

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

SIXTY-FIRST SESSION  
NEVADA STATE LEGISLATURE  
APRIL 13, 1981

The Senate Committee on Commerce and Labor was called to order by Chairman Thomas R. C. Wilson, at 1:55 p.m., Monday, April 13, 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 Melvin D. Close  
Senator Don Ashworth  
Senator William Hernstadt  
Senator William Raggio  
Senator Clifford McCorkle

STAFF MEMBER PRESENT

Trina Bertelson, Acting Committee Secretary

SENATE BILL NO. 491--Allows public utilities to advance costs of insulation to certain customers.

Mr. Nathan J. Shafer, supervisor of regulatory compliance, within the conservation and load management department of Sierra Pacific Power Company, testified in support of Senate Bill No. 491. (See Exhibit C for Mr. Shafer's testimony.)

Chairman Wilson asked Mr. Shafer to speak to the criteria set forth for the Nevada state office of community service as a definition of "low income". Mr. Shafer stated the criteria was one person with an annual income of \$5,263 or less, would qualify for their "low income" programs. For two people, the ceiling is \$7,810, and for three people it would be \$10,455. For any additional people above three, there is an increase in the ceiling of \$2,070 per person. In response to Senator

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Wilson's question whether this was the same criteria used for government insulation and home improvement programs. Mr. Shafer replied it was his understanding they were the same. Senator McCorkle asked about the difference between items two and three. Mr. Shafer advised that in item two, the cost of labor and the materials used in the installation would be included in the rate base. He said Senate Bill No. 491 should give the public service commission more flexibility.

There was a general discussion by the committee and witnesses of the various aspects of the plan including pay back of expenditures, the options available to the public service commission to facilitate payback, and whether the payback would or should become a lien against the property being retrofitted.

Senator Blakemore suggested that instead of the power company going into the insulation business, they should stick to the production of electricity and give serious consideration to alternative energy sources, namely wind power. He said this would give the homeowner an opportunity to buy a generator that would reduce his power costs. Mr. Shafer replied the costs of wind generation of electricity was quite high, but the company is investigating all forms of renewable resources.

Senator McCorkle asked how the power company felt about making insulation available to all customers regardless of income, and finance it in the rate base. Mr. Shafer said retrofitting insulation to all customers would be feasible. The company presently has a number of programs to assist customers in the arrangement of installation and financing of conservation measures. A small discussion followed regarding financing, the need for it and the means to achieve it. Senator Hernstadt inquired if there would be a provision for low-income apartments, and Mr. Shafer agreed there should be.

Mr. Randolph Townsend, representing the Coalition for Affordable Energy, testified against Senate Bill 491. (See Exhibit D.) He indicated that banks would be excluded from making home improvement loans for insulation and Senator Hernstadt wanted to know where in the bill was such an exclusion. Mr. Townsend replied he did not want to see competition by the private sector prohibited. Senator Hernstadt commented the bill does not exclude competition and he could not understand why the Coalition was opposed to the bill. Senator McCorkle added he did not see how private institutions could loan money at the low rate the power company is able to. He said it was not the committee's

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intention to give the power company a monopoly on the installation of insulation.

Mr. Heber Hardy, chairman of the public service commission, gave testimony on Senate Bill No. 491. He said the area of utility involvement in residential conservation is the subject matter of a rule-making proceeding being carried on by the Nevada department of energy and the public service commission, jointly. Mr. Hardy said their decision is pending as to the amount of involvement public utilities ought to have beyond what they are already participating in. He said one argument for their involvement is that they have direct access to many homes. Mr. Hardy commented he felt a broader look should be taken at the problem instead of specific legislation. Senator Hernstadt asked if the public service commission presently has statutory authority to implement this insulation program. It was Mr. Hardy's opinion that the commission does have this authority. He stated there is an equity problem in that any costs not borne by the particular customer who receives the insulation, must be borne by all other customers.

Senator Hernstadt remarked the real question is to determine whether the decision should be made through legislation or the commission. Mr. Hardy felt the preferred route would be through existing programs rather than through additional legislation.

After some further discussion of the various aspects of the Residential Conservation Program, and proposals for financing installation of insulation, arranging for the actual installation, and the part to be played by the utilities in such arrangements, there was no further testimony on Senate Bill No. 491.

With no further testimony, Chairman Wilson closed the hearing on Senate Bill No. 491.

SENATE BILL NO. 492--Extends regulation over bank holding companies and certain mergers, conversions or consolidations for state banks.

Mr. Joseph Sevigny, superintendent of banks, banking division, department of commerce, testified for Senate Bill No. 491. He said there is presently no statute in NRS which relates to bank holding companies, which are entities holding more than two banks. Mr. Sevigny felt it was important for the banking division to have some control over the holding companies as they

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direct the policies of the banks they control. He said in the present law these types of situations are covered: the first is a merger of consolidation of state banks; the second is when a state bank merges with a national bank and this situation is the one addressed by Senate Bill No. 492. At the present time there is no provision in the law to provide for approval by the superintendent of banks when a state and national bank merge.

Senator McCorkle wondered why the superintendent of banks approval was necessary when there is approval on the federal level. He said it seemed unnecessarily repetitive to have both. Mr. Sevigny replied that the peculiar problems of Nevada are not handled well on the federal level.

With no further testimony, Chairman Wilson closed the hearing on Senate Bill No. 492.

SENATE BILL NO. 493--Requires notice of nonguaranty of claims against insolvent insurers under surplus lines coverage.

With no one present to testify on the bill, Chairman Wilson closed the hearing on Senate Bill No. 493.

SENATE BILL NO. 494--Eliminates appeal from decision of superintendent of banks to state board of finance.

Mr. Sevigny stated the thrust of the bill was to eliminate the state board of finance from the appeal process, causing the appellant to go to the district courts. At present, the law provides for right of appeal to the state board of finance from a decision by the superintendent of banks. Senator Wilson asked if an appellant has the right of appeal to the district court concerning a decision of the state board of finance and Mr. Sevigny answered that there was no provision in the banking law for the right of appeal. In response to Senator Wilson's question about why judicial review was opposed to administrative review, Mr. Sevigny said he just felt it would work better.

With no further testimony, Chairman Wilson closed the hearing on Senate Bill No. 494.

SENATE BILL NO. 495--Permits collection agency and debt adjusting company to pledge certain assets in lieu of purchasing a bond.

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Mr. Sevigny explained the purpose of Senate Bill No. 495 was to allow collection agencies and debt adjusters to pledge adequate securities, in the form of bills, bonds, notes and debentures of the United States or the state of Nevada in lieu of a bond, because bonds are becoming very expensive. Senator Hernstadt asked if it was the intent to require amounts of assets in amounts commensurate with the bonding amount, and Mr. Sevigny agreed that it was.

Senator McCorkle asked if it was possible for a bond to be removed. Mr. Sevigny answered that a bonding company could remove a bond and, if the licensee is unable to provide another bond, his license can be revoked. Mr. Sevigny directed the committee's attention to NRS 694.1554 which ensures the collection agency eventually gets their money back. Senator McCorkle observed that type of language should be provided where securities are set up in lieu of bonds, and suggested Mr. Sevigny draft an amendment to that effect.

With no further testimony, Chairman Wilson closed the hearing on Senate Bill No. 495.

SENATE BILL NO. 505--Broadens the penalty provided for theft of services from public utilities.

Senator Hernstadt, sponsor of this legislation, said it was drafted upon request of the Nevada Power Company. He cited an instance where the Leroy Corporation in Las Vegas, built apartment buildings and adjusted the meters, to read only half the power consumed. When the theft was finally discovered, there was no prosecution, just repayment to the power company. Senator Hernstadt stated his bill would remove the original language and provide for prima facie evidence of guilt and make power theft a felony.

Ms. Peggy Glodowski, staff attorney for Sierra Pacific Power Company, spoke in support of Senate Bill No. 505. She stated that Sierra Pacific's meter damage and control department investigated 5,100 cases in 1979; 5,800 cases in 1980; and thus far in 1981, 2,000 cases. She said restitution is only possible in about one out of four cases; so deterrence is their major concern. Ms. Glodowski said there are corporations which deal in the sale of power theft devices, or methods. If the theft of power were taken more seriously, i.e. made a felony, it would receive more attention and be taken more seriously by everyone, including the district attorney's office.

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Senator Wilson asked if Senate Bill No. 505 would reach the suppliers of power theft devices. Ms. Glodowski replied they would only be reached indirectly by discouraging sales of the devices.

Mr. Bob Sharpnack, supervisor of the meter damage and control department for Sierra Pacific Power Company, testified in favor of the bill. He said it was not the number of devices sold, as much as the information dispersed showing how to adjust meters to reflect less consumption than is actually used. It is difficult to suppress this type of information because of freedom of the press.

Senator Hernstadt asked if any major buildings were tampering with their meters and Mr. Sharpnack replied that more and more commercial properties are being investigated. He said they use more energy so cost the power company more money than residential properties when there is a theft.

Senator Wilson asked why the restitution rate (1 out of 4) is so low. Mr. Sharpnack answered that prima facie evidence is a mere assumption a defendant has committed a crime. He said it would be necessary to catch a defendant in the act in order to convict him. Senator Hernstadt commented the new language provides if the defendant is a beneficiary of the power theft, that is considered prima facie evidence. Senator Wilson felt the new language did not change the presumption of prima facie evidence, just increased the penalty to a felony.

Mr. Sharpnack commented the company is presently affording every opportunity to a defendant to make restitution instead of putting him in jail; and that is reflected in the ratio of cases prosecuted to cases investigated. In 1979 there were 5,100 cases of tampering and 17 prosecutions; in 1980, there were 5,800 cases and 4 prosecutions. To date in 1981, there have been 2,000 cases of tampering and 1 prosecution.

Mr. Heber Hardy, chairman of the public service commission spoke in favor of the bill and stated the new language was much better. In reply to Senator Wilson's question about the felony penalty, Ms. Glodowski said she felt the stronger penalty would encourage prosecutors to pursue more of these cases.

There was considerable general discussion on residential theft versus commercial theft, responsibility of the landlord if the tenants do the tampering without his knowledge, responsibility of tenants moving into a place without knowledge of the tampering, and similar items.

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Mr. Randolph Townsend, of the Coalition for Affordable Energy, testified in opposition to Senate Bill No. 505, saying it put the burden of proof of guilt or innocence on the accused, rather than on the utility; and he felt this was unjust. He submitted a written copy of his testimony (see Exhibit E). At this point, Senator Hernstadt took exception to Mr. Townsend's comments regarding the senator's re-election campaign. Senator Hernstadt requested that the facts of his campaign be made a matter of record. He stated that Mr. McGarry, senior vice president of Nevada Power Company, had signed a newspaper ad endorsing Senator Hernstadt's candidacy. However, Mr. McGarry at no time had contributed financially to Senator Hernstadt's campaign.

Senator Wilson asked, if Senate Bill No. 505 were amended as the Coalition wanted, how would knowledge of guilt be proved. Mr. Andrew Barbano, representing the Coalition, stated there are three ways of proving knowledge of guilt: witnesses, purchase of a meter-altering device, and hiring someone else to tamper with the meter. Mr. Townsend and Mr. Barbano felt that ninety days was an adequate time for the utilities to determine at what point tampering occurred, and the backbilling should be limited to three months. They cited cases from the Las Vegas area where the backbilling at first was much greater. (See Exhibit F.) Ms. Glodowski commented that Sierra Pacific Power Company was not involved in any of the cited cases; and they have a very efficient way of finding evidence of power theft.

Senator Hernstadt asked for another statement to become part of the record, since he has sponsored the legislation. He said he had resented the power theft by the Leroy Corporation in Las Vegas and had contacted the Nevada Power Company to inquire about their success in recovering damages. When he was informed they had a problem because of the present statutes, he had requested the drafting of Senate Bill No. 505 on that basis. He stated he feels it is good and sound legislation.

Mr. Townsend made some comments concerning the homeowner or renter who unknowingly benefits from a tampered meter. He felt the major power thefts should be dealt with at the proper level, i.e. felony. However, the Coalition is concerned with the little old lady, on a fixed income, who is wrongly suspected of stealing power. (See Exhibit G.) Senator Wilson summed up the Coalition's position by saying they want a bill fair enough to take the little old lady into account, and tough enough to be a deterrent.

Senator Wilson asked Mr. Sharpnack how useful a lien against the property would be. Mr. Sharpnack felt it would not be

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beneficial to either party, and agreed with Senator Wilson that the power company is looking for a deterrent rather than a penalty. Senator Wilson asked if the meter-tempering devices are easy to recognize. Mr. Sharpnack replied there is no device per se; it is an altering of the meter itself.

With no further testimony on Senate Bill No. 505, Chairman Wilson closed the hearing on the bill.

The committee took a short recess at 4:20 p.m., and reconvened at 4:30 p.m., with a quorum. They decided to discuss some amendments to Senate Bill No. 231 from Ms. Pat Conn, representative of the physical therapists' association.

SENATE BILL NO. 231

(See Exhibit H.)

Chairman Wilson read the various amendments submitted to the committee and asked if they approved.

Senator Blakemore moved the committee approve the proposed amendments to Senate Bill No. 231.

Senator Don Ashworth seconded the motion.

The motion carried unanimously (Senator Raggio and Senator McCorkle were absent for the vote.)

SENATE BILL NO. 494

(See Exhibit I.)

Senator Close moved that Senate Bill No. 494 be indefinitely postponed.

Senator Blakemore seconded the motion.

The motion carried unanimously. (Senator McCorkle was absent for the vote.)

SENATE BILL NO. 492

(See Exhibit J.)

Senator Hernstadt moved Senate Bill No. 492 be referred out of committee with a Do Pass recommendation.

Senator Blakemore seconded the motion.

The motion carried unanimously. (Senator McCorkle was absent for the vote.)



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Chairman Wilson introduced the following bill draft requests for the committee's consideration:

BDR 43-1203--Regulates franchises granted by manufacturers or  
(SB 543) distributors to dealers in new motor vehicles.

BDR 57-1324--Provides for investigations of certain crimes  
(SB 542) by commissioners.

BDR 9-1486 --Provides procedure whereby vendor of contract  
(SB 544) for conveyance of real property may elect to  
to declare forfeiture on default.

BDR 53-1311--Amends provisions on hearings and appeals  
(SB 541) relating to industrial insurance.

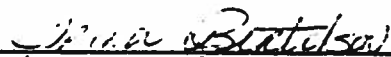
BDR 57-1529--Provides for conversion of essential insurance  
(SB 540) associations into domestic stock insurers.

BDR 57-1363--Distinguishes between insurance administrators  
(SB 539) and adjusters and clarifies status of other  
employees.

The committee agreed to introduce all of the preceding bill draft requests.

There was no further business and the meeting adjourned at 5:00 p.m.

Respectfully submitted,

  
\_\_\_\_\_  
Trina Bertelson,  
Acting Committee Secretary

APPROVED:

  
\_\_\_\_\_  
Senator Thomas R. C. Wilson, Chairman

DATE: \_\_\_\_\_

EXHIBITS - MEETING, MONDAY, APRIL 13, 1981

Exhibit A is the revised Meeting Agenda.

Exhibit B is the Attendance Roster.

Exhibit C is a statement on Senate Bill No. 491, by Mr. Schafer of Sierra Pacific Power Company.

Exhibit D is a statement on Senate Bill No. 491, by the Coalition for Affordable Energy, submitted by Mr. Townsend.

Exhibit E is a statement on Senate Bill No. 505, by the Coalition for Affordable Energy, submitted by Mr. Townsend.

Exhibit F is a file on Ridley vs. Nevada Power Company, submitted by the Coalition for Affordable Energy.

Exhibit G is a file on Mrs. Laub's problems with Nevada Power Company, submitted by Mr. Barbano.

Exhibit H is a copy of Senate Bill No. 231, as amended.

Exhibit I is a copy of Senate Bill No. 494, indefinitely postponed.

Exhibit J is a copy of Senate Bill No. passed out of committee.

REVISED  
SENATE AGENDA

COMMITTEE MEETINGS

Committee on Commerce and Labor, Room 213.  
Day Monday, Date April 13, 1981, Time 1:30 p.m.

S.B. No. 491--Allows public utilities to advance costs of insulation to certain customers.

S.B. No. 492--Extends regulation over bank holding companies and certain mergers, conversions or consolidations of state bank.

S.B. No. 493--Requires notice of nonguaranty of claims against insolvent insurers under surplus lines coverage.

S.B. No. 494--Eliminates appeal from decision of superintendent of banks to state board of finance.

S.B. No. 495--Permits collection agency and debt adjusting company to pledge certain assets in lieu of purchasing a bond.

S.B. No. 505--Broadens penalty provided for theft of services of public utilities.

SENATE COMMITTEE ON

Commerce & Labor

EXHIBIT B

DATE:

4/18/01

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME

ORGANIZATION & ADDRESS

TELEPHONE

Nathan J. Shafer	Sierra Pacific Power Co P.O. Box 1000 Reno	789, 4800
Peggy Glodowski	" " - legal Dept.	789-4850
R. Townsend	Coalition for Affordable Energy	776-1455
B. Whellett	" " " "	827-2462
Kurt For	Sierra Pacific Power Co	789 4858
Robert Sharpnack	" " " "	789 4809
Randy Townsend	Coalition for Affordable Energy	
Deber Hardy	Public Service Commission	
Joseph D. Seigny	State - Commerce - Banking	885-4260
Andrew Barbano	Coalit -	7 - -

My name is Nathan J. Shafer, Supervisor of Regulatory Compliance within the Conservation and Load Management Department of Sierra Pacific Power Company. My business address is 100 East Moana Lane, Reno, Nevada. I would like to take this opportunity on behalf of Sierra Pacific Power Company to support S.B. 491 and offer a few constructive comments relative to the content of the proposed bill.

In reference to Item No. 1, we would suggest that "low-income" be further defined. We propose you consider the criteria set forth by the Nevada State Office of Community Services.

We would recommend that Item No. 2, be expanded to include the following language, "Include in its rate base, or be allowed in its operating expenses the cost of labor, materials and the administrative costs used in the installation". In our opinion, this would afford the Public Service Commission the flexibility to establish the most beneficial treatment of cost recovery to both the recipient and the utility, as these expenditures would relate to rates.

Regarding Item No. 3, we assume the method of obtaining payment from the recipient will be established through a series of hearings by the PSCN in establishing a General Order consistent with Nevada Revised Statutes in implementing this proposed bill.

Consistent with the policy of Sierra Pacific, we would choose to arrange the installation of insulation through qualified licensed contractors, rather than make the installation ourselves.

We would further recommend, consistent with current and proposed programs, that an energy audit be performed by the utility, as a condition to qualify for benefits of this proposed bill and further that the amount of insulation be consistent with existing utility standards in the jurisdiction of the respective utility.

I would be more than happy, at this time, to answer any questions pertaining to my statement regarding proposed Senate Bill No. 491.

# Coalition for Affordable Energy

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EXHIBIT D

TESTIMONY BEFORE THE  
NEVADA STATE SENATE COMMITTEE  
ON COMMERCE AND LABOR, 4/13/81

SB 491

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, AND HONORED GUESTS. THE COALITION FOR AFFORDABLE ENERGY CAME BEFORE THIS COMMITTEE ON MARCH 25 WITH RESPECT TO ACR 9. IT COVERS MUCH OF THE SAME GROUND THAT SB 491 DOES. SB 491, OF COURSE, GOES THE BIG STEP FURTHER---IT GIVES UTILITIES STATUTORY AUTHORITY TO GO BEFORE THE PUBLIC SERVICE COMMISSION OF NEVADA TO ASK FOR THE IMPLEMENTATION OF SUCH WEATHERIZATION PROGRAMS.

WE STATED BEFORE THIS COMMITTEE, AND BEFORE THE ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS, THAT SUCH A PROMISING NEW CONCEPT IS INDEED WORTHY OF STUDY. WE SUGGESTED THE FORMATION OF AN INTERIM COMMITTEE TO ASCERTAIN HOW SUCH A PLAN MIGHT APPLY IN NEVADA. ALSO, PLEASE BE ADVISED THAT AB 446 WAS INTRODUCED IN THE ASSEMBLY LAST WEEK AND WILL BE HEARD BY THE COMMITTEE ON GOVERNMENT AFFAIRS THIS WEDNESDAY. AB 446 AUTHORIZES THE HOUSING DIVISION OF THE DEPARTMENT OF COMMERCE TO MAKE LOANS FOR CONSERVATION OF ENERGY IN RESIDENTIAL HOUSING. IT IS A PROMISING TREND.

BUT ANYTHING NEW AND AS YET UNRESEARCHED MUST BE APPROACHED WITH CAUTION. AS WE SAID BEFORE YOU ON MARCH 25, THE IDEA OF PUBLIC UTILITY INVOLVEMENT IN WEATHERIZATION PROGRAMS IS A CONTROVERSIAL ONE AMONG CONSUMER ADVOCATES. WE ARE SUBMITTING FOR THE RECORD TODAY TESTIMONY BEFORE THE PUBLIC UTILITY REGULATORY BODIES OF CALIFORNIA, OREGON, AND WASHINGTON, POINTING OUT MANY OF THE PERCEIVED ASSETS AND LIABILITIES OF UTILITY INVOLVEMENT IN SUCH PROGRAMS. WE ARE ALSO INCLUDING FOR THE RECORD A COPY OF THE COALITION TESTIMONY ON ACR 9.

THE FIRST THING A READING OF SB 491 BRINGS TO MIND IS THAT THE PRIVATE FINANCIAL SECTOR IS TOTALLY EXCLUDED. INDEED, PUBLIC UTILITIES ARE SET UP AS COMPETITORS WITH FINANCIAL INSTITUTIONS. PACIFIC GAS AND ELECTRIC IN CALIFORNIA SET UP ITS OWN FINANCIAL SUBSIDIARY TO HANDLE THIS TYPE OF A LOAN PROGRAM, A MOVE TO WHICH CONSUMER ADVOCATES TOOK ESPECIALLY HARSH EXCEPTION, GIVEN THE PRESENCE OF BANKING EXECUTIVES ON THE BOARD OF THE UTILITY.

THE SPEAKER OF THE CALIFORNIA STATE SENATE INTRODUCED A BILL THIS SESSION SETTING UP A PUBLIC LOAN FUND FOR WEATHERIZATION TO BE DISTRIBUTED THROUGH EXISTING FINANCIAL INSTITUTIONS. PART OF THE TESTIMONY BROUGHT BEFORE THE CALIFORNIA PUBLIC UTILITIES COMMISSION IS THAT THE ADMINISTRATIVE COST FOR SUCH A PROGRAM IS 1/2% TO 1% FOR FINANCIAL INSTITUTIONS, BUT IT AVERAGES 45% IN THE CASE OF UTILITIES. OPPONENTS ALSO ARGUE THAT THIS TYPE OF EXCLUSIVITY PROVIDES A SITUATION OF INCREASING VERTICAL MONOPOLY, PUTTING UTILITIES IN THE BUSINESSES OF REAL ESTATE, HOME IMPROVEMENT, FINANCIAL



MARKETING, AND MERCHANDISING. SOME HAVE ALLEGED LARGE COST OVER-RUNS IN CALIFORNIA ALREADY, WITH THE PROGRAM LESS THAN A YEAR OLD.

AS NOTED IN TESTIMONY ON ACR 9, PERHAPS THE BIGGEST FEAR OF CONSUMER ADVOCATES IS THAT ANYTHING YOU LET A UTILITY TOUCH, THEY WILL TRY TO TURN TO THEIR PROFITABLE ADVANTAGE. MUCH OF THIS CRITICISM IS DETAILED IN THE EXHIBITS SUBMITTED HERE TODAY.

A FINAL CRITICISM WE HAVE OF SB 491 IS THAT IF PASSED OUT OF THIS COMMITTEE , IT SHOULD INCLUDE AN AMENDMENT THAT PRIVATE ENTERPRISE BE ALLOWED TO TAKE PART IN THE RETROFITTING OF HOMES, AND THAT ALL THE LABOR AND MATERIALS NEED NOT COME FROM JUST THE SPONSORING UTILITY. A PROGRAM OF COMPETITIVE BIDDING SHOULD BE MANDATED.

ALSO PLEASE KEEP IN MIND THAT SUCH BENEFICIAL WEATHERIZATION PROGRAMS HAVE BEEN SUCCESSFUL IN OTHER JURISDICTIONS, SUCH AS MARYLAND, WITH NO UTILITY INVOLVEMENT. IN THAT STATE, THE PRIVATE SECTOR HAS DONE IT ALL. WE HAVE DISCUSSED SUCH ARRANGEMENTS WITH NEVADA FINANCIAL INSTITUTIONS. MOST ARE ALREADY IN SOME PHASE OF THIS BUSINESS, AND ARE LOOKING FOR NEW IDEAS. NEVADA'S FINANCIAL INSTITUTIONS SHOULD NOT BE EXCLUDED.

THE PUBLIC SERVICE COMMISSION OF NEVADA IS SET UP TO REGULATE MONOPOLIES, NOT OVERSEE THEIR SETTING UP VERTICAL EXPANSION, AND MAKING TOTAL SERVICE COMPANIES OUT OF THEM, ALL THE WAY TO HOLDING LIENS ON HOMES AS SECURITY FOR WEATHERIZATION LOANS.

TO CONCLUDE, WE THINK THERE IS MUCH MERIT TO ENCOURAGING HOME WEATHERIZATION. WE THINK IT MERITS FURTHER STUDY. WE DO NOT THINK THAT A BILL SHOULD BE PASSED MAKING IT SUCH AN EXCLUSIVE TERRITORY FOR UTILITIES.

THANK YOU.

# Coalition for Affordable Energy

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EXHIBIT E

TESTIMONY BEFORE THE  
NEVADA STATE SENATE  
COMMITTEE ON COMMERCE & LABOR

SB 505

4/13/81

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, ONCE AGAIN I THANK YOU FOR BEING ALLOWED TO SPEAK.

WITH RESPECT TO SB 505, IT SHOULD BE NOTED THAT SENATOR HERNSTADT MERITS PRAISE FOR HIS INTEGRITY FOR PLACING HIS NAME ON THIS BILL, AND ALSO FOR NOT ADDING "BY REQUEST" TO IT. SENATOR HERNSTADT SHOULD BE COMMENDED FOR BEING SO UP FRONT.

BUT THIS IS WHERE OUR PRAISE FOR THE SENATOR AND HIS BILL ENDS.// THE BILL IS SHOCKING. IT IS MORE SHOCKING TO NOTE THAT CURRENT LAW IS JUST ABOUT AS BAD, AND THIS BILL WOULD MAKE IT WORSE. THE TENOR OF SB 505, AND EVEN OF THE CURRENT N.R.S., IS THAT WITH RESPECT TO UTILITY-RELATED ALLEGATIONS OF THEFT, ONE IS PRESUMED GUILTY UNTIL PROVEN INNOCENT.

ALL YOU HAVE TO DO IS BE A RESIDENT OF A DWELLING WHERE A FORBIDDEN ACT SUCH AS METER TAMPERING HAS HAPPENED, AND IT SEEMS YOU ARE PRESUMED GUILTY. WHAT IF YOU ARE THE UNFORTUNATE PERSON WHO MOVES INTO A HOUSE OR APARTMENT AFTER TAMPERING HAS OCCURRED? UNDER THIS BILL, AND UNDER THE CURRENT LAW, IT SEEMS YOU ARE GUILTY UNTIL PROVEN INNOCENT.

THIS BILL HAS NEVADA POWER WRITTEN ALL OVER IT. IT SHOULD BE NOTED FOR THE RECORD THAT ONE WILLIAM G. "BILL" MCGARRY, A SENIOR VICE PRESIDENT OF NEVADA POWER, ACTED AS CO-CHAIRMAN OF SENATOR HERNSTADT'S CAMPAIGN FOR RE-ELECTION LAST YEAR. I WOULD ASK THE SENATOR TO CORRECT ME IF SOMEHOW I HAVE BEEN MISINFORMED OF THIS RATHER INTERESTING SITUATION.

NEVADA POWER STANDS TALLEST AMONG NEVADA UTILITIES FOR PUTTING OUT THE STORM TROOPERS TO BUST OLD LADIES. WE SUBMIT FOR THE RECORD TODAY THE CASE OF JEAN LAUB OF LAS VEGAS WHO WAS INTIMIDATED INTO SIGNING A PROMISSARY NOTE FOR METER IRREGULARITIES AND ALLEGED UNDERBILLING DUE TO METER MALFUNCTIONING. THE STORY SHE TELLS IS HEART-RENDING. IRRESPECTIVE OF THE LEGAL IMPLICATIONS, AND THE EVER-PRESENT NEED TO PROVE INTENT IN COURT, REMEMBER WHAT HAPPENS WHEN SOME BILL COLLECTOR SHOWS AN OFFICIAL LOOKING DOCUMENT TO SOME AGED WIDOW...ONE TO TEN YEARS IN JAIL? A \$10,000 FINE? OR BOTH? SHE WILL PANIC AND SIGN ANYTHING. I NEED NOT REMIND YOU THAT A PROMISSARY NOTE IS A LIEN AGAINST ANY AND ALL PROPERTY ONE POSSESSES. MAYBE NEVADA POWER WANTS TO GET INTO THE REAL ESTATE BUSINESS IN A BIG WAY.

MRS. LAUB NOW SEEMS FACED WITH THE ALTERNATIVES OF PAYING OR EATING. SHE NOTES SHE WAS THREATENED WITH CUTOFF OF POWER IF SHE DID NOT SIGN.

ALSO SUBMITTED FOR THE RECORD TODAY IS THE CASE OF ONE MRS. RIDLEY OF LAS VEGAS. THIS CASE WAS JUST DECIDED BY THE PUBLIC SERVICE COMMISSION OF NEVADA EARLIER THIS MONTH. NEVADA POWER WAS ONLY ALLOWED TO BACK-BILL HER FOR THREE MONTHS, BUT UNDER SECTION THREE OF THIS BILL, THEY WILL BE **1139**

ABLE TO GO BACK THREE YEARS. YOU MAY NOTE FROM THE SUBMISSIONS THAT NEVADA POWER WANTED TO GO BACK ALMOST TWO YEARS IN MRS. RIDLEY'S CASE.

MANY PEOPLE WOULD BE TOO INTIMIDATED TO FIGHT, BUT FORTUNATELY SOME ARE NOT. WESLEY KABBUSH OF LAS VEGAS OPENED HIS MAIL ONE DAY AND FOUND A POWER BILL FOR OVER \$6,000. IT WENT BACK THREE YEARS. HE CALLED NEVADA POWER IMMEDIATELY. THEY REFUSED TO EVEN LET HIM SEE HIS RECORDS. THEY SAID THE PUBLIC SERVICE COMMISSION COULD SEE THEM IF HE BROUGHT ACTION BEFORE THEM. THE PSC REFUSED TO CONSIDER HIS PETITION CONTESTING HIS BILL, AND HE WAS FORCED TO GO TO COURT, WHERE THE MATTER IS STILL BEING LITIGATED. WE UNDERSTAND THAT MR. KABBUSH CONTENTS IN HIS COURT BRIEF THAT TO PAY THE MONEY TO NEVADA POWER WOULD CONSTITUTE ADMISSION TO A FELONY.

ONE THING ALL OF THIS CLEARLY UNDERLINES IS THAT THE PSC'S CONSUMER AFFAIRS DIVISION IS EVERYTHING IT IS CRACKED UP TO BE---A PAPER SHUFFLING RUBBER STAMP, AND AN INEFFECTIVE WASTE OF RATEPAYER'S MONEY.

WE DO NOT WANT THIS BILL KILLED. WE WOULD LIKE TO SEE THIS COMMITTEE AMEND OUT ALL THE NEW SECTIONS, AND TO CHANGE THE EXISTING N.R.S. WE WOULD LIKE TO SEE LINE TWO OF PAGE TWO AMENDED TO READ "PROOF THAT ANY OF THE ACTS THEREIN FORBIDDEN WERE DONE WITH THE KNOWLEDGE OF THE DEFENDANT ON OR ABOUT THE PREMISES OCCUPIED BY THE DEFENDANT..."

IN ADDITION, WE THINK THAT 90 DAYS IS ENOUGH TIME FOR A UTILITY'S METER READERS TO NOTE A DEFICIENCY, AND TO ACT. THE PROVISION TO GO BACK THREE YEARS IS FRIGHTENING. AS YOU WILL NOTE IN THE CASE OF MRS. RIDLEY, THE PSC ONLY ALLOWED NEVADA POWER TO GO BACK THREE MONTHS BECAUSE THE UTILITY COULD NOT PROVE TAMPERING OCCURRED EARLIER, ALTHOUGH THEY DID ESTABLISH WHEN A DROP IN CONSUMPTION OCCURRED. HAD THE REVISIONS PROPOSED HERE IN SECTION THREE BEEN IN THE LAW, IT WOULD HAVE BEEN A MUCH DIFFERENT STORY.

FINALLY, WE ASK YOU TO LOOK AT PAGE TWO, SECTION THREE, AND ASK YOURSELVES IF THE PUNISHMENT FITS THE CRIME.

PLEASE AMEND THIS BILL SO THAT THE GUILTY MAY STILL BE BROUGHT TO JUSTICE, AND SO THAT THE UTILITIES MAY GET WHAT IS DUE THEM. BUT PLEASE PROTECT HONEST PEOPLE FROM INTIMIDATION, HARRASSMENT AND ABUSE. DO NOT LET THE REVISIONS PASS. DO NOT LET THE LAW REMAIN AS IT IS. ACT AS LAWMAKERS.

THANK YOU.

NEVADA POWER COMPANY  
METER VALIDITY DEPARTMENT  
1701 WEST CHARLESTON BLVD.  
SUITE 680  
PHONE (702) 386-1700 EXT. 296

October 1, 1980

Laub Jean  
P O Box 12974  
Las Vegas, NV 89112

Re: 15-21-3050-2-7  
5588 Mtn Vista Av

Dear Ms Laub,

The following is to confirm our agreement during our conversation on October 1, 1980, regarding payment of an additional billing in the amount of \$384.49.

It was agreed that beginning in October 1980, in addition to your regular monthly billing, a payment of \$96.12 would be included for four (4) consecutive months with the final payment of \$96.13 being received in January 1981.

If you have any questions, or feel you can not keep this agreement for any reason, please contact our main office.

Sincerely,

W. Charles McPhail  
Meter Validity Department

wcm/ph

385-5511

NEVADA POWER COMPANY  
METER VALIDITY DEPARTMENT  
1701 WEST CHARLESTON BLVD.  
SUITE 680  
PHONE (702) 386-1700 EXT 296

September 9, 1980

Laub Jean  
P O Box 12974  
Las Vegas, NV 89112

Re: 15-21-3050-2-7

Dear Ms Laub,

As a result of the meter not registering correctly at 5588 Mountain Vista Ave., a meter change was done and your account has been reviewed.

We find the billings for the period of June 20, 1980 through August 21, 1980 were underbilled. Enclosed is a statement for this period showing your current balance of \$110.34 and the additional billing in the amount of \$384.49. The adjusted billings are based on the daily usage of the new meter.

If you have any questions on this billing, please contact our office.

Sincerely,

*W. Charles McPhail*

W. Charles McPhail  
Meter Validity Department

WCM/ph

Custom Service  
385-5724

NEVADA POWER COMPANY  
METER VALIDITY DEPARTMENT  
5588 MOUNTAIN VISTA AVE.  
LAS VEGAS, NV 89112

DATE	10-20-80	AMOUNT	123.19
PREVIOUS BALANCE	18.87	2.00	1-7.06
			354.49

Statement For: Laub Jean

Date: September 9, 1980

Account No: 15-21-3050-2-7

DATE	AS BILLED		KWH	CORRECTED BILLING	
	KWH	AMOUNT		AMOUNT	ADD'L BILL
8-21-80	2747	\$ 110.34	5311	\$ 211.45	\$ 101.11
7-23	0	2.00	6043	240.33	238.33
6-20	4328	169.29	5494	214.34	45.05
	7075	\$ 281.63	16848	\$ 666.12	\$ 384.49

TOTAL CORRECTED BILLING \$ 666.12  
 LESS AMOUNT ADJUSTED 281.63CR  
 CURRENT BALANCE 110.34  
 AMOUNT DUE \$ 494.83

NEVADA POWER COMPANY

Fourth & Stewart Las Vegas, Nevada

THIS BILL IS DUE AND PAYABLE UPON PRESENTATION

Rate Schedule May Be Consulted in Our Office

Times All Times Applicable



Reddy Kilowatt says:  
 Electricity is the biggest bargain  
 in your family budget when you  
 use better electrically.

DATE	NETED READING	NEW CMB READING	DIFF
9-18	160	160	
OCT 15 1963			
			476
MULTIPLIER	KW DEMAND	NET AMOUNT	RATE
1		476	16

1. DEFERRED DISCOUNT  
 2. SERVICE CHARGE  
 3. TAX TRANSFER

4. OTHER CHARGE  
 5. PREVIOUS BALANCE  
 6. AMOUNT BILLED CREDIT

NEVADA POWER COMPANY

THIS BILL IS DUE AT SCHEDULED READING DATE 10-22-80

DEFERRED ENERGY CHARGE PERIOD 03 = KWH USED

SERVICE ADDRESS 5588 MTN VISTA AV X .003500

DATE 9-22 READING 7231 KWH USED 4186 AMOUNT 150.52

PREVIOUS BALANCE 107.16

ADJUSTMENTS 666.12

ADJUSTMENTS 291.63CR

LAUB JEAN

P O BOX 1297

LAS VEGAS, NV

TOT PREV BAL 384.49  
 LATE PAY TOTAL 596.03

67-16262 1 15-21-3050-2-7 C1

NEVADA POWER COMPANY  
METER VALIDITY DEPARTMENT  
1701 WEST CHARLESTON BLVD.  
SUITE 680  
PHONE (702) 386-1700 EXT. 296

RECEIVED

EXHIBIT F

APR -1 1981

March 27, 1981

NEVADA PUBLIC SERVICE COMMISSION  
CARSON CITY, NEVADA

Public Service Commission  
505 East King Street  
Carson City, NV 89710

Re: Ridley vs. Nevada Power  
File: CCU-080880-AM

Dear Ms Mootz:

This letter is in response to the case of Erma Ridley vs. Nevada Power Company.

As requested by the Public Service Commission, Nevada Power Company has adjusted the original billing for the period of December 5, 1978 through March 5, 1980 in the amount of \$540.09, and rebilled Mrs. Ridley for the period of January 4, 1980 through March 5, 1980 in the amount of \$207.54, which includes a \$5.00 broken seal charge.

Enclosed is a statement, bill and letter we have mailed to Mrs. Ridley. If there are any further questions regarding this account, please contact W. Charles McPhail at 702-386-1700 extension 296.

Sincerely,  
*W. Charles McPhail*

W. Charles McPhail  
Meter Validity Department

WCM/ph  
enclosures



NEVADA POWER COMPANY  
METER VALIDITY DEPARTMENT  
1701 WEST CHARLESTON BLVD.  
SUITE 680  
PHONE (702) 386-1700 EXT. 296

March 27, 1981

Ridley Erma T  
708 Nelson W  
No Las Vegas, NV 89030

Re: 03-12-2018-1-7

Dear Ms Ridley:

Per the Public Service Commission we are adjusting the original billing of \$540.09 and rebilling your account \$207.54, which includes the \$5.00 broken seal charge.

Enclosed is a statement for the period of January 4, 1980 through March 5, 1980 showing a current bill due in the amount of \$85.54, a previous balance due of \$95.06 and the additional billing in the amount of \$207.54, which includes a \$5.00 broken seal charge. Your current bills need to be brought up to date. We can make a payment arrangements on the additional billing but the past due February bill and your March billing need to be paid.

Please contact our office regarding your account.

Sincerely,

W. Charles McPhail  
Meter Validity Department

WCM/ph  
enclosures

Statement For: Ridley Area T

Date: March 27, 1981

Account No: 03-12-2018-1-7

<u>DATE</u>	<u>AS BILLED</u>		<u>CORRECTED BILLING</u>		
	<u>KWH</u>	<u>AMOUNT</u>	<u>KWH</u>	<u>AMOUNT</u>	<u>ADD'L BIL</u>
3-5-80	878	\$ 37.22	2647	\$ 108.01	\$ 70.79
2-5	1023	43.01	2822	115.01	72.00
1-4	<u>1021</u>	<u>39.04</u>	<u>2677</u>	<u>98.79</u>	<u>59.75</u>
	2921	\$ 119.27	8146	\$ 321.81	\$ 202.54

TOTAL CORRECTED BILLING \$ 321.81  
LESS AMOUNT ADJUSTED 119.27CR  
BROKEN SEAL CHARGE 5.00  
MARCH BILLING 85.54  
FEBRUARY BILLING 95.06  
AMOUNT DUE \$ 388.14



NAME Rioley Erma T EXPLANATION Acc'l B.11 1-80 + 2-80

ACCOUNT No. 03-12-2018-11 METER No. 474-11078

SCHED.	TAX CODE	SOURCE CODE	KWH	AMOUNT	EXEMPT CODE	ACCT.
01	05	09	6021	37.54		440
		41		1.50		
				SUB TOTAL		440
				39.04		
01	05	09	2677	94.99		440
		41		3.80		
				SUB TOTAL		440
				98.79		

Punch Complete  B/D  
 Date  B/7  
 Reading  B/2  
 KWH  B/3  
 Amount  B/4  
 Demand  B/5  
 Read Code  B/6

M M D D Y

Read

KWH

Amount

Demand

Read Code

DATE 3-26-81  
 PREPARED BY MKS20  
 APPROVED BY \_\_\_\_\_

J.E. ADVICE FORM A-6 REV. 8/75

NAME Rioley Erma T EXPLANATION Acc'l Bill 2-5-80

ACCOUNT No. 03-12-2018-11 METER No. 474-11078

SCHED.	TAX CODE	SOURCE CODE	KWH	AMOUNT	EXEMPT CODE	ACCT.
01	05	09	1023	41.36		440
		41		1.65		
				SUB TOTAL		440
				43.01		
01	05	09	2822	110.59		440
		41		4.42		
				SUB TOTAL		440
				115.01		

Punch Complete  B/D  
 Date  B/7  
 Reading  B/2  
 KWH  B/3  
 Amount  B/4  
 Demand  B/5  
 Read Code  B/6

M M D D Y

Read

KWH

Amount

Demand

Read Code

DATE 3-26-81  
 PREPARED BY MKS20  
 APPROVED BY \_\_\_\_\_

J.E. ADVICE FORM A-6 REV. 8/75

NAME Rioley Erma T EXPLANATION Acc'l B.113-5-80

ACCOUNT No. 03-12-2018-11 METER No. 474-11078

SCHED.	TAX CODE	SOURCE CODE	KWH	AMOUNT	EXEMPT CODE	ACCT.
01	05	09	878	35.79		440
		41		1.43		
				SUB TOTAL		440
				37.22		
01	05	09	2647	103.86		440
		41		4.15		
				SUB TOTAL		440
				108.01		

Punch Complete  B/D  
 Date  B/7  
 Reading  B/2  
 KWH  B/3  
 Amount  B/4  
 Demand  B/5  
 Read Code  B/6

M M D D Y

Read

KWH

Amount

Demand

Read Code

DATE 3-26-81  
 PREPARED BY MKS20  
 APPROVED BY \_\_\_\_\_

J.E. ADVICE FORM A-6 REV. 8/75

RIDLEY vs. NEVADA POWER COMPANY

Docket No 3205

Prepared Testimony of Arzella Moots

1. Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A My name is Arzella Moots and my business address is 505 East King Street, Carson City, Nevada.

2. Q WHAT IS YOUR CURRENT EMPLOYMENT?

A I have been employed by the Public Service Commission as a Consumer Services Representative since March 1978.

3. Q ARE YOU SPONSORING ANY EXHIBITS?

A Yes, I am sponsoring Exhibits 1 through 7.

4. Q PLEASE BRIEFLY IDENTIFY THE EXHIBITS YOU ARE SPONSORING.

A Exhibit 1 is Ms. Ridley's letter of complaint, which was filed with the Division of Consumer Relations on August 6, 1980.

Exhibit 2 is made up of the transmittal letter to Nevada Power Company and the acknowledgement letter to Ms. Ridley from the Division of Consumer Relations dated August 8, 1980.

Exhibit 3 is the utility's response and attachments received August 22.

Exhibit 4 is the Division of Consumer Relation's response to the utility, dated September 3.

Exhibit 5 is a September 11 letter from Nevada Power Company and a chart showing usage per day in kilowatt hours.

Exhibit 6 is a letter from R.B. Clark, Director of the Division of Consumer Relations to Nevada Power Company dated October 11, 1980.

Exhibit 7 is an October 31 letter from Nevada Power Company's counsel, Donald Brookhyser.

5 Q WILL YOU GIVE A BRIEF HISTORY OF THE CIRCUMSTANCES INVOLVED IN THIS COMPLAINT AS YOU KNOW THEM?

A Ms. Ridley wrote to the Public Service Commission on August 30 regarding the backbill of \$545.09 she received on August 23, 1980 from Nevada Power Company for the period December 1978 through April 1980.

Nevada Power dispatched a field service representative to 708 Nelson after receiving a report of a broken outer seal. The meter was changed out after the serviceman discovered a broken inner seal.

After reviewing Ms. Ridley's account, the utility found that her consumption dropped in December 1978, and remained low until the meter was replaced on March 21, 1980. Her consumption then returned to the level observed in 1978.

We sent our recommendation to Nevada Power Company on September 30, 1980. They disagreed with our position and requested a hearing.

6. Q WHAT IS THE CONSUMER DIVISION'S POSITION?

A We do not feel that the utility has reliably established the time the alleged tampering occurred because the consumption decreased steadily between 1975 and 1978. Our position is that Rule 17B(2), Slow Meters, should apply and that the utility should prepare a backbill for three months.

For example, looking at Exhibit h we can see that in 1976, Ms. Ridley's consumption was lower in nine months, the same in one month and higher in two months compared to the prior year. Comparing 1976 and 1977, consumption dropped in six months, remained the same in one month and increased in five months. In 1978, her consumption level went down in eight months, stayed the same in one month and went up in three months compared to 1977.

Ex 7

NEVADA POWER COMPANY  
FOURTH STREET AND STEWART AVENUE  
P.O. BOX 230 • LAS VEGAS, NEVADA • 89151

October 31, 1980

RECEIVED

NOV 6 1980

NEVADA PUBLIC SERVICE COMMISSION  
CARSON CITY, NEVADA

Mr. R. B. Clark, Director  
Division of Consumer Relations  
Public Service Commission  
State of Nevada  
Kinkead Building  
505 East King Street  
Carson City, Nevada 89710

RE: Ridley vs Nevada Power Company  
File No: CCU-080880-AM

Dear Mr. Clark:

We have received your letter of October 1, 1980 regarding this matter, and suggesting that Rule 17B(2) should govern the resolution of this matter.

We continue to believe that this is a case of tampering and that the date of tampering can be reasonably fixed.

We would therefore request a hearing before the Public Service Commission to resolve this matter.

Sincerely,

NEVADA POWER COMPANY

*Donald Brookhyser*  
Donald E. Brookhyser  
Staff Counsel

DEB:ab

Ex 4



HEBER P. HARDY, *Chairman*  
JANET S. Mac DONALD, *Commissioner*  
ROGER C. BOS, *Commissioner*  
PATRICK V. FAGAN, *Deputy Commissioner*  
WM. W. PROKSCH, Jr., *Secretary*

PUBLIC SERVICE COMMISSION  
STATE OF NEVADA

Address all communications to the Commission  
Telephone (702) 885-4180

October 1, 1980

KINKEAD BUILDING  
505 EAST KING STREET  
CARSON CITY, NEVADA 89710

Mr. W. Charles McPhail  
Nevada Power Company  
1701 W. Charleston Blvd., #680  
Las Vegas, Nevada 89102

RE: Ridley vs. NPC

FILE: CCU-080880-AM

Dear Mr. McPhail:

This is in reference to your response of September 11 to the above-captioned complaint.

We have reviewed the data submitted with your letter of September 11, and this office is still of the opinion that Rule 17B(2) applies. Our position as stated in my letter of September 3, is still valid.

If you feel you have a solid case related to extended back billing for tampering, it should be pursued through the courts, and every effort made to seek criminal penalties.

If you wish to have this matter placed before the Commission, please let me know.

Sincerely,

PUBLIC SERVICE COMMISSION OF NEVADA

A handwritten signature in cursive script that reads "R. B. Clark".

R. B. Clark, Director  
Division of Consumer Relations

RBC:AM:kjm



Ex 5

NEVADA POWER COMPANY  
METER VALIDITY DEPARTMENT  
1701 WEST CHARLESTON BLVD.  
SUITE 680  
PHONE (702) 386-1700 EXT. 296

RECEIVED

SEP 11 1980

September 11, 1980

RECEIVED  
PUBLIC SERVICE COMMISSION  
CARSON CITY, NEVADA

Public Service Commission  
Kinhead Building  
505 E. King Street  
Carson City, NV 89701

Re: Ridley vs. Nevada Power Co.  
File: CCU-080880-AM

Dear Mr. Clark,

This letter is in response to our telephone conversation as of the 9th of September.

We do feel we established a tampering date as of the December 1978 reading. From that time fourth the K W Hour consumption fell more than half. It remained down until the new meter was installed. I'm enclosing a K W Hour per day chart from January 1975 to September of 1980. This chart clearly shows the drop in K W Hour usage.

The top and bottom bearings had been tampered with. This caused the disk to rub against the magnet and slow the meter down. Also the seal that was on the meter had been broken and twisted back together. This makes it very hard for a meter reader to detect.

I appreciate your review of this case and look forward to your decision.

Sincerely,

*W. Charles McPhail*

W. Charles McPhail  
Meter Validity Department

WCM/ph  
enclosure

2

**NEVADA POWER COMPANY**  
**METER VALIDITY DEPARTMENT**  
 1701 WEST CHARLESTON BLVD.  
 SUITE 680  
 PHONE (702) 386-1700 EXT. 286

RIDLEY, ERMA'S KWH USAGE PER DAY

	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>
January	124	94 ✓	106	89 ✓	✓ 47*	34*
February	112	86 ✓	107	97 ✓	✓ 56*	32*
March	90	88 ✓	81 ✓	85	38*	30*
April	89	71 ✓	76	55 ✓	25*	M/C 3/21/80 70
May	67	59 ✓	80	48 ✓	23*	52
June	79	72 ✓	7	53	39*	64
July	94	102	91 ✓	80 ✓	✓ 62*	85
August	109	104 ✓	104 *	104 *	✓ 84*	111
September	99	99 *	77 ✓	88	✓ 56*	93
October	67	117	59 ✓	56 ✓	✓ 46*	
November	55	52 ✓	48 ✓	43 ✓	23*	
December	71	<del>61 ✓</del>	<del>66</del>	<del>39* ✓</del>	27*	
		9-1	6-1	8-1		

We feel in May and June 1977 there was a mis-read on the meter.

\* When we feel the KWH were lower.

EX 4.



PUBLIC SERVICE COMMISSION  
STATE OF NEVADA

Address all communications to the Commission  
Telephone (702) 885-4180

September 3, 1980

KINKEAD BUILDING  
505 EAST KING STREET  
CARSON CITY, NEVADA 89710

Mr. W. Charles McPhail  
Nevada Power Company  
P. O. Box 230  
Las Vegas, Nevada 89101

RE: Ridley vs. Nevada Power  
Company

FILE: CCU-080880-AM

Dear Mr. McPhail:

This is in further reference to the above-captioned complaint.

Based on the information provided in the research report enclosed with your response, we do not feel that you have reliably established the time the alleged tampering occurred. Consumption appears to have decreased steadily between 1975 and 1978. Moreover, in our opinion, Nevada Power Company had ample opportunity to observe the low consumption prior to March 21, 1980. Therefore, it is our position that Rule 17B(2) should apply. Please prepare a backbill for three months and provide us with a copy no later than September 12, 1980.

If you have questions regarding this matter, please contact me.

Sincerely,

PUBLIC SERVICE COMMISSION OF NEVADA

A handwritten signature in cursive script, appearing to read "R. B. Clark".

R. B. Clark, Director  
Division of Consumer Relations

RBC:AM:kjm

KX 3

NEVADA POWER COMPANY  
METER VALIDITY DEPARTMENT  
1701 WEST CHARLESTON BLVD. -  
SUITE 680  
PHONE (702) 386-1700 EXT. 296

RECEIVED

AUG 22 1980

NEVADA PUBLIC SERVICE COMMISSION  
CARSON CITY, NEVADA

August 20, 1980

Public Service Commission  
Kinhead Building  
505 King Street  
Carson City, Nevada 89701

Re: Ridley vs. Nevada Power Co.  
File: CCU-080880-AM

Dear Mr. Clark,

In answer to your letter of August 8, 1980, regarding Erna R. Ridley at 708 Nelson.

On March 21, 1980, our Field Service Representative went to 708 Nelson after receiving a report of a broken outer seal there. Our serviceman made a meter change because there was also a broken inner seal. He stated the worm gear was tight and there was black marks on the disc from dragging.

In researching Ms Ridley's account we found the KWH usage dropped in December 1978 and stayed low until the meter change was done on March 21, 1980. After the meter change the KWH consumption went right back up to what it was in 1978 and previous year's.

Enclosed for your files are copies of our mans work, the meter test, which showed the meter not registering correctly, a picture of the broken seal, and a history of Ms Ridley's account.

If you have any further questions regarding this account, contact W. Charles McPhail at 702-386-1700 ext. 296.

Sincerely,

*W. Charles McPhail*

W. Charles McPhail  
Meter Validity Department

WCM/ph  
enclosures

03-12-2018-1

EVIDENCE OF TAMPERING

ISSUED BY: \_\_\_\_\_

DATE: \_\_\_\_\_

NAME: Ridley

ADDRESS: 708 Nelson

~~ACCOUNT No.~~

OLD METER No.: 474-4517 NEW METER No.: 474-11078

CUT IN READING: 67908 CUT IN READING: 46246

DISTRICT: \_\_\_\_\_ DATE COMPLETED: 3-21-80

COMPLETED BY: [Signature]

Gas Meter  Swimming Pool   
Evap. Cooler  A/C Unit



TYPE OF EVIDENCE	
Broken Outer Seal	<input checked="" type="checkbox"/>
Broken Inner Seal	<input checked="" type="checkbox"/>
Meter Upside Down	<input type="checkbox"/>
Other	<input checked="" type="checkbox"/>
<u>Worm gear</u>	
<u>Tight Black</u>	
<u>marks on disc</u>	
<u>from dragging</u>	

031220181 4740451

1 708 NELSON AV W

RIDLEY ERMA T

DOG OK

67908

0-55 0760/CT

SPECIAL INSTRUCTIONS

B.O.S.

A.I.S.

A/C & worm gear in addition

worm gear tight

Black marks on disc

ETB  
3-21-80

NEVADA POWER CO.

FEB 7 1980

302368

474-11078  
46246

1 seal  
R & B  
SM

03-12-2018-1  
NEVADA POWER CO. METER REMOVAL TAG

Meter No. 474-4517 Reading 67908  
Address 708 Nelson Av.

Socket Condition: Good  Good  Burned up   
Notified Cust. Yes  No  Should Replace  Repaired

Set new meter No. 474-11078 Reading 46246

Remarks: Worm gear tight & Black marks on disc from dragging

CSO Made: Yes  No  MAIN SIZE: 100  200

Load Check Recommended

Name [Signature] Date 3-21-80

	GOOD	BROKEN
OUTER SEAL	<input type="checkbox"/>	<input checked="" type="checkbox"/>
INNER SEAL	<input type="checkbox"/>	<input checked="" type="checkbox"/>
METER CONDITION	<input checked="" type="checkbox"/>	<input type="checkbox"/>
METER COVER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
PANEL FACE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SOCKET CONDITION	<input checked="" type="checkbox"/>	<input type="checkbox"/>
METER BANDS	<input checked="" type="checkbox"/>	<input type="checkbox"/>

*Reg*

	YES	NO
SLIPPED SEAL	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HOLE DRILLED IN COVER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
METER UPSIDE DOWN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DAMAGED METER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
VOLTAGE TOP CLIPS	<input checked="" type="checkbox"/>	<input type="checkbox"/>
VOLTAGE BOTTOM CLIPS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
METER ROTATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>
POTENTIAL CLIP OPEN	<input type="checkbox"/>	<input checked="" type="checkbox"/>

COMMENTS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Fill In At Time Of Removal**

EQT: \_\_\_\_\_

Ring Seal:  OK  Broken

Cover Seal:  OK  Broken

Pot. Clip:  Cl.  Open

Cover Broken: Yes  No

Meter Smashed: Yes  No

Meter Ring Broken: Yes  No

Meter Upside down: Yes  No

Remarks: \_\_\_\_\_



NEVADA POWER COMPANY

SPECIAL TEST & DAMAGED METER REPORT

SPECIAL TEST  # 80-7915

DAMAGED METER DATE 4-9-80

ADDRESS 708 Wilson Ave. MTR # 474-4317

ERROR:F.L. -16.7 L.I. 100.0 READING 67908 TESTED BY [Signature]

E.O.T.: YES  NO  COVER SEAL: OK  BROKEN

RING SEAL: OK  BROKEN

METER DAMAGED: DISC  COVER  REGISTER

BEARINGS JAMMED  POT CLIP: CL  OPEN

TAMPED ADJUSTMENTS: F.  L.  METER REMOVAL TAG: YES  NO

WITNESSED: PSC  CUSTOMER

PERSON RETURNING METER: ?

REASON FOR RETIREMENT: \_\_\_\_\_

REMARKS: aid for child

METER SHOP

Form No. M-23, Rev. 8/79



NP

# NEVADA POWER COMPANY KWH RESEARCH REPORT

1160

CUSTOMER NAME: Ridley Erma T  
ACCT. NO.: 03-12-2018 1

DATE: \_\_\_\_\_

474-11078

19 <u>50</u>	AS BILLED		ADJUSTED		ADD'L BILLING
	KWH	AMOUNT	KWH	AMOUNT	
1 JANU	1021	390.4	2677	98.79	591.75
2 FEB. 5	1023	430.1	2822	115.01	72.00
3 MAR. 5	875	37.22	2647	108.01	70.79
4 APR. 3	1324	55.07	1556	68.35	13.28
5 <del>MAY 5</del>	<del>1667</del>	<del>68.85</del>			
6 JUN 4	1914	76.51			
7 JUL 3	2460	102.98			
8 AUG 5	3663	152.33			
9 SEPT.					
10 OCT.					
11 NOV.					
12 DEC.					
<b>TOTAL</b>	<b>4241</b>	<b>174.34</b>	<b>9802</b>	<b>390.16</b>	<b>215.82</b>

COMMENTS: 21,504      728.35      37,431      1268.44      540.09

DEPT. : METER VALIDITY
RES. :
APP :





# NEVADA POWER COMPANY KWH RESEARCH REPORT

1101

CUSTOMER NAME :

ACCT. NO.: 03-12-20131

DATE: \_\_\_\_\_

		AS BILLED		ADJUSTED		ADD'L BILLING
19 <u>79</u>		KWH	AMOUNT	KWH	AMOUNT	
1	JAN <u>4</u>	1405	41.71	2677	77.58	35.87
2	FEB. <u>5</u>	1778	52.23	2852	81.67	29.44
3	MAR. <u>4</u>	1097	33.02	2347	76.74	43.72
4	APR <u>4</u>	731	23.20	1656	49.34	26.14
5	MAY <u>3</u>	651	22.01	1542	58.75	36.74
6	JUN. <u>5</u>	1296	44.10	1860	62.38	18.28
7	JUL. <u>5</u>	1930	64.65	2485	82.61	17.99
8	AUG. <u>3</u>	2448	81.47	3005	99.50	18.07
9	SEPT. <u>5</u>	1835	61.56	2910	96.41	34.85
10	OCT. <u>3</u>	1287	41.31	1551	50.27	8.96
11	NOV. <u>2</u>	697	23.33	1080	41.10	17.77
12	DEC. <u>5</u>	849	27.96	1256	40.36	12.40
<b>TOTAL</b>		16,007	516.51	25,521	816.74	300.23

COMMENTS :

DEPT. : METER VALIDITY
RES. :
APP :



# NEVADA POWER COMPANY KWH RESEARCH REPORT

1162

CUSTOMER NAME:

ACCT. NO.: 03-12-2018-1

DATE: \_\_\_\_\_

19	MO	AS BILLED		ADJUSTED		ADD'L BILLING
		KWH	AMOUNT	KWH	AMOUNT	
1	JAN.5	2677	77.58			
2	FEB.3	2822	81.67			
3	MAR.6	2647	76.74			
4	APR.5	1656	48.79			
5	MAY.3	1342	37.93			
6	JUN.5	1860	51.51			
7	JUL.6	2435	72.15			
8	AUG.2	3005	86.53			
9	SEPT.6	2910	84.16			
10	OCT.1	1581	46.68			
11	NOV.3	1280	38.18			
12	DEC.5	1256	37.50	21.76	61.54	24.04
<b>TOTAL</b>		1256	37.50	2108	61.54	24.04

COMMENTS:

DEPT. : METER VALIDITY
RES. :
APP. :



# NEVADA POWER COMPANY KWH RESEARCH REPORT

1163

CUSTOMER NAME:

ACCT. NO.: 03-12-2018.1

DATE:

19	MONTH	AS BILLED		ADJUSTED		ADD'L BILLING
		KWH	AMOUNT	KWH	AMOUNT	
1	JAN 5	3165	83.05			
2	FEB 4	3199	83.93			
3	MAR 4	2274	60.11			
4	APR 5	2442	64.44			
5	MAY 4	2322	61.34			
6	JUN 3	213	7.04			
7	JUL 6	2988	81.35			
8	AUG 5	3125	90.21			
9	SEPT 4	2474	71.85			
10	OCT 5	1715	50.44			
11	NOV.	1445	42.84			
12	DEC.	2108	61.54			
TOTAL						

COMMENTS:

DEPT. : METER VALIDITY
RES. :
APP :



NEVADA POWER COMPANY  
KWH RESEARCH REPORT

1161

CUSTOMER NAME:

ACCT.NO.: 03-12-2018-1

DATE: \_\_\_\_\_

		AS BILLED		ADJUSTED		ADD'L BILLING
		KWH	AMOUNT	KWH	AMOUNT	
1976						
1	JAN	3088 <del>2437</del>	63.27 <del>52.21</del>			
2	FEB	2437	52.21			
3	MAR	2538	52.58			
4	APR	2258	47.98			
5	MAY	1770	40.32			
6	JUN	2094	48.70			
7	JUL	3353	75.56			
8	AUG	3015	68.35			
9	SEPT	2874	65.34			
10	OCT	3755	84.14			
11	NOV	1553	38.03			
12	DEC	1964	52.18			
TOTAL						

COMMENTS:

DEPT. : METER VALIDITY
RES. :
APP :



# NEVADA POWER COMPANY KWH RESEARCH REPORT

1165

CUSTOMER NAME:

DATE:

ACCT. NO.:

03-12-2018-1

		AS BILLED		ADJUSTED		ADD'L BILLING
10-25		KWH	AMOUNT	KWH	AMOUNT	
1	JAN 6	3853	62.52			
2	FEB 5	3359	55.59			
3	MAR 4	2617	44.14			
4	APR 4	2570	43.78			
5	MAY 5	2082	36.68			
6	JUN 4	2352	41.12			
7	JUL 3	2733	47.39			
8	AUG 5	3611	62.55			
9	SEPT 4	2868	56.44			
10	OCT.	2075	42.43			
11	NOV 5	1716	37.17			
12	DEC 4	2045	43.73			
TOTAL						

COMMENTS:

DEPT. : METER VALIDITY
RES. :
APP :

EX 2



**PUBLIC SERVICE COMMISSION**  
STATE OF NEVADA

Address all communications to the Commission  
Telephone (702) 885-4180

August 8, 1980

KINKEAD BUILDING  
505 EAST KING STREET  
CARSON CITY, NEVADA 89710

Ms. Erma T. Ridley  
708 Nelson  
North Las Vegas, NV 89030

RE: Ridley vs. Nevada Power  
Company

FILE: CCU-080880-AM

Dear Ms. Ridley:

This will acknowledge receipt of your complaint by the Public Service Commission Division of Consumer Relations.

A review and investigation has been initiated by Division staff to determine the validity of your claim. You will be advised as to the findings as soon as they are available.

In responding to this letter and/or other requests, please incorporate the above reference number in all your correspondence.

Sincerely,

PUBLIC SERVICE COMMISSION OF NEVADA

R. B. Clark, Director  
Division of Consumer Relations

RBC:kjm

cc: Las Vegas PSC



PUBLIC SERVICE COMMISSION  
STATE OF NEVADA

Address all communications to the Commission  
Telephone (702) 885-4180

August 8, 1980

KINKEAD BUILDING  
505 EAST KING STREET  
CARSON CITY, NEVADA 89710

Nevada Power Company  
P. O. Box 230  
Las Vegas, Nevada 89101

RE: Ridley vs. NPC

FILE: CCU-080880-AM

Gentlemen:

Attached is a copy of a complaint registered against your firm by the above-referenced individual(s).

In order for this division to fairly and accurately process this complaint, it is imperative that we receive your written reply, together with all supporting documentation, no later than fifteen working days from this date.

In responding to this letter and/or other requests by Consumer Division personnel assigned to review and investigate this matter, please incorporate the above reference number in all your return correspondence.

Your immediate attention to this matter will ensure prompt resolution of this complaint.

Sincerely,

PUBLIC SERVICE COMMISSION OF NEVADA

A handwritten signature in dark ink, appearing to read "R. B. Clark".

R. B. Clark, Director  
Division of Consumer Relations

RBC:kjm

Attachment

cc: Las Vegas PSC



EX 1

Public Util. Commission  
2501-E. Sahara Ave.  
Las Vegas, Nevada

Gentlemen:

Here is my letter about my Power Bill. I went down to the office of Meter Validity Dept. on 1701 West Charleston to talk about my bill the Man I talked too told me, when I ask what Evidence di I have, he had none he said it could have broken by it self.

Because I have been living in this house almost 20yrs. This home was a Model House. It was 5 Or 6 years before I moved here lights were already on when I moved here, they don'tt use the Iron Bands like the one I had on my Meter any more no one tampered with my meter no one tampered with the band it just wore out.

The man I talk too said it could have happen that way. But I am still supposed too pay 629.00 dollars; that's a sin really? My air condition has been out of order I just had it fixed, I bought a water cooler to use thats why I have'tnt been using as much power hope you can help! Thank you

Yours very truly.

Ms. Erma T. Ridley

**RECEIVED**

AUG 06 1980

Nevada Public Service Commission  
LAS VEGAS, NEVADA

1108



2

**NEVADA POWER COMPANY**  
**METER VALIDITY DEPARTMENT**  
1701 WEST CHARLESTON BLVD.  
SUITE 680  
PHONE (702) 386-1700 EXT. 296

474-4517

July 23, 1980

Ridley Erma T  
708 Nelson  
No Las Vegas, NV 89030

Re: 03-12-2018-1-7

Dear Mr. Ridley,

As a result of finding evidence of tampering on the meter serving your premises at 708 Nelson, your account has been reviewed.

We find the billings for the period of December 5, 1978 through April 3, 1980 were underbilled. Enclosed is a statement for this period showing you current billing of \$83.32 and the additional billing in the amount of \$545.09. The adjusted billings are based on your 1977 and 1978 year's usage for the same comparable period of time.

Please contact our office at 1701 West Charleston Suite 680, to make arrangements to pay this outstanding bill or to discuss any matter related to this billing. If an immediate visit to our office is not practical, please call our office at 386-1700.

Also enclosed is a copy of the Public Service Commission approved Rule 14 which explains the appeal procedure should you not be satisfied with the Utilities position on this matter, and Rule 17 that covers the billing adjustment procedure.

Any further correspondence should be addressed to our office.

Sincerely,

*W. Charles McPhail*

W. Charles McPhail  
Meter Validity Department

WCM/ph  
enclosures

**RECEIVED**

AUG 06 1980

Nevada Public Service Commission  
LAS VEGAS, NEVADA

1169

Statement For: Ridley T

Date: July 23, 1980

Account No: 03-12-2018-1-7

DATE	AS BILLED		CORRECTED BILLING		
	KWH	AMOUNT	KWH	AMOUNT	ADD'L
4-3-80	1324	\$ 55.07	1656	\$ 68.35	\$ 13.28
3-5	878	37.22	2647	108.01	70.79
2-5	1023	43.01	2822	115.01	72.00
1-4	1021	39.04	2677	98.79	59.75
12-5-79	849	27.29	1256	40.36	12.47
11-2	697	23.33	1280	41.10	17.77
10-3	1287	41.31	1581	50.27	8.96
9-5	1835	61.56	2910	96.41	34.85
8-3	2448	81.43	3005	99.50	18.07
7-5	1930	64.65	2485	82.64	17.99
6-5	1296	44.10	1860	62.38	18.28
5-3	654	22.01	1342	58.75	36.74
4-4	731	23.20	1656	49.34	26.14
3-6	1097	33.02	2647	76.74	43.72
2-5	1778	52.23	2822	81.67	29.44
1-4	1405	41.71	2677	77.58	35.87
12-5-78	1256	37.50	2108	61.54	24.04
	<u>21504</u>	<u>\$ 728.35</u>	<u>37431</u>	<u>\$ 1268.44</u>	<u>\$ 540.09</u>

TOTAL CORRECTED BILLING \$ 1268.44  
 LESS AMOUNT ADJUSTED 728.35CR  
 CURRENT BALANCE 83.32  
 BROKEN SEAL 5.00  
 AMOUNT DUE \$ 628.41

Nevada Power Company  
P.O. Box 230  
Las Vegas, Nevada 89151

Tariff No. 1-B  
cancels

Tariff No. 1-A (withdrawn)

Original

P.S.C.N. Sheet No. 91

Cancelling

P.S.C.N. Sheet No.

Rule No. 14  
DISPUTED BILLS

- A. In case of a dispute between a Customer and the Utility as to the correct amount of any bill rendered by the Utility for electric service furnished to the Customer, the Customer will deposit with the Utility the amount claimed by the Utility to be due.
- B. Failure on the part of the Customer to make such deposit within 15 days after written notice by the Utility that such deposit be made or service may be discontinued, shall warrant the Utility in discontinuing the service to the Customer without further notice.
- C. In the event of dispute between the Customer and the Utility respecting any bill, charge or service, the Utility shall forthwith make such investigation as shall be required by the particular case, and report the result thereof to the Customer. In the event that the complaint cannot be satisfactorily adjusted, the Utility or the Customer may make application to the Public Service Commission of Nevada for adjustment of the complaint, and the Utility shall notify the Customer in writing or otherwise that he has the privilege of appeal to the Commission as indicated in this rule.

Issued:  Effective:  Advice No.: 10	Issued By:  Conrad L. Ryan President	PUBLIC SERVICE COMMISSION OF NEVADA ACCEPTED FOR FILED 1171 EFFECTIVE MAY 30 1990
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Nevada Power Company  
P.O. Box 230  
Las Vegas, Nevada 89151  
Tariff No. 1-B  
cancels  
Tariff No. 1-A (withdrawn)

Original \_\_\_\_\_ P.S.C.N. Sheet No. 101

Cancelling \_\_\_\_\_ P.S.C.N. Sheet No. \_\_\_\_\_

Rule No. 17  
METER TESTS AND ADJUSTMENT OF BILLS FOR METER ERROR  
(Continued)

B. Adjustment of Bills for Meter Error

1. Fast Meters

When, upon test, any meter is found to be registering fast, as determined by A-2 above, the Utility will refund to the Customer the amount of the overcharge based on corrected meter readings for a period not to exceed the preceding six months.

2. Slow Meters

When, upon test, a meter is found to be registering slow, as determined by A-2 above, the Utility may bill the Customer for the amount of the undercharge based on corrected meter readings for a period not to exceed the preceding three months.

3. Nonregistering Meters

When, upon test, any meter is found to be nonregistering, the Utility may bill the Customer for electricity consumed but not registered for a period not to exceed three months, except as provided in paragraph 17-C.

Bills for this purpose will be based on the Customer's prior requirements, if reliable, taken in connection with subsequent requirements correctly metered, and the general characteristics of the Customer's operations.

C. General

When it is found that the error in a meter is due to causes, the date of which can be reliably established, the overcharge or the undercharge will be computed back to, but not beyond, that date and no part of the minimum charge will be refunded.

Issued:	Issued By:	FILED
Effective:	Conrad L. Ryan President	ACCOUNTS
Advice No.: 10		MAY 11 1972 EFFECTIVE



PUBLIC SERVICE COMMISSION  
STATE OF NEVADA

Address all communications to the Commission  
Telephone (702) 885-4180

April 3, 1981

KINKEAD BUILDING  
505 EAST KING STREET  
CARSON CITY, NEVADA 89710

Ms. Erma T. Ridley  
708 Nelson  
North Las Vegas, NV 89030

RE: Ridley vs. Nevada  
Power Company

FILE: CCU-080880-AM

Dear Ms. Ridley:

This is in response to your complaint regarding a backbill of \$545.09 presented to you by Nevada Power Company.

After a lengthy investigation and a public hearing on this matter, the Commission ruled that the utility did not reliably establish the date of tampering. Therefore, Nevada Power Company was directed to prepare a backbill for the three months immediately preceding the discovery of tampering.

Based on available information, you were billed \$207.54 for the period January 4 through March 5, 1980. We have been informed that your February and March bills are outstanding and must be brought up to date. You may wish to contact the utility regarding payment arrangements on the backbill in order to avoid interruption of service.

We appreciate your bringing this matter to our attention, and encourage you to contact us if we may be of further assistance.

Sincerely,

PUBLIC SERVICE COMMISSION OF NEVADA

A handwritten signature in cursive script that reads "R. B. Clark".

R. B. Clark, Director  
Division of Consumer Relations

RBC:AM:kjm

cc: Nevada Power Company  
Las Vegas PSC  
Andrew Barbano ✓



This complaint arose out of a dispute between Complainant and Respondent regarding a back billing for electric usage not recorded by Complainant's meter. Respondent alleged that the meter had been tampered with in December of 1978; and, that Complainant's total usage was not properly recorded from that date until April, 1980, when the meter was changed.

Complainant denied any knowledge of tampering. Furthermore, she testified that Charles McPhail, Manager of Respondent's Meter Validity Department, told her that the low readings by the meter could have resulted from natural causes. However, Mr. McPhail testified that the low readings were caused by tight bearings dragging on the meter dial, and that manual adjustment of the bearing adjustment screw would be the only way that those bearings could have become tight enough to cause meter error. According to Mr. McPhail, there were, indeed, screwdriver marks on the adjustment screw.

In light of Mr. McPhail's testimony regarding the cause of the defective readings, and in light of the fact that both the inner and outer seals of the meter were broken, the Commission must conclude that the defects in the meter were the result of tampering, not natural causes. Nevertheless, given the rather technical means by which the tampering was accomplished, and without any showing that Complainant had the expertise required to carry out such tampering, the Commission cannot find that Complainant, herself, tampered with the meter; nor, on the evidence of record, can Complainant be linked to the tampering in any other way. Therefore, the Commission can only conclude that Complainant was the victim of thoughtless beneficence.

Although the Commission finds that Complainant was not responsible for the tampering to her meter, she did receive the use of the unmetered power. Therefore, Respondent is entitled to receive payment for that power. Under

Respondent's tariffs, if Respondent can reliably establish the date of tampering, the undercharge may be computed back to that date. However, if the date of tampering cannot be reliably established, the undercharge may only be computed back three months.

In this case, there was disagreement as to whether Respondent could reliably establish that the tampering occurred on or about December, 1978. Mr. McPhail testified that Respondent's determination was based upon an analysis which showed a substantial unexplained drop in Complainant's consumption beginning in December, 1978. As shown on Exhibit 9, Complainant's usage in December, 1978 was only 59% of that for December of the previous year. Readings for subsequent months ranged from a low of 45% of the previous year's usage for the corresponding month to a high of 82% of the previous year's usage for the corresponding month. Mr. McPhail stated that the variations in the magnitude of the under-recordings were attributable to the manner in which the tampering affected the meter. Apparently, the meter error was only 16.4% at a full load of 30 amps, but was 100% at a low load of 3 amps. Thus, he explained, the under-recording was greater in months with low load factors and less in months with high load factors.

The consumption comparison shown by Exhibit 9 appears, at first glance, to conform with Mr. McPhail's explanation. The percentage reduction in recorded usage was less in the hot summer months when one would expect high cooling loads, and greater in spring months when neither heating nor cooling loads would have been high. However, Mr. McPhail's testimony did not explain why there was a relatively high degree of error in the presumably cold months of December, January, and February of both 1979 and 1980 even though Complainant utilized electric space heaters as her primary source of heat. While differences in heating and cooling load factors might provide a perfectly logical explanation



for that seeming inconsistency, there was no evidence on the record supporting such an explanation. As a result, the Commission has no means to close the gap left open by Mr. McPhail.

There were other weaknesses in Respondent's case, as well. Respondent did not provide the Commission with information regarding weather and temperature variations over the years examined. Nor, did Respondent make any attempt to account for the possibility of voluntary consumption reductions typical of customers in Respondent's service area. Arzella Moots, Consumer Services Representative for the Commission, pointed out that Complainant had, during the years prior to the date of the alleged tampering, significantly reduced her consumption of energy. As Ms. Moots testified, there was no "shelf" in consumption from which there was a significant drop. Thus there was no point in time at which it is clear that the reduction in recorded usage was the result of tampering rather than a real reduction related to weather and conservation efforts.

On the basis of the evidence of record, the Commission cannot accept Respondent's allegation that the tampering occurred in December, 1978. While the jump in measured consumption which occurred after the meter was replaced clearly indicates that Complainant was receiving the use of unmetered power, the unaddressed issues regarding weather conditions and the range of effects that conservation measures might have had, leave the Commission without a reasonable basis for determining the date of tampering. Therefore, the Commission must reject Respondent's allegation that the tampering occurred in December, 1978.

Because Respondent did not reliably establish the date of tampering, it will only be permitted to back bill Complainant for the three month period immediately preceding the discovery of tampering. In calculating the amount

of the back billing, Respondent should use the consumption levels for the months of January, February and March, 1978. The actual amount of the billing should, of course, be based upon 1980 rate levels and should include interest at the legal rate.

Although it is possible that Complainant received the use of far more unbilled energy than she will be billed for, the Commission's Order herein should not be considered a condonation of meter tampering. Tampering with a meter, as it should be, is a criminal act under Nevada law. Far from being modern day Robin Hoods, meter tamperers are neighborhood thieves. The losses utilities suffer as a result of power stealing are made up through higher rates which everyone, rich and poor alike, must pay.

While the primary blame for any losses that may have been suffered by Respondent in this case must rest with the person or persons responsible for the tampering, Respondent must also, to some extent, share the responsibility for those losses. Respondent's customers are entitled to a reasonable attempt on the part of Respondent to curb power theft. More aggressive efforts to check for meter tampering should be utilized in order to eliminate long delays before the discovery of tampering.

#### FINDINGS AND CONCLUSIONS

Wherefore, the Commission being advised in the premises finds and concludes as follows:

1. The complaint on file herein comes within the purview of the statutes of the state of Nevada and within the regulatory jurisdiction of this Commission; and
2. At some point in time prior to April 4, 1980, the meter recording usage of electricity at Complainant's residence was subject to tampering, and, as a result, incorrectly recorded usage; and

3. Respondent did not reliably establish the date of tampering; and
4. Respondent should back bill Complainant for the period of three months immediately preceding the discovery of tampering. In calculating the amount of back billing, Respondent should use consumption levels for the months of January, February and March, 1978.
5. The back billing should be based upon 1980 rate levels, and should include interest at the legal rate.

An appropriate Order will be entered.



IT IS FURTHER ORDERED That the Commission retains jurisdiction in the premises for the purpose of correcting any errors which may have occurred in the drafting or issuance of this Opinion and Order.

By the Commission,

/s/ R. C. Bos

---

R. C. BOS, Chairman

/s/ Heber P. Hardy

---

HEBER P. HARDY, Commissioner

Attest: /s/ Wm. W. Proksch, Jr.

---

WM. W. PROKSCH, JR., Secretary

Dated: Carson City, Nevada  
March 10, 1981

(SEAL)

Nov. 19, 1980

2000 N 17th Ave. Paul  
Phoenix 5588 121 Uta, N. U. 800  
Dialing S. C. Box 12974

New Vegas Nev. 59112

EXHIBIT G

I am a registered voter, have lived  
in Las Vegas, Nev. since 1940.

As I think Nevada Power Co. is selling a  
machine gun over the radio & name for at  
least 15 years.

instead of them getting a 20,000,000,000  
they should return us double that amount  
they give us back all the electrical energy  
that put on our bill every month.

We utility uses, that pay the bill, we don't  
get dividends from the power co.

since the Nevada Power has stock holders  
then, there are ones who are supposed to  
pay for their own company,

that is, as I feel regulation should at least  
help us on this as well.

enclosed is something that just happened to  
me. I am a disabled person living on Sec Sec  
in the amount \$258.00 a month

last mo bill was \$254.00, I had 4.00 left. till  
I've got to pay over my regular bill, \$96.13 for  
~~Jan 5, 1981~~, paid Nov. 96.13, Dec 96.13, Jan 96.13  
96.13, Feb, 96.13, the sum \$384.52

1132

disclosed. is how they will see. But don't know  
what to do, about it, but had to agree to sign  
to say or power would be cute of.

I was always told, company couldn't double  
bill you.

When you <sup>pay</sup> a bill, it's paid.

or Am I go crazy.

I pray this help the people of the State of  
Nevada,

Sincerely  
John H. Cowan Lamb



**NEVADA POWER COMPANY**  
 FOURTH & STEWART LAS VEGAS, NEVADA  
 Rate Schedules May Be Consulted At Our Office

NET AMOUNT	DATE	METER READING	KWH CONSUMPTION	CODE
23.16	5 20			
28.58	6 17			
33.50	7 20			
39.27				

I Worked All These Hours.....

AUG 3 1964 JK  
 PAID #1

THIS BILL IS DUE AND PAYABLE UPON PRESENTATION

METER NUMBER	MULTIPLIER	KW DEMAND	NET AMOUNT	RATE



**NEVADA POWER COMPANY**  
 FOURTH AND STEWART • LAS VEGAS • NEVADA

NET AMOUNT	DATE	METER READING	KWH CONSUMPTION	RATE
21.25	01-18	09640	760	16

1962

LAUB JEAN  
 P O BOX 947  
 EAST LAS VEGAS NEV

RATE SCHEDULES  
 MAY BE CONSULTED  
 AT OUR OFFICE.

274-230.13 METER NUMBER	1 MULTIPLIER	KW DEMAND	12-06-3050-2 ACCOUNT NUMBER
----------------------------	-----------------	-----------	--------------------------------

MAPLE & RUSSELL



ROBERT LIST  
Governor



HEBER P. HARDY, *Chairman*  
JANET S. MAC DONALD, *Commissioner*  
ROGER C. BOS, *Commissioner*  
PATRICK V. FAGAN, *Deputy Commissioner*  
WM. W. PROKSCH, Jr., *Secretary*

PUBLIC SERVICE COMMISSION  
STATE OF NEVADA

Address all communications to the Commission  
Telephone (702) 885-4180

October 13, 1980

KINKEAD BUILDING  
505 EAST KING STREET  
CARSON CITY, NEVADA 89710

Ms. Jean Laub  
P. O. Box 12974  
Las Vegas, Nevada 89112

RE: Laub vs. Nevada Power

FILE: CCU-091980-AM1

Dear Ms. Laub:

This is in response to your recent correspondence regarding a back bill of \$384.49 presented to you by Nevada Power Company.

An investigation of this matter revealed that the meter reader got the same reading from your meter on July 23 as he had gotten on June 20, which meant that no consumption had registered during that billing period. As a result, a serviceman was dispatched to your residence to change the meter on August 6.

A back bill was prepared after the next regular meter reading was taken on August 21. Your consumption between August 6 and August 21, which amounted to 183.1 kilowatts per day, was used as the basis for the back bill.

Based on available information, you have agreed to pay the back bill in four monthly installments. It appears that Nevada Power has acted in accordance with applicable rules and regulations in handling your account, and that there is no basis for any further adjustment to your bill.

Please contact this office if you have questions, or if we can be of some assistance in the future.

Sincerely,

PUBLIC SERVICE COMMISSION OF NEVADA

A handwritten signature in cursive script that reads "R. B. Clark".

R. B. Clark, Director  
Division of Consumer Relations

RBC:AM:kjm

cc: Nevada Power Company

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

S. B. 231

SENATE BILL NO. 231—COMMITTEE ON  
COMMERCE AND LABOR

FEBRUARY 13, 1981

Referred to Committee on Commerce and Labor

SUMMARY—Changes various provisions of law governing physical  
therapists and their assistants. (BDR 54-297)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 physical therapists; expanding the powers of the state board of physical therapy examiners; providing rules for its proceedings and for subpoenas; providing for the issuance of temporary permits and registration without examination in certain circumstances; adding grounds for disciplinary action by the board; increasing fees; providing penalties; 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. Chapter 640 of NRS is hereby amended by adding  
2 thereto the provisions set forth as sections 2 to 9, inclusive, of this act.
- 3 SEC. 2. "Physical therapist's assistant" means a person who assists in  
4 the practice of physical therapy under the supervision of a registered  
5 physical therapist and who is licensed under the provisions of this chapter.
- 6 SEC. 2.5. "Practice of physical therapy":  
7 1. Includes:  
8 (a) The performing and interpreting of tests and measurements of  
9 neuromuscular, musculoskeletal, cardiovascular and respiratory functions  
10 as an aid to treatment;  
11 (b) The planning of initial and subsequent treatment programs on the  
12 basis of the results of tests; and  
13 (c) The administering of treatment through the use of therapeutic exer-  
14 cise and massage, joint mobilization (without chiropractic adjustment),  
15 mechanical devices, and therapeutic agents which employ the properties  
16 of air, water, electricity, sound and radiant energy.
- 17 2. Does not include:  
18 (a) The diagnosis of physical disabilities;  
19 (b) The use of roentgenic rays or radium;  
20 (c) The use of electricity for cauterization or surgery; or



1 (d) *The occupation of a masseur who massages only the superficial soft*  
2 *tissues of the body.*

3 SEC. 3. 1. *A complaint against any person who has been registered*  
4 *or issued a license or temporary permit pursuant to this chapter may be*  
5 *initiated by the board or may be filed with the board by any member or*  
6 *agent of the board or any aggrieved person.*

7 2. *The complaint must allege one or more of the grounds enumerated*  
8 *in NRS 640.160 and must contain a statement of facts showing that a*  
9 *provision of this chapter or the board's regulations has been violated.*  
10 *The complaint must be sufficiently detailed to enable the respondent to*  
11 *understand the allegations.*

12 3. *The complaint must be in writing and be signed and verified by*  
13 *the person filing it. The original complaint and two copies must be filed*  
14 *with the board.*

15 4. *The board shall review each complaint. If a complaint shows a*  
16 *substantial violation of a provision of this chapter or the board's regula-*  
17 *tions, the board shall proceed with a hearing on the complaint.*

18 SEC. 4. 1. *As soon as practicable after the board determines that a*  
19 *complaint merits a hearing, the board shall set a date for the hearing. The*  
20 *hearing must not be set sooner than 30 days after the date on which the*  
21 *respondent received notice of the complaint.*

22 2. *The board's secretary shall:*  
23 *(a) Notify the respondent that a complaint against him has been filed;*  
24 *(b) Inform him of the date, time and place set for the hearing; and*  
25 *(c) Include a copy of the complaint with the notice.*

26 3. *The notice and complaint may be served on the respondent by*  
27 *delivery to him personally or by mailing to him at his last known address*  
28 *by registered or certified mail.*

29 4. *If the respondent so requests, the hearing must be held within the*  
30 *county where he resides.*

31 SEC. 5. 1. *The board or any member thereof may issue subpoenas for*  
32 *the attendance of witnesses and the production of books and papers.*

33 2. *The district court, in and for the county in which any hearing is*  
34 *held, may compel the attendance of witnesses, the giving of testimony*  
35 *and the production of books and papers as required by any subpoena*  
36 *issued by the board.*

37 3. *If any witness refuses to attend or testify or produce any books or*  
38 *papers required by a subpoena, the board may file a petition ex parte with*  
39 *the district court, setting forth that:*

40 *(a) Due notice has been given of the time and place for the attendance*  
41 *of the witness or the production of the books or papers;*

42 *(b) The witness has been subpoenaed in the manner prescribed by this*  
43 *chapter;*

44 *(c) The witness has failed or refused to attend or produce the books or*  
45 *papers required by the subpoena before the board in the cause or proceed-*  
46 *ing named in the subpoena, or has refused to answer questions pro-*  
47 *pounded to him in the course of the hearing; and*

48 *(d) The board therefore requests an order of the court compelling the*  
49 *witness to attend and testify or produce the books or papers before the*  
50 *board.*

1 4. *The court, upon such a petition, shall enter an order directing the*  
2 *witness to appear before the court at a time and place fixed by the court*  
3 *in the order, and then and there to show cause why he has not attended*  
4 *or testified or produced the books or papers before the board. The time*  
5 *may not be more than 10 days after the date of the order. A certified*  
6 *copy of the order must be served upon the witness.*

7 5. *If the court determines that the subpoena was regularly issued by*  
8 *the board, the court shall thereupon enter an order that the witness*  
9 *appear before the board at the time and place fixed in the order, and*  
10 *testify or produce the required books or papers. Failure to obey the*  
11 *order is a contempt of the court which issued it.*

12 SEC. 6. *Each witness who appears by order of the board is entitled*  
13 *to receive for his attendance the same fees and mileage allowed by law*  
14 *to a witness in a civil case. The amount must be paid by the party who*  
15 *requested the subpoena. When any witness, who has not been required to*  
16 *attend at the request of any party, is subpoenaed by the board, his fees*  
17 *and mileage must be paid from the funds of the board.*

18 SEC. 7. 1. *The board may, in any hearing before it, cause the depo-*  
19 *sitions of witnesses to be taken in the manner prescribed for depositions*  
20 *in civil actions in this state.*

21 2. *The district court in and for the county in which any hearing is*  
22 *held by the board shall, upon the application of the board, issue com-*  
23 *missions to other states for the taking of evidence therein for use in any*  
24 *proceeding before the board.*

25 SEC. 8. *The board shall render a decision on any complaint within*  
26 *60 days after the final hearing thereon.*

27 SEC. 9. *It is unlawful for any person to practice physical therapy in*  
28 *this state unless he holds a certificate of registration, a license or a tem-*  
29 *porary permit issued pursuant to this chapter or is licensed in this state*  
30 *to practice physical therapy otherwise than by virtue of this chapter.*

31 SEC. 10. *NRS 640.011 is hereby amended to read as follows:*  
32 *640.011 As used in this chapter, unless the context otherwise*  
33 *requires, the terms defined in NRS 640.013 to 640.022, inclusive, and*  
34 *sections 2 and 2.5 of this act, have the meanings ascribed to them in*  
35 *[such] those sections.*

36 SEC. 11. *NRS 640.022 is hereby amended to read as follows:*  
37 *640.022 "Physical therapy" means the [treatment of any bodily or*  
38 *mental condition of any person by the use of the physical, chemical and*  
39 *other properties of heat, light, water, electricity, massage and active and*  
40 *passive exercise. The use of Roentgen rays and radium for diagnostic*  
41 *and therapeutic purposes, and the use of electricity for surgical purposes,*  
42 *including cauterization, are not authorized under the term "physical*  
43 *therapy" as used in this chapter.] specialty in the field of health which is*  
44 *concerned with prevention of disability and physical rehabilitation of*  
45 *persons having congenital or acquired disabilities.*

46 SEC. 12. *NRS 640.030 is hereby amended to read as follows:*  
47 *640.030 1. The state board of physical therapy examiners, consist-*  
48 *ing of five members appointed by the governor, is hereby created.*

49 2. *The governor shall appoint:*



1 (a) Four members who are registered physical therapists in the State  
2 of Nevada.

3 (b) One member who is a representative of the general public.

4 3. The member who is a representative of the general public shall  
5 not participate in preparing, conducting or grading any examination  
6 required by the board.

7 4. No member of the board may serve more than two consecutive  
8 terms.

9 5. The governor may remove any member of the board for incom-  
10 petency, neglect of duty, gross immorality or malfeasance in office.

11 6. A majority of the members of the board constitutes a quorum.  
12 Three votes are required to pass any action by the board.

13 7. No member of the board may be held liable in a civil action for  
14 any act which he has performed in good faith in the execution of his  
15 duties under this chapter.

16 SEC. 13. NRS 640.045 is hereby amended to read as follows:

17 640.045 Each member of the board [shall] is entitled to receive:

18 1. A salary of not more than \$40 per day, as fixed by the board,  
19 while engaged in the business of the board.

20 2. Actual expenses for subsistence and lodging, not to exceed [ \$25  
21 per day, ] the amount provided by law for state officers and employees,  
22 and actual expenses for transportation, while traveling on business of the  
23 board.

24 SEC. 14. NRS 640.050 is hereby amended to read as follows:

25 640.050 1. The board shall examine and register qualified physical  
26 therapists and license qualified physical [therapy] therapists' assistants.

27 2. The board [is authorized to] may adopt reasonable [rules] reg-  
28 ulations to carry this chapter into effect. [and may amend and revoke  
29 such rules at its discretion.]

30 3. The board shall keep a record of its proceedings [under this chap-  
31 ter] and a register of all persons registered or licensed under the provi-  
32 sions of [the] this chapter. The register [shall] must show:

33 (a) The name of every living registrant or licensee.

34 (b) His last-known place of business and last-known place of resi-  
35 dence.

36 (c) The date and number of his registration and certificate [or  
37 license] as a [registered] physical therapist or [a licensed physical  
38 therapy] of his license as a physical therapist's assistant.

39 4. During [May] September of every year in which renewal of reg-  
40 istration or license is required, the board shall compile a list of registered  
41 physical therapists [and licensed physical therapy assistants] authorized  
42 to practice physical therapy [or] and physical therapists' assistants  
43 licensed to assist in the practice of physical therapy in this state. Any  
44 interested person in the state [shall be entitled to] may obtain a copy of  
45 the list upon application to the board and the payment of such amount  
46 as may be fixed by the board, which amount [shall] must not exceed the  
47 cost of the list so furnished.

48 5. The board may:

49 (a) Maintain offices in as many localities in the state as it finds neces-  
50 sary to carry out the provisions of this chapter.

1 (b) Employ attorneys, investigators and other professional consultants  
2 and clerical personnel necessary to the discharge of its duties.

3 6. Any member or agent of the board may enter an office, clinic or  
4 hospital where physical therapy is practiced and inspect its staff for licen-  
5 sure.

6 7. The board may require such an office, clinic or hospital to submit  
7 reports concerning its practice of physical therapy.

8 SEC. 15. NRS 640.060 is hereby amended to read as follows:

9 640.060 For the purpose of NRS 640.080, the board shall not  
10 approve any school or educational curriculum unless graduation from  
11 the school or completion of the curriculum [shall entitle] entitles the  
12 applicant, insofar as educational requirements are concerned, to become  
13 a member in the American Physical Therapy Association. [or the Ameri-  
14 can Registry of Physical Therapists.] Each such school shall, in addition,  
15 comply with all of the provisions of this chapter and the [rules] regula-  
16 tions of the board adopted pursuant to this chapter.

17 SEC. 16. NRS 640.080 is hereby amended to read as follows:

18 640.080 To be eligible for registration by the board as a physical  
19 therapist, an applicant must:

20 1. Be of good moral character.

21 2. Have been graduated [by an approved high school.

22 3. Have been graduated either:

23 (a) By a school of physical therapy approved by the board; or

24 (b) By a school of physical education approved by the board, and, in  
25 addition, have completed to the satisfaction of the board an approved  
26 course in physical therapy; or

27 (c) By a school of nursing approved by the board, and, in addition,  
28 have completed to the satisfaction of the board an approved course in  
29 physical therapy.

30 4. (a) ] from a school in which he completed a curriculum of physi-  
31 cal therapy approved by the board; and

32 3. Pass to the satisfaction of the board an examination conducted by  
33 it to determine his [fitness] qualifications for practice as a physical ther-  
34apist [; or

35 (b) Be] , unless he is entitled to registration without examination as  
36 provided in NRS 640.120 or 640.140.

37 SEC. 17. NRS 640.090 is hereby amended to read as follows:

38 640.090 Unless he is entitled to registration under NRS 640.120 [,  
39 640.130] or 640.140, a person who desires to be registered as a physical  
40 therapist [shall:] must:

41 1. Apply to the board, in writing, on a [blank] form furnished by  
42 the board; [before commencing the practice of physical therapy.]

43 2. [Embody] Include in the application evidence, under oath, satis-  
44 factory to the board, [of his possessing] that he possesses the qualifica-  
45 tions [preliminary to examination] required by NRS 640.080 [.] other  
46 than having passed the examination; and

47 3. Pay to the board at the time of filing his application a fee [of  
48 \$50.] set by a regulation of the board in an amount of not more than  
49 \$100.

50 4. Submit his fingerprints to the board with his application.



1 SEC. 18. NRS 640.100 is hereby amended to read as follows:  
2 640.100 1. The board shall examine applicants for registration as  
3 physical therapists at least twice a year at such places as it may deter-  
4 mine.

5 2. The examination [shall] must embrace such subjects as the  
6 board deems necessary to determine the applicant's [fitness and shall]  
7 qualifications, and the examination must include a written [examina-  
8 tion.] portion.

9 3. The board may charge a fee for examining or reexamining an  
10 applicant, based on the board's cost.

11 4. Before any applicant may take the examination a third time, he  
12 must meet with the board to discuss his possible need for further train-  
13 ing or education and must complete any further training or education  
14 determined by the board to be prerequisite.

15 SEC. 19. NRS 640.110 is hereby amended to read as follows:

16 640.110 1. The board shall register as a physical therapist each  
17 applicant who proves to the satisfaction of the board his [fitness] quali-  
18 fications for registration.

19 2. The board shall issue to each person registered as a physical  
20 therapist a certificate of registration, which [shall be] is prima facie  
21 evidence of [the] his right [of the person to whom it is issued] to  
22 represent himself as a registered physical therapist and to practice phys-  
23 ical therapy in the State of Nevada subject to the conditions and limita-  
24 tions of this chapter.

25 3. Each physical therapist shall display his current certificate of  
26 registration in a location which is accessible to the public.

27 SEC. 20. NRS 640.120 is hereby amended to read as follows:

28 640.120 1. The board may issue, without examination, a permit to  
29 practice physical therapy for a period not to exceed 6 months to any  
30 person who meets the qualifications set forth in NRS 640.080, except  
31 subsection [4] 3 thereof, upon certification that he has been assigned  
32 to the State of Nevada on a temporary basis to assist in a medical  
33 emergency.

34 2. The board may also permit, without examination, temporary reg-  
35 istration not to exceed [6] 8 months to any person meeting the qualifi-  
36 cations set forth in NRS 640.080, except subsection [4] 3 thereof, upon  
37 payment of a temporary registration fee [of \$10,] not to exceed \$25,  
38 which must be paid before commencing the practice of physical therapy.  
39 A temporary registration may not be renewed.

40 3. A student of physical therapy is not required to be registered or  
41 licensed during his clinical training if his work is done under the direct  
42 supervision of a registered physical therapist.

43 4. A graduate student of a school approved by the board may be  
44 granted a temporary permit to practice physical therapy under the direc-  
45 tion of a registered physical therapist during his internship or residency. A  
46 temporary permit must not be made effective for more than 1 year. An  
47 applicant for a temporary permit must:

48 (a) Submit proof that he has graduated from a school in which he  
49 completed a curriculum in physical therapy approved by the board; and

1 (b) Pay a fee set by regulation of the board in an amount of not more  
2 than \$25.

3 SEC. 21. NRS 640.150 is hereby amended to read as follows:

4 640.150 1. Every registered physical therapist shall, during [Janu-  
5 ary 1957, and during January] July of every year, [thereafter,] apply to  
6 the board for an extension of his registration and pay a fee of not more  
7 than [ \$25. ] \$50. Registration that is not so extended [, in the first  
8 instance before April 1, 1957, and thereafter before April 1 every year,  
9 shall automatically lapse.] before September 1 of the year automatically  
10 lapses.

11 2. The board may [, in its discretion,] revive and extend a lapsed  
12 registration on the payment of all past unpaid extension fees not to  
13 exceed [ \$50. ] \$100.

14 3. The board may require registered physical therapists to complete  
15 a program of continuing education consisting of not more than 20 hours  
16 as a requirement for the extension of registrations. The board may pre-  
17 scribe the curriculum and approve the courses of study or training for  
18 that program.

19 SEC. 22. NRS 640.160 is hereby amended to read as follows:

20 640.160 1. The board, after due notice and hearing, [may refuse]  
21 and upon any ground enumerated in subsection 2, may take one or more  
22 of the following actions:

23 (a) Refuse to register [any applicant, and may refuse] or issue a  
24 license or temporary permit to any applicant.

25 (b) Refuse to renew the registration, license or temporary permit of  
26 any [registered] person. [, and may suspend]

27 (c) Suspend or revoke the registration, license or temporary permit of  
28 any [registered] person. [:

29 1. Who is]

30 (d) Place any person who has been registered or issued a license or  
31 temporary permit on probation.

32 (e) Impose an administrative fine which does not exceed \$500 on any  
33 person who has been registered or issued a license or temporary permit.

34 (f) Assess the costs of investigation upon any person who is registered  
35 or has been issued a license or temporary permit.

36 2. The board may take action pursuant to subsection 1 if an appli-  
37 cant or person who has been registered or issued a license or temporary  
38 permit:

39 (a) Is habitually drunk or [who] is addicted to the use of a controlled  
40 substance as defined in chapter 453 of NRS.

41 [2. Who has] (b) Has been convicted of violating any state or fed-  
42 eral law relating to controlled substances as defined in chapter 453 of  
43 NRS.

44 [3. Who is,] (c) Is, in the judgment of the board, guilty of immoral  
45 or unprofessional conduct.

46 [4. Who has] (d) Has been convicted of any crime involving moral  
47 turpitude.

48 [5. Who is] (e) Is guilty, in the judgment of the board, of gross  
49 negligence in his practice as a physical therapist.



1 [6. Who has] (f) Has obtained or attempted to obtain registration  
2 by fraud or material misrepresentation.

3 [7. Who has] (g) Has been declared insane by a court of com-  
4 petent jurisdiction and has not thereafter been lawfully declared sane.

5 [8. Who has treated or undertaken to treat ailments of human  
6 beings otherwise than by physical therapy and as authorized in this  
7 chapter, or who has undertaken to practice independently of the pre-  
8 scription, direction or supervision of a person licensed to practice medi-  
9 cine and surgery without limitation, unless such person is licensed in  
10 the State of Nevada to practice such treatment otherwise than by virtue  
11 of this chapter.]

12 (h) Has entered into any contract or arrangement which provides for  
13 the payment of an unearned fee to any person following his referral of a  
14 patient.

15 (i) Has employed as a physical threapist any unlicensed physical thera-  
16 pist or physical therapist whose license has been suspended.

17 (j) Has had his license to practice physical therapy suspended or  
18 revoked by another jurisdiction.

19 (k) Is determined to be professionally incompetent by the board.

20 (l) Has violated any provision of this chapter or the board's regula-  
21 tions.

22 SEC. 23. NRS 640.190 is hereby amended to read as follows:

23 640.190 1. [A person registered under this chapter as a physical  
24 therapist shall not treat human ailments by physical therapy or otherwise  
25 except under the prescription and direction of a physician, unless such  
26 person is licensed in the State of Nevada to practice such treatment other-  
27 wise than by virtue of this chapter.] Physical therapists may treat only  
28 patients who are referred to them by a physician, chiropractor, dentist,  
29 podiatrist or psychologist in the regular course of his practice, except  
30 that a physical therapist may perform an initial examination of a person  
31 before such a referral.

32 2. Nothing in this chapter authorizes a physical therapist, whether  
33 registered or not, to practice medicine, osteopathic medicine, chiropractic  
34 or any other form or method of healing.

35 3. Any person violating the provisions of this section is guilty of a  
36 misdemeanor.

37 SEC. 24. NRS 640.230 is hereby amended to read as follows:

38 640.230 To be eligible for licensing by the board as a [licensed]  
39 physical [therapy] therapist's assistant, an applicant [shall:] must:

40 1. Be at least 18 years old.

41 2. Be of good moral character.

42 3. Have been graduated by an approved high school.

43 4. Have completed [a board-approved educational curriculum for  
44 a licensed physical therapy assistant.] and educational curriculum  
45 approved by the board for a physical therapist's assistant.

46 5. Pass an examination conducted by the board or be entitled to  
47 licensing without examination as provided in NRS 640.270.

48 SEC. 25. NRS 640.240 is hereby amended to read as follows:

49 640.240 1. For the purposes of NRS 640.230, the board shall not  
50 approve any educational curriculum for a [licensed] physical [therapy]

1 therapist's assistant unless the curriculum includes elementary or inter-  
2 mediate courses in clinical, anatomical, biological and physical sciences  
3 and is [at] :

4 (a) At least a 2-year program requiring a minimum of 60 academic  
5 semester credits at a college accredited by a recognized accrediting  
6 agency [.] ; or

7 (b) A curriculum which is provided by the Armed Forces of the  
8 United States and has been approved by the American Physical Therapy  
9 Association.

10 2. The board may refuse to approve any educational curriculum for  
11 [a licensed physical therapy assistant that fails to] physical therapists'  
12 assistants if the curriculum does not include such courses in theory and  
13 procedures as determined by the board to be necessary for [a licensed  
14 physical therapy assistant.] these assistants.

15 SEC. 26. NRS 640.250 is hereby amended to read as follows:

16 640.250 Unless he is entitled to a license under NRS 640.270, a  
17 person who desires to be licensed as a [licensed physical therapy assist-  
18 ant shall:] physical therapist's assistant must:

19 1. Apply to the board, in writing, on a [blank] form furnished by  
20 the board; [before commencing to act as a licensed physical therapy  
21 assistant.]

22 2. [Embody] Include in the application evidence, under oath, sat-  
23 isfactory to the board, [of his possessing] that he possesses the qualifica-  
24 tions [preliminary to examination] required by NRS 640.230 [.] other  
25 than having passed the examination; and

26 3. Pay to the board at the time of filing his application a fee [to be  
27 determined by the board, but not to exceed \$50.] set by a regulation of  
28 the board in an amount of not more than \$100.

29 4. Submit his fingerprints to the board with his application.

30 SEC. 27. NRS 640.260 is hereby amended to read as follows:

31 640.260 1. The board shall license as a [licensed] physical [ther-  
32 apy] therapist's assistant each applicant who proves to the satisfaction of  
33 the board his [fitness] qualifications for a license.

34 2. The board shall issue to each such person [licensed as a licensed  
35 physical therapy assistant] a license, which [shall be] is prima facie  
36 evidence of [the rights of the person to whom it is issued] his right to  
37 represent himself as a [licensed physical therapy] physical therapist's  
38 assistant and to practice as [a licensed physical therapy] that assistant.

39 3. Each physical therapist's assistant shall display his current license  
40 in a location which is accessible to the public.

41 SEC. 28. NRS 640.270 is hereby amended to read as follows:

42 640.270 The board may [in its discretion,] license as a [licensed  
43 physical therapy] physical therapist's assistant, without examination, on  
44 the payment of the required fee, an applicant [for licensing] who is [a]  
45 licensed [physical therapy assistant licensed] as a physical therapist's  
46 assistant under the laws of another state or territory [which laws] whose  
47 requirements at the date of his licensure were substantially equal to the  
48 requirements in force in this state.

49 SEC. 29. NRS 640.280 is hereby amended to read as follows:

50 640.280 1. Every [licensed physical therapy assistant shall, during



1 January 1972 and during January of every year thereafter, apply] *phys-*  
2 *ical therapist's assistant must apply during July of each year to the*  
3 board for an extension of his license and pay a fee of not more than  
4 [[\$25.] \$50. A license that is not so extended [in the first instance  
5 before April 1, 1972, and thereafter before April 1 every year, shall  
6 automatically lapse.] *before September 1 of the year automatically*  
7 *lapses.*

8 2. The board may [, in its discretion,] revive and extend a lapsed  
9 license on the payment of all past unpaid extension fees not to exceed  
10 [[\$50.] \$100.

11 SEC. 30. NRS 640.290 is hereby amended to read as follows:

12 640.290 [Any] A person licensed [under NRS 640.220 to 640.-  
13 300, inclusive, as a licensed physical therapy] *as a physical therapist's*  
14 *assistant [shall] may assist in the practice of physical therapy only*  
15 *under the [direct] supervision of a registered physical therapist, [in the*  
16 *State of Nevada] subject to the conditions and limitations of NRS [640.-*  
17 *220] 640.230 to 640.300, inclusive.*

18 SEC. 31. NRS 640.300 is hereby amended to read as follows:

19 640.300 [A] Any person [who] :

20 1. *Who* is not licensed under NRS [640.220] 640.230 to 640.300,  
21 inclusive, as a [licensed] physical [therapy] *therapist's assistant [, or*  
22 *whose] ;*

23 2. *Whose* license has been suspended or revoked [, or whose] ; or

24 3. *Whose* license has lapsed and has not been revived,  
25 and *who* uses in connection with his name the words or letters  
26 ["L.P.T.A.," "Licensed Physical Therapy Assistant,," "A.P.T." or  
27 "Physical Therapist's Assistant," or any other letters, words or insignia  
28 indicating or implying that he is a [licensed] physical [therapy]  
29 *therapist's assistant, or who in any other way, orally, or in writing, or in*  
30 *print, by sign, directly, or by implication, represents himself as a*  
31 *[licensed physical therapy] physical therapist's assistant, is guilty of a*  
32 *misdemeanor.*

33 SEC. 32. NRS 640.010, 640.015, 640.130 and 640.220 are hereby  
34 repealed.

35 SEC. 33. The provisions of subsection 2 of section 16 of this act are  
36 not intended to apply to a person who was registered initially by the board  
37 before July 1, 1981, and complied with the educational requirements in  
38 effect at the time of that registration.

**S. B. 494****SENATE BILL NO. 494—COMMITTEE ON  
COMMERCE AND LABOR**

APRIL 2, 1981

Referred to Committee on Commerce and Labor

**SUMMARY**—Eliminates appeal from decision of superintendent of banks to state board of finance. (BDR 55-1455)**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 banks; eliminating the right to appeal to the state board of finance from decisions made by the superintendent of banks; 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 660.015 is hereby amended to read as follows:  
2 660.015 1. Banks organized under this Title may maintain branch  
3 offices but the location of the principal office and the parent bank [shall]  
4 *must* be within the State of Nevada.  
5 2. Additional branch offices may be from time to time established  
6 by the board of directors with the written consent of the superintendent.  
7 3. A bank may discontinue a branch office upon resolution of its  
8 board of directors. Upon the adoption of such a resolution, the bank  
9 shall file a certification with the superintendent specifying the location of  
10 the branch office to be discontinued and the date upon which it is pro-  
11 posed that the discontinuance is to be effective. This certificate must  
12 state the reasons for the closing of [such] *the* branch office and indicate  
13 that the needs and conveniences of the community would still be ade-  
14 quately met. Notice stating the intention to discontinue [such] *the*  
15 branch office [shall] *must* be published in a newspaper serving [such]  
16 *the* community once a week for 4 consecutive weeks before any certifi-  
17 cate requesting discontinuance is filed with the superintendent. No  
18 [such] branch office may be discontinued until approved by the super-  
19 intendent, who shall first hold a public hearing thereon, if so requested  
20 by any interested person.  
21 [4. Any action taken by the superintendent pursuant to this section  
22 shall be subject to review in the same manner as provided in NRS 659.-  
23 055.]  
24 SEC. 2. NRS 658.125, 658.175 and 659.055 are hereby repealed.



S. B. 472

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SENATE BILL NO. 472—COMMITTEE ON  
COMMERCE AND LABOR

MARCH 26, 1981

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Referred to Committee on Commerce and Labor

**SUMMARY**—Changes certain provisions relating to obligations of Nevada insurance guaranty association. (BDR 57-1306)

**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.

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AN ACT relating to the Nevada insurance guaranty association; extending the time in which a claim may arise; increasing the monetary limit on the obligations of the association; 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 687A.060 is hereby amended to read as follows:  
2 687A.060 1. The association shall:  
3 (a) Be obligated to the extent of the covered claims existing [prior to]  
4 before the determination of insolvency and arising within [30] 60 days  
5 after the determination of insolvency, or before the policy expiration date  
6 if less than [30] 60 days after the determination, or before the insured  
7 replaces the policy or on request effects cancellation if he does so within  
8 [30] 60 days of the determination. The obligation [shall] *must* include  
9 only that amount of each covered claim which is less than [\$300,000. In  
10 no event shall the association be] \$500,000 and the association is not  
11 obligated to a policyholder or claimant in an amount in excess of the  
12 face amount of the policy from which the claim arises.  
13 (b) Be deemed the insurer to the extent of its obligations on the  
14 covered claims and to [such extent shall have] *that extent has* all rights,  
15 duties and obligations of the insolvent insurer as if the insurer had not  
16 become insolvent.  
17 (c) Assess member insurers amounts necessary to pay the obligations  
18 of the association under paragraph (a) of this subsection [subsequent  
19 to] after an insolvency, the expenses of handling covered claims [sub-  
20 sequent to] after an insolvency, the cost of examinations under NRS  
21 687A.110, and other expenses authorized by this chapter. The assessment  
22 of each member insurer [shall] *must* be in the proportion that the net  
23 direct written premiums of the member insurer for the calendar year

1 preceding the assessment bear to the net direct written premiums of all  
2 member insurers for the same calendar year. Each member insurer  
3 **[shall] must** be notified of the assessment not later than 30 days before it  
4 is due. No member insurer may be assessed in any year an amount greater  
5 than 2 percent of that member insurer's net direct written premiums for  
6 the calendar year preceding the assessment. If the maximum assessment,  
7 together with the other assets of the association, does not provide in  
8 any 1 year an amount sufficient to make all necessary payments, the  
9 funds available may be prorated and the unpaid portion **[shall] must**  
10 be paid as soon as funds become available. The association may pay  
11 claims in any order including the order in which they are received or in  
12 groups or categories. The association may exempt or defer, in whole or  
13 in part, the assessment of any member insurer if the assessment would  
14 cause the member insurer's financial statement to reflect amounts of  
15 capital or surplus less than the minimum amounts required for a certifi-  
16 cate of authority by any jurisdiction in which the member insurer is  
17 authorized to transact insurance. During the period of deferment, no divi-  
18 dends **[shall] may** be paid to shareholders or policyholders. Deferred  
19 assessments **[shall] must** be paid when payment will not reduce capital  
20 or surplus below required minimums. Payments **[shall] must** be refunded  
21 to those companies receiving larger assessments by virtue of deferment,  
22 or, in the discretion of any such company, credited against future assess-  
23 ments. Each member insurer **[shall] must** be allowed a premium tax  
24 credit at the rate of 20 percent per year for 5 successive years following  
25 the final order in the liquidation period for any amounts paid under this  
26 chapter.

27 (d) Investigate claims brought against the fund and adjust, compro-  
28 mise, settle and pay covered claims to the extent of the association's  
29 obligation and deny all other claims.

30 (e) Notify such persons as the commissioner directs under paragraph  
31 (a) of subsection 2 of NRS 687A.080.

32 (f) Process claims through its employees or through one or more  
33 member insurers or other persons designated as servicing facilities. Desig-  
34 nation of a servicing facility is subject to the approval of the commis-  
35 sioner, but **[such] the** designation may be declined by a member  
36 insurer.

37 (g) Reimburse each servicing facility for obligations of the association  
38 paid by the facility and for expenses incurred by the facility while hand-  
39 ling claims on behalf of the association, and pay the other expenses of  
40 the association authorized by this chapter.

41 2. The association may:

42 (a) Appear in, defend and appeal any action on a claim brought  
43 against the association.

44 (b) Employ or retain persons necessary to handle claims and perform  
45 other duties of the association.

46 (c) Borrow funds necessary to effect the purposes of this chapter in  
47 accord with the plan of operation.

48 (d) Sue or be sued.

49 (e) Negotiate and become a party to contracts necessary to carry out  
50 the purposes of this chapter.



1 (f) Perform other acts necessary or proper to effectuate the purposes  
2 of this chapter.

3 (g) If, at the end of any calendar year, the board of directors finds  
4 that the assets of the association exceed its liabilities as estimated by the  
5 board of directors for the coming year, refund to the member insurers in  
6 proportion to the contribution of each that amount by which the assets  
7 of the association exceed the liabilities.

8 (h) Assess each member insurer equally no more than \$100 per year  
9 for administrative expenses not related to the insolvency of any particular  
10 insurer.

