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SENATE BILL NO. 421—COMMITTEE ON COMMERCE AND LABOR

(ON BEHALF OF THE ATTORNEY GENERAL)

MARCH 24, 2003

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Referred to Committee on Commerce and Labor

**SUMMARY**—Makes various changes relating to utility service and powers and duties of Consumer’s Advocate of Bureau of Consumer Protection in Office of Attorney General. (BDR 58-442)

**FISCAL NOTE:** Effect on Local Government: No.  
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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AN ACT relating to utility service; revising and expanding the powers and duties of the Consumer’s Advocate of the Bureau of Consumer Protection in the Office of the Attorney General; authorizing the Consumer’s Advocate to conduct investigations of the condition and management of providers of electric service; authorizing the Consumer’s Advocate to take administrative action and impose administrative fines against noncomplying providers under certain circumstances; authorizing the Consumer’s Advocate to appear or intervene in certain proceedings; requiring certain providers of electric service to comply with a portfolio standard for distributed generation systems; authorizing the Public Utilities Commission of Nevada to take administrative action and impose administrative fines against noncomplying providers under certain circumstances; authorizing counties and cities to form municipal aggregation coalitions to aggregate the electrical load of customers and to purchase energy and related services from providers of new electric resources; requiring certain eligible customers to make certain payments before being authorized to purchase energy and related services from



providers of new electric resources; authorizing the Consumer's Advocate to continue to perform certain functions relating to telecommunication services; 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 703.147 is hereby amended to read as follows:  
2       703.147 1. The Public Utilities Commission Regulatory Fund  
3 is hereby created as a special revenue fund. Except as otherwise  
4 provided in NRS 702.170 and 704.7828, *and section 19 of this act,*  
5 all money collected by the Commission pursuant to law must be  
6 deposited in the State Treasury for credit to the Fund. Money  
7 collected for the use of the Consumer's Advocate of the Bureau of  
8 Consumer Protection in the Office of the Attorney General must be  
9 transferred pursuant to the provisions of subsection 8 of  
10 NRS 704.035.
- 11       2. Money in the Fund which belongs to the Commission may  
12 be used only to defray the costs of:  
13       (a) Maintaining staff and equipment to regulate adequately  
14 public utilities and other persons subject to the jurisdiction of the  
15 Commission.  
16       (b) Participating in all rate cases involving those persons.  
17       (c) Audits, inspections, investigations, publication of notices,  
18 reports and retaining consultants connected with that regulation and  
19 participation.  
20       (d) The salaries, travel expenses and subsistence allowances of  
21 the members of the Commission.
- 22       3. All claims against the Fund must be paid as other claims  
23 against the State are paid.
- 24       4. The Commission must furnish upon request a statement  
25 showing the balance remaining in the Fund as of the close of the  
26 preceding fiscal year.
- 27       **Sec. 2.** Chapter 704 of NRS is hereby amended by adding  
28 thereto the provisions set forth as sections 3 to 19, inclusive, of this  
29 act.
- 30       **Sec. 3.** *As used in sections 3 to 10, inclusive, of this act,*  
31 *unless the context otherwise requires, the words and terms defined*  
32 *in sections 4 and 5 of this act have the meanings ascribed to them*  
33 *in those sections.*
- 34       **Sec. 4.** *“Director of the Office of Energy” means the*  
35 *Director of the Office of Energy within the Office of the Governor.*
- 36       **Sec. 5.** *“Provider of electric service” and “provider” mean any*  
37 *person or entity that is in the business of selling electricity to retail*



1 customers for consumption in this state, regardless of whether the  
2 person or entity is otherwise subject to regulation by the  
3 Commission.

4 **Sec. 6. 1.** The Consumer's Advocate may, at any time and  
5 upon its own motion, investigate the condition and management of  
6 any provider of electric service.

7 2. An investigation conducted pursuant to this section may  
8 include, without limitation, an investigation of:

9 (a) The provider's compliance with any state statute;  
10 (b) The provider's compliance with any regulation or order of  
11 the Commission; and

12 (c) Any other matter relating to the provider that, in the  
13 judgment of the Consumer's Advocate, is likely to have a material  
14 effect on the justness and reasonableness of the rates charged by  
15 the provider.

16 3. If the Consumer's Advocate conducts an investigation  
17 pursuant to this section, the provider shall grant to the  
18 Consumer's Advocate access to any books, accounts, minutes,  
19 records or other papers or property of the provider that the  
20 Consumer's Advocate deems necessary for the purposes of  
21 conducting the investigation.

22 4. The Consumer's Advocate shall report the results of any  
23 investigation conducted pursuant to this section to the Speaker of  
24 the Assembly, the Majority Leader of the Senate and the Director  
25 of the Office of Energy.

26 **Sec. 7. 1.** If, as a result of an investigation conducted  
27 pursuant to section 6 of this act, the Consumer's Advocate finds a  
28 provider of electric service is not in compliance with any order of  
29 the Commission, the Consumer's Advocate may impose an  
30 administrative fine or take other administrative action against the  
31 provider, or do both.

32 2. Before the Consumer's Advocate may impose an  
33 administrative fine or take other administrative action against a  
34 provider, the Consumer's Advocate must provide the provider with  
35 notice and an opportunity to be heard. The provider is entitled to  
36 judicial review of the decision of the Consumer's Advocate in the  
37 manner provided by chapter 233B of NRS.

38 3. Any administrative fine imposed against a provider must  
39 not exceed the amount which is necessary and reasonable to  
40 ensure that the provider complies with an order of the  
41 Commission, as determined by the Consumer's Advocate.

42 4. If the Consumer's Advocate imposes an administrative fine  
43 against a provider that is a public utility:

44 (a) The administrative fine is not a cost of service of the  
45 provider;



1       **(b) The provider shall not include any portion of the**  
2 **administrative fine in any application for a rate adjustment or rate**  
3 **increase; and**

4       **(c) The Commission shall not allow the provider to recover any**  
5 **portion of the administrative fine from its retail customers.**

6       **5. All administrative fines imposed and collected pursuant to**  
7 **this section must:**

8       **(a) If the provider is not a public utility, be deposited in the**  
9 **State General Fund.**

10       **(b) If the provider is a public utility, be recorded as a credit in**  
11 **the books and records of the provider in a manner that benefits the**  
12 **retail customers of the provider as determined by the Consumer's**  
13 **Advocate.**

14       **Sec. 8. 1. The Consumer's Advocate may appear or**  
15 **intervene in any proceeding before any court, regulatory body,**  
16 **board, commission or agency that has jurisdiction over any matter**  
17 **which concerns any rate, charge, tariff or modification of service**  
18 **of a provider of electric service or over any matter related to the**  
19 **provider which involves the public interest or the interests of a**  
20 **particular customer or class of customers of the provider.**

21       **2. In any such proceeding, the Consumer's Advocate:**

22       **(a) Is a real party in interest; and**

23       **(b) May represent the public interest or the interests of a**  
24 **particular customer or class of customers of the provider.**

25       **Sec. 9. If the Consumer's Advocate elects to take any action**  
26 **or pursue any remedy or penalty authorized by the provisions of**  
27 **sections 3 to 10, inclusive, of this act, that election is not exclusive**  
28 **and does not preclude the Consumer's Advocate, the Commission**  
29 **or another agency or officer from taking any other actions or**  
30 **pursuing any other remedies or penalties authorized by this**  
31 **chapter or another specific statute.**

32       **Sec. 10. If there is a conflict between the provisions of**  
33 **sections 3 to 10, inclusive, of this act and the provisions of any**  
34 **other law, the provisions of sections 3 to 10, inclusive, of this act**  
35 **control.**

36       **Sec. 11. As used in sections 11 to 19, inclusive, of this act,**  
37 **unless the context otherwise requires, the words and terms defined**  
38 **in sections 12 to 16, inclusive, of this act have the meanings**  
39 **ascribed to them in those sections.**

40       **Sec. 12. "Distributed generation system" means a system**  
41 **that:**

42       **1. Produces energy at a rate which does not exceed 1**  
43 **megawatt per hour;**

44       **2. Transmits or distributes the electricity that it generates to**  
45 **an end-use customer via a power line which is dedicated to the**



1 *transmission or distribution of electricity generated from the*  
2 *distributed generation system; and*

3 3. *Is not connected to any other facility or system owned,*  
4 *operated or controlled by a provider of electric service.*

5 **Sec. 13. 1.** *“End-use customer” means a customer that*  
6 *does not generate electricity for sale or resale.*

7 2. *The term includes, without limitation:*

8 (a) *This state, a political subdivision of this state or an agency*  
9 *or instrumentality of this state or political subdivision of this state*  
10 *when it purchases electricity at retail; and*

11 (b) *A landlord of a mobile home park or owner of a company*  
12 *town who is subject to any of the provisions of NRS 704.905 to*  
13 *704.960, inclusive.*

14 **Sec. 14.** *“Portfolio standard” means a portfolio standard for*  
15 *distributed generation systems established by the Commission*  
16 *pursuant to section 17 of this act.*

17 **Sec. 15.** *“Provider of electric service” and “provider” mean*  
18 *any person or entity that is in the business of selling electricity to*  
19 *retail customers for consumption in this state, regardless of*  
20 *whether the person or entity is otherwise subject to regulation by*  
21 *the Commission.*

22 **Sec. 16. 1.** *“Retail customer” means an end-use customer*  
23 *that purchases electricity for consumption in this state.*

24 2. *The term includes, without limitation:*

25 (a) *This state, a political subdivision of this state or an agency*  
26 *or instrumentality of this state or political subdivision of this state*  
27 *when it is an end-use customer that purchases electricity for*  
28 *consumption in this state, including, without limitation, when it is*  
29 *an eligible customer that purchases electricity for consumption in*  
30 *this state from a provider of new electric resources pursuant to the*  
31 *provisions of chapter 704B of NRS.*

32 (b) *A residential, commercial or industrial end-use customer*  
33 *that purchases electricity for consumption in this state, including,*  
34 *without limitation, an eligible customer that purchases electricity*  
35 *for consumption in this state from a provider of new electric*  
36 *resources pursuant to the provisions of chapter 704B of NRS.*

37 (c) *A landlord of a mobile home park or owner of a company*  
38 *town who is subject to any of the provisions of NRS 704.905 to*  
39 *704.960, inclusive.*

40 (d) *A landlord who pays for electricity that is delivered through*  
41 *a master meter and who distributes or resells the electricity to one*  
42 *or more tenants for consumption in this state.*

43 **Sec. 17. 1.** *For each provider of electric service, the*  
44 *Commission shall establish a portfolio standard for distributed*  
45 *generation systems. The portfolio standard must require each*



1 *provider to generate electricity from distributed generation systems*  
2 *in an amount that is:*  
3 *(a) For calendar years 2005 and 2006, not less than 5 percent*  
4 *of the total amount of electricity sold by the provider to its retail*  
5 *customers in this state during that calendar year.*  
6 *(b) For calendar years 2007 and 2008, not less than 7 percent*  
7 *of the total amount of electricity sold by the provider to its retail*  
8 *customers in this state during that calendar year.*  
9 *(c) For calendar years 2009 and 2010, not less than 9 percent*  
10 *of the total amount of electricity sold by the provider to its retail*  
11 *customers in this state during that calendar year.*  
12 *(d) For calendar years 2011 and 2012, not less than 11 percent*  
13 *of the total amount of electricity sold by the provider to its retail*  
14 *customers in this state during that calendar year.*  
15 *(e) For calendar years 2013 and 2014, not less than 13 percent*  
16 *of the total amount of electricity sold by the provider to its retail*  
17 *customers in this state during that calendar year.*  
18 *(f) For calendar year 2015 and for each calendar year*  
19 *thereafter, not less than 15 percent of the total amount of*  
20 *electricity sold by the provider to its retail customers in this state*  
21 *during that calendar year.*  
22 *2. Each provider of electric service shall comply with its*  
23 *portfolio standard during each calendar year.*  
24 *3. For the purposes of this section, if:*  
25 *(a) An end-use customer generates electricity from a*  
26 *distributed generation system owned, operated or controlled by the*  
27 *end-use customer; and*  
28 *(b) A provider, under a franchise, contract or other means,*  
29 *would have been responsible for providing that electricity to the*  
30 *end-use customer if the end-use customer did not have the*  
31 *distributed generation system,*  
32 *the electricity generated by the end-use customer shall be deemed*  
33 *to be electricity that the provider generated from a distributed*  
34 *generation system for the purposes of complying with its portfolio*  
35 *standard.*  
36 **Sec. 18.** *1. Each provider of electric service shall submit to*  
37 *the Commission an annual report that provides information*  
38 *relating to the actions taken by the provider to comply with its*  
39 *portfolio standard.*  
40 *2. Each provider shall submit the annual report to the*  
41 *Commission after the end of each calendar year and within the*  
42 *time prescribed by the Commission. The report must be submitted*  
43 *in a format approved by the Commission.*



1       3. *The Commission may adopt regulations that require*  
2 *providers to submit to the Commission additional reports during*  
3 *each calendar year.*

4       4. *Each annual report and each additional report must*  
5 *include clear and concise information that sets forth:*

6       (a) *The amount of electricity which the provider generated*  
7 *during the reporting period from distributed generation systems*  
8 *owned, operated or controlled by the provider;*

9       (b) *The amount of electricity which any end-use customers*  
10 *generated during the reporting period from distributed generation*  
11 *systems owned, operated or controlled by the end-use customers, if*  
12 *such electricity may be used by the provider to comply with its*  
13 *portfolio standard pursuant to subsection 3 of section 17 of this*  
14 *act;*

15       (c) *The capacity of each distributed generation system*  
16 *described in paragraphs (a) and (b) and the total amount of*  
17 *electricity generated by each such system during the reporting*  
18 *period;*

19       (d) *Whether, during the reporting period, the provider began*  
20 *construction on, acquired or placed into operation any distributed*  
21 *generation system and, if so, the date of any such event; and*

22       (e) *Any other information that by regulation the Commission*  
23 *deems relevant.*

24       **Sec. 19. 1.** *The Commission shall adopt regulations to*  
25 *carry out and enforce the provisions of sections 11 to 19, inclusive,*  
26 *of this act. The regulations adopted by the Commission may*  
27 *include any enforcement mechanisms which are necessary and*  
28 *reasonable to ensure that each provider of electric service*  
29 *complies with its portfolio standard. Such enforcement*  
30 *mechanisms may include, without limitation, the imposition of*  
31 *administrative fines.*

32       2. *Any administrative fine imposed against a provider must*  
33 *not exceed the amount which is necessary and reasonable to*  
34 *ensure the provider complies with its portfolio standard, as*  
35 *determined by the Commission.*

36       3. *If the Commission imposes an administrative fine against a*  
37 *provider that is a public utility:*

38       (a) *The administrative fine is not a cost of service of the*  
39 *provider;*

40       (b) *The provider shall not include any portion of the*  
41 *administrative fine in any application for a rate adjustment or rate*  
42 *increase; and*

43       (c) *The Commission shall not allow the provider to recover any*  
44 *portion of the administrative fine from its retail customers.*



1 *4. All administrative fines imposed and collected pursuant to*  
2 *this section must be deposited in the State General Fund.*

3 **Sec. 20.** Chapter 704B of NRS is hereby amended by adding  
4 thereto the provisions set forth as sections 21 to 27, inclusive, of this  
5 act.

6 **Sec. 21.** *As used in sections 21 to 27, inclusive, of this act,*  
7 *unless the context otherwise requires, the words and terms defined*  
8 *in sections 22, 23 and 24 have the meanings ascribed to them in*  
9 *those sections.*

10 **Sec. 22.** *“Municipal aggregation coalition” means an entity*  
11 *formed to carry out a program of municipal aggregation.*

12 **Sec. 23.** *“Opt-in program” means a program of municipal*  
13 *aggregation in which the customers who will be served by the*  
14 *program are enrolled only at their request.*

15 **Sec. 24.** *“Program of municipal aggregation” means a*  
16 *program of municipal aggregation established pursuant to section*  
17 *25 of this act.*

18 **Sec. 25. 1.** *Except as otherwise provided in this section, the*  
19 *board of county commissioners of a county and the governing*  
20 *body of each city in the county may, acting jointly in accordance*  
21 *with the provisions of this section, establish a program of*  
22 *municipal aggregation to aggregate the electrical load of*  
23 *customers in the unincorporated areas of the county and within*  
24 *the boundaries of each city in the county.*

25 **2.** *A program of municipal aggregation must be an opt-in*  
26 *program.*

27 **3.** *A program of municipal aggregation must not provide for*  
28 *the aggregation of the electrical load of customers who are served*  
29 *by:*

30 *(a) A cooperative association or nonprofit corporation or*  
31 *association which is declared to be a public utility pursuant to*  
32 *NRS 704.673; or*

33 *(b) An electric utility that is owned by a local government*  
34 *pursuant to NRS 710.160 to 710.280, inclusive,*  
35 *unless the governing body of the cooperative association,*  
36 *nonprofit corporation, association or local government, as*  
37 *applicable, by the affirmative vote of a majority of its members,*  
38 *elects to participate in the program of municipal aggregation.*

39 **4.** *Before commencing a program of municipal aggregation,*  
40 *the board of county commissioners of a county and the governing*  
41 *body of each city in the county:*

42 *(a) Must each adopt a resolution declaring the joint intent of*  
43 *those local governments to aggregate the electrical load of*  
44 *customers in the unincorporated areas of the county and within*  
45 *the boundaries of each city in the county; and*





1       ***(b) Must collectively form a municipal aggregation coalition***  
2 ***by a cooperative agreement entered into pursuant to chapter 277***  
3 ***of NRS. The cooperative agreement must specify:***

4       ***(1) The organizational structure and governance of the***  
5 ***municipal aggregation coalition; and***

6       ***(2) The share of the administrative expenses associated***  
7 ***with the operations and activities of the municipal aggregation***  
8 ***coalition which must be paid by each local government.***

9       **Sec. 26. 1.** ***A municipal aggregation coalition shall develop***  
10 ***and adopt an aggregation plan to carry out the program of***  
11 ***municipal aggregation. The plan must specify the procedures by***  
12 ***which customers who are enrolled in the program of municipal***  
13 ***aggregation will obtain energy and related services in the event***  
14 ***that the program of municipal aggregation is terminated pursuant***  
15 ***to section 27 of this act.***

16       **2.** ***A municipal aggregation coalition may take any actions***  
17 ***that are necessary to carry out a program of municipal***  
18 ***aggregation, including, without limitation:***

19       ***(a) Soliciting bids from and brokering and contracting with***  
20 ***providers of new electric resources for energy and related services.***

21       ***(b) Entering into agreements for services to facilitate the sale***  
22 ***and purchase of energy and related services.***

23       ***(c) Entering into cooperative agreements pursuant to chapter***  
24 ***277 of NRS with other municipal aggregation coalitions to***  
25 ***establish and carry out a joint program of municipal aggregation.***  
26 ***Such a joint program of municipal aggregation is subject to the***  
27 ***requirements for the establishment and carrying out of a program***  
28 ***of municipal aggregation that are set forth in sections 21 to 27,***  
29 ***inclusive, of this act.***

30       **Sec. 27.** ***The board of county commissioners of a county and***  
31 ***the governing body of each city in the county may, acting jointly,***  
32 ***terminate a program of municipal aggregation if each such board***  
33 ***and governing body:***

34       **1.** ***Adopts a resolution declaring its intent to terminate the***  
35 ***program of municipal aggregation; and***

36       **2.** ***Takes appropriate action under the terms of the***  
37 ***cooperative agreement entered into pursuant to chapter 277 of***  
38 ***NRS to disband the municipal aggregation coalition formed to***  
39 ***carry out the program of municipal aggregation.***

40       **Sec. 28.** **NRS 704B.080 is hereby amended to read as follows:**  
41 **704B.080 “Eligible customer” means an end-use customer**  
42 **which is:**

43       **1.** **A nongovernmental commercial or industrial end-use**  
44 **customer that has an average annual load of 1 megawatt or more in**  
45 **the service territory of an electric utility.**



1 2. A governmental entity, including, without limitation, a  
2 governmental entity providing educational or health care services,  
3 that:

4 (a) Performs its functions using one or more facilities which are  
5 operated under a common budget and common control; and

6 (b) Has an average annual load of 1 megawatt or more in the  
7 service territory of an electric utility.

8 **3. A municipal aggregation coalition that:**

9 (a) *Is formed to carry out a program of municipal aggregation*  
10 *pursuant to sections 21 to 27, inclusive, of this act; and*

11 (b) *Has an average annual load of 1 megawatt or more in the*  
12 *service territory of an electric utility.*

13 **Sec. 29.** NRS 704B.320 is hereby amended to read as follows:

14 704B.320 1. For eligible customers whose loads are in the  
15 service territory of an electric utility that primarily serves densely  
16 populated counties, the aggregate amount of energy that all such  
17 eligible customers purchase from providers of new electric  
18 resources before July 1, 2003, must not exceed 50 percent of the  
19 difference between the existing supply of energy generated in this  
20 state that is available to the electric utility and the existing demand  
21 for energy in this state that is consumed by the customers of the  
22 electric utility, as determined by the Commission.

23 2. An eligible customer that is a nongovernmental commercial  
24 or industrial end-use customer whose load is in the service territory  
25 of an electric utility that primarily serves densely populated counties  
26 shall not purchase energy, capacity or ancillary services from a  
27 provider of new electric resources unless, as part of the proposed  
28 transaction, the eligible customer agrees to:

29 (a) Contract with the provider to purchase:

30 (1) An additional amount of energy which is equal to 10  
31 percent of the total amount of energy that the eligible customer is  
32 purchasing for its own use under the proposed transaction and which  
33 is purchased at the same price, terms and conditions as the energy  
34 purchased by the eligible customer for its own use; and

35 (2) The capacity and ancillary services associated with the  
36 additional amount of energy at the same price, terms and conditions  
37 as the capacity and ancillary services purchased by the eligible  
38 customer for its own use; and

39 (b) Offers to assign the rights to the contract to the electric  
40 utility for use by the remaining customers of the electric utility.

41 3. If an eligible customer is subject to the provisions of  
42 subsection 2, the eligible customer shall include with its application  
43 filed pursuant to NRS 704B.310 all information concerning  
44 the contract offered to the electric utility that is necessary for the  
45 Commission to determine whether it is in the best interest of the



1 remaining customers of the electric utility for the electric utility to  
2 accept the rights to the contract. Such information must include,  
3 without limitation, the amount of the energy and capacity to be  
4 purchased under the contract, the price of the energy, capacity and  
5 ancillary services and the duration of the contract.

6 4. Notwithstanding any specific statute to the contrary,  
7 information concerning the price of the energy, capacity and  
8 ancillary services and any other terms or conditions of the contract  
9 that the Commission determines are commercially sensitive:

10 (a) Must not be disclosed by the Commission except to the  
11 regulatory operations staff of the Commission, the Consumer's  
12 Advocate and his staff and the electric utility for the purposes of  
13 carrying out the provisions of this section; and

14 (b) Shall be deemed to be confidential for all other purposes,  
15 and the Commission shall take such actions as are necessary to  
16 protect the confidentiality of such information.

17 5. If the Commission determines that the contract ~~is~~  
18 ~~(a) is~~ is not in the best interest of the remaining customers of  
19 the electric utility ~~, the~~ :

20 (a) *The electric utility shall not accept the rights to the contract,*  
21 *and the eligible customer is entitled to all rights to the contract ~~is~~*

22 ~~(b) is~~ ; and

23 (b) *The Commission shall require the eligible customer to*  
24 *make other payments as the Commission deems necessary and*  
25 *appropriate to ensure that the remaining customers of the electric*  
26 *utility will benefit from the proposed transaction. The payments:*

27 (1) *Must be in addition to any payments imposed by the*  
28 *Commission pursuant to paragraph (b) of subsection 7 of NRS*  
29 *704B.310; and*

30 (2) *Must not be less than an amount which is equal to the*  
31 *product obtained by multiplying 10 percent of the total amount of*  
32 *energy that the eligible customer is purchasing for its own use*  
33 *under the proposed transaction by the electric utility's current*  
34 *charge for fuel and purchased power.*

35 6. *If the Commission determines that the contract is* in the  
36 best interest of the remaining customers of the electric utility, the  
37 electric utility shall accept the rights to the contract and the eligible  
38 customer shall assign all rights to the contract to the electric utility.  
39 A contract that is assigned to the electric utility pursuant to this  
40 paragraph shall be deemed to be an approved part of the resource  
41 plan of the electric utility and a prudent investment, and the electric  
42 utility may recover all costs for the energy, capacity and ancillary  
43 services acquired pursuant to the contract. To the extent practicable,  
44 the Commission shall take actions to ensure that the electric utility  
45 uses the energy, capacity and ancillary services acquired pursuant to



1 each such contract only for the benefit of the remaining customers  
2 of the electric utility that are not eligible customers, with a  
3 preference for the remaining customers of the electric utility that are  
4 residential customers with small loads.

5 ~~6.1~~ 7. The provisions of this section do not exempt the electric  
6 utility, in whole or in part, from ~~the~~ :

7 (a) *The requirements imposed on the electric utility pursuant to*  
8 *NRS 704.7801 to 704.7828, inclusive, to comply with its portfolio*  
9 *standard for renewable energy* ~~;~~ *or*

10 (b) *The requirements imposed on the electric utility pursuant*  
11 *to sections 11 to 19, inclusive, of this act, to comply with its*  
12 *portfolio standard for a distributed generation system.*

13 The Commission shall not take any actions pursuant to this section  
14 that conflict with or diminish those requirements.

15 ~~7.1~~ 8. As used in this section, “Consumer’s Advocate” means  
16 the Consumer’s Advocate of the Bureau of Consumer Protection in  
17 the Office of the Attorney General.

18 **Sec. 30.** NRS 228.360 is hereby amended to read as follows:  
19 228.360 ~~The~~ *In addition to the powers and duties set forth*  
20 *in sections 3 to 10, inclusive, of this act and any other specific*  
21 *statute, the* Consumer’s Advocate:

22 1. Shall intervene in and represent the public interest in:  
23 (a) All proceedings conducted pursuant to NRS 704.7561 to  
24 704.7595, inclusive; and

25 (b) All proceedings conducted pursuant to NRS 704.061 to  
26 704.110, inclusive, in which an electric utility has filed a general  
27 rate application or an application to clear its deferred accounts.

28 2. May, with respect to all public utilities except railroads and  
29 cooperative utilities, and except as otherwise provided in  
30 NRS 228.380:

31 (a) Conduct or contract for studies, surveys, research or expert  
32 testimony relating to matters affecting the public interest or the  
33 interests of utility customers.

34 (b) Examine any books, accounts, minutes, records or other  
35 papers or property of any public utility subject to the regulatory  
36 authority of the Public Utilities Commission of Nevada in the same  
37 manner and to the same extent as authorized by law for members of  
38 the Public Utilities Commission of Nevada and its staff.

39 (c) Except as otherwise provided in subsection 1, petition for,  
40 request, initiate, appear or intervene in any proceeding concerning  
41 rates, charges, tariffs, modifications of service or any related matter  
42 before the Public Utilities Commission of Nevada or any court,  
43 regulatory body, board, commission or agency having jurisdiction  
44 over any matter which the Consumer’s Advocate may bring before  
45 or has brought before the Public Utilities Commission of Nevada or



1 in which the public interest or the interests of any particular class of  
2 utility customers are involved. The Consumer’s Advocate may  
3 represent the public interest or the interests of any particular class of  
4 utility customers in any such proceeding, and he is a real party in  
5 interest in the proceeding.

6 3. As used in this section, “electric utility” has the meaning  
7 ascribed to it in NRS 704.187.

8 **Sec. 31.** NRS 228.375 is hereby amended to read as follows:

9 228.375 1. The Consumer’s Advocate ~~is:~~

10 ~~—(a) May compile and maintain a database of the types of~~  
11 ~~telecommunication services that are available in this state. Such a~~  
12 ~~database must be:~~

13 ~~—(1) In a format that can be easily understood; and~~

14 ~~—(2) Updated annually.~~

15 ~~—(b) Shall perform] may:~~

16 (a) *Perform* outreach programs, identify problems and facilitate  
17 the development of solutions relating to the provision of  
18 telecommunication service to public schools, public libraries,  
19 medical facilities and local governments in rural counties.

20 ~~[(c) Shall act]~~

21 (b) *Act* as an advocate for the public schools, public libraries,  
22 medical facilities, businesses and general public of this state before  
23 the Public Utilities Commission of Nevada relating to the provision  
24 of universal telephone service and access to universal service.

25 ~~[(d) Shall facilitate]~~

26 (c) *Facilitate* coordination among the agencies and local  
27 governments of this state and the Commission regarding issues  
28 relating to telecommunication services.

29 2. As used in this section:

30 (a) “Medical facility” has the meaning ascribed to it in  
31 NRS 449.0151.

32 (b) “Rural county” means a county whose population is less than  
33 100,000.

34 (c) “Universal service” means the availability of affordable and  
35 reliable basic telephone service to as many customers in this state as  
36 economically and operationally practicable.

37 **Sec. 32.** Not later than 180 days after the effective date of this  
38 act, the Public Utilities Commission of Nevada shall adopt the  
39 regulations required by section 19 of this act.

40 **Sec. 33.** Section 346 of chapter 482, Statutes of Nevada 1997,  
41 at page 2024, as last amended by chapter 105, Statutes of Nevada  
42 1999, at page 492, is hereby repealed.

43 **Sec. 34.** This act becomes effective upon passage and  
44 approval.



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**TEXT OF REPEALED SECTION**

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**Section 346 of chapter 482, Statutes of Nevada 1997, at page 2024.**

Sec. 346. Section 239 of this act expires by limitation on June 30, 2003.

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