SENATE	AMENDMENT BLANK
<input type="checkbox"/> Adopted <input type="checkbox"/> Lost Date: Initial: <input type="checkbox"/> Concurred in <input type="checkbox"/> Not concurred in Date: Initial:	<input type="checkbox"/> Adopted <input type="checkbox"/> Lost Date: Initial: <input type="checkbox"/> Concurred in <input type="checkbox"/> Not concurred in Date: Initial:	AMENDMENTS to SENATE Joint Bill No. 137 Resolution No. BDR 58-277 Proposed by Committee on Commerce and Labor	

Amendment N^o 45



Amend sec. 2, page 1, line 3, by deleting "maliciously" and inserting "knowingly".

Amend sec. 3, page 1, line 11, by deleting "has reasonable belief that a" and inserting "reasonably believes that:

(a) A".

Amend sec. 3, page 1, by deleting line 14 and inserting:

"to life or property; or

(b) The owner or operator of a master meter has failed within a reasonable time to make the repairs necessary to provide service to a residential customer,

the commission shall schedule a hearing on the matter".

Amend sec. 3, page 1, line 18 after "exist" by inserting "or necessary repairs have not been made,".

Amend sec. 3, page 1, line 19, after "condition" by deleting the period and inserting "or make the repairs.".

Amend sec. 3, page 1, line 22, by inserting after the period "If the owner or operator of a master meter fails to make necessary repairs within 3 days after the commission's order to do so, the commission may order the repairs to be made by a qualified contractor who may enter the property to complete the repairs, and the cost of the repairs becomes a lien on the property of the owner or operator of the master meter.".

Amend sec. 4, page 2, line 32 by deleting "1674(b)" and inserting "1674b(b)".

Amend sec. 4, page 2, line 35 by deleting "maliciously" and inserting "knowingly".

Amend the title of the bill on line 2, by inserting after the semicolon "requiring the owners of master meters to make repairs in certain circumstances;".

S. B. 125

**SENATE BILL NO. 125—COMMITTEE ON
COMMERCE AND LABOR**

JANUARY 29, 1981

Referred to Committee on Commerce and Labor

SUMMARY—Requires foreign public utility companies to obtain authorization from public service commission before issuing securities. (BDR 58-302)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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

AN ACT relating to regulations of foreign public utility companies; requiring authorization by the public service commission of Nevada before a foreign company may issue securities or assume obligations in the State of Nevada; and providing other matters properly relating thereto.

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

- 1 SECTION 1. NRS 704.323 is hereby amended to read as follows:
2 704.323 1. No privately owned public utility [organized under the
3 laws of and] operating in the State of Nevada [shall] may issue any
4 security, assume any obligation as guarantor, endorser, surety or other-
5 wise, in respect of any security of any other person, firm or corporation,
6 unless and until, and only to the extent, authorized by a written order of
7 the commission.
8 2. The provisions of subsection 1 [shall] do not apply to the issue
9 or renewal of, or assumption of liability on, a note or draft maturing not
10 more than 1 year after the date of such issue, renewal or assumption of
11 liability, but in the case of privately owned electric or combination elec-
12 tric utilities subject to the jurisdiction of the commission the provisions
13 of subsection 1 [shall] apply to all security issues, or renewals or
14 assumption of obligations as guarantor, endorser, surety or otherwise,
15 having a maturity of 1 year or less where the combined sum of such
16 security issues, renewals or assumptions exceeds \$1,000,000 or 5 percent
17 of the par value of the other securities of the public utility then outstand-
18 ing. In case of securities having no par value the par value for purposes
19 of this subsection [shall be] is the fair market value as of the date of
20 issue of the privately owned or combination electric utilities, whichever
21 sum is greater.



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BDR REQUEST

February 12, 1981

EXHIBIT H

Senator Spike Wilson
P.O. Box 2670
Reno, Nevada 89505

RE: Legislation Request

To be added to NRS 623A.190 Examinations: Time; nature;
grades; waiver of examination.

"The written examination may also be waived by the board if the applicant has been certified by the Council of Landscape Architectural Registration Boards (CLARB) through the Senior Practitioner examination or through acceptable reciprocity procedures with foreign countries having licensing and educational requirements acceptable to the Nevada State Board of Landscape Architecture."