

Amendment No. 303

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| Senate Amendment to Senate Bill No. 293 | (BDR 58-459) |
| Proposed by: Senate Committee on Growth and Infrastructure | |
| Amends: Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes | |

| ASSEMBLY ACTION | | | Initial and Date | | SENATE ACTION | | | Initial and Date | |
|-----------------|--------------------------|------|--------------------------|-------|---------------|--------------------------|------|--------------------------|-------|
| Adopted | <input type="checkbox"/> | Lost | <input type="checkbox"/> | _____ | Adopted | <input type="checkbox"/> | Lost | <input type="checkbox"/> | _____ |
| Concurred In | <input type="checkbox"/> | Not | <input type="checkbox"/> | _____ | Concurred In | <input type="checkbox"/> | Not | <input type="checkbox"/> | _____ |
| Receded | <input type="checkbox"/> | Not | <input type="checkbox"/> | _____ | Receded | <input type="checkbox"/> | Not | <input type="checkbox"/> | _____ |

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.



SENATE BILL NO. 293—SENATORS DONATE AND DALY

MARCH 15, 2023

Referred to Committee on Growth and Infrastructure

SUMMARY—Revises provisions relating to ~~renewable energy and energy conservation;~~ distributed generation systems. (BDR ~~[58-459]~~ 52-459)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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.

AN ACT relating to energy; revising ~~provisions governing the conservation of energy in certain buildings; requiring an electric utility to file a plan to increase access to renewable energy systems by residential electric customers; repealing limitations on the use of electric resistance for heating spaces;~~ certain contractual requirements for an agreement for the purchase or lease of a distributed generation system and a power purchase agreement; imposing various requirements on solar installation companies; revising the definition of “distributed generation system”; prohibiting a person from engaging in certain activities relating to residential photovoltaic systems unless the person is licensed by the State Contractors’ Board or is an employee of such a person; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law ~~requires the Director of the Office of Energy within the Office of the Governor to adopt regulations for the conservation of energy in buildings, including regulations adopting the most recent version of the International Energy Conservation Code, issued by the International Code Council, and certain amendments to the Code. (NRS 701.220) The governing body of a local government that is authorized by law to adopt and enforce a building code is required to incorporate the standards adopted by the Director in its building code. (NRS 701.220) Section 1 of this bill requires the Director and the governing body of a local government that is authorized by law to adopt and enforce a building code to adopt one or more alternative options to comply with the regulations for the conservation of energy in buildings, in addition to the compliance options provided in the International Energy Conservation Code. Section 1 provides requirements for the alternative options for compliance which the Director and the governing body of a local government are required to adopt.~~

~~Existing law requires each electric utility to submit to the Public Utilities Commission of Nevada every 3 years an integrated resource plan to increase the utility’s supply of electricity or decrease the demands made on its system by its customers. Existing law provides that the integrated resource plan must include certain components, including, without limitation, a~~

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18 ~~distributed resources plan. (NRS 704.741) Sections 2 and 5 of this bill require the distributed~~
19 ~~resources plan submitted by an electric utility to include a plan to increase access to renewable~~
20 ~~energy systems by residential electric customers in this State. Section 2 establishes~~
21 ~~requirements for the plan and requires the Commission to adopt regulations, including,~~
22 ~~without limitation, regulations establishing criteria for determining the adequacy of the plan.~~
23 ~~Section 6 of this bill requires an electric utility to file an amendment to its most recent~~
24 ~~distributed resources plan on or before September 1, 2024 to add a plan to increase access to~~
25 ~~renewable energy systems by residential electric customers. Sections 3 and 4 of this bill make~~
26 ~~conforming changes to indicate the proper placement of section 2 in the Nevada Revised~~
27 ~~Statutes.~~

28 ~~Existing law places limitations upon the use of electric resistance as a heating source in~~
29 ~~certain buildings in a county whose population is 100,000 or more (currently Clark and~~
30 ~~Washoe Counties). (NRS 701.230) Section 7 of this bill repeals these limitations.] imposes~~
31 ~~certain requirements on solar installation companies that sell and install distributed~~
32 ~~generation systems in this State. Existing law prescribes certain contractual~~
33 ~~requirements for an agreement for the purchase or lease of a distributed generation~~
34 ~~system and a power purchase agreement. (NRS 598.9801-598.9822) Section 3 of this bill~~
35 ~~authorizes a purchaser or lessee who enters into or signs an agreement for the purchase~~
36 ~~or lease of a distributed generation system or a power purchase agreement to rescind the~~
37 ~~agreement by providing certain notice to the solar installation company within 3~~
38 ~~business days after the agreement was entered into or signed.~~

39 Existing law requires an agreement for the purchase or lease of a distributed
40 generation system or a power purchase agreement to include a cover page containing
41 certain information. (NRS 598.9809, 598.9813, 598.9816) Sections 6-8 of this bill require
42 such a cover page to include certain additional information. Section 2 of this bill requires
43 a solar installation company to: (1) verbally communicate the information that is
44 required to be included in the cover page to a purchaser or lessee, as applicable, via a
45 telephone call that is recorded; and (2) maintain each recording of such a telephone call
46 for not less than 10 years after the date on which the telephone call is made. Section 9 of
47 this bill requires a solar installation company, before the execution of an agreement for
48 the purchase or lease of a distributed generation system or a power purchase agreement,
49 to provide a copy of the cover page to the purchaser or lessee, as applicable, in the
50 language that the majority of the solicitation, offer or transaction for the agreement
51 occurred, if the majority of the language that was used was a language other than
52 English. Section 4 of this bill makes a conforming change to indicate the proper
53 placement of sections 2 and 3 in the Nevada Revised Statutes.

54 Existing law defines “distributed generation system” as a system or facility for the
55 generation of electricity: (1) that uses solar energy to generate electricity; (2) that is
56 located on the property of a customer of an electric utility; (3) that is connected on the
57 customer’s side of the electricity meter; (4) that provides electricity primarily to offset
58 customer load on that property; and (5) the excess generation from which is periodically
59 exported to the grid in accordance with the provisions governing net metering systems.
60 (NRS 598.9804) Section 5 of this bill revises the definition of “distributed generation
61 system” to mean a system or facility for the generation of electricity that uses solar
62 energy to generate electricity.

63 Section 9 of this bill provides that if a solar installation company executes an
64 agreement for the purchase or lease of a distributed generation system or a power
65 purchase agreement and fails to comply with requirements set forth under existing law
66 governing such agreements and sections 2-9 of this bill, the agreement is voidable by the
67 purchaser or lessee, as applicable.

68 Existing law prohibits a person from performing any work on residential
69 photovoltaic systems used to produce electricity without the proper license or other
70 authorization under state law. (NRS 624.860) Section 10 of this bill revises that
71 prohibition to: (1) prohibit a person from performing such work unless the person holds
72 a license issued by the State Contractors’ Board or is an employee of such a person; and
73 (2) additionally prohibit a person from advertising, soliciting or offering to enter into an
74 agreement for the purchase or lease of a distributed generation system or a power
75 purchase agreement unless the person holds such a license or is an employee of such a
76 person. Section 10 provides that a person who does not hold such a license and is not an

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employee of a person who holds such a license is authorized to generate leads or referrals for a residential photovoltaic system used to produce electricity if the person does not provide a quote or offer for the sale or installation of such a system.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

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Delete existing sections 1 through 8 of this bill and replace with the following new sections 1 through 10:

Section 1. Chapter 598 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 1. A solar installation company shall, through telephone, verbally communicate to a purchaser or lessee under an agreement for the purchase or lease of a distributed generation system or a host customer under a power purchase agreement the information required to be included in a cover page pursuant to NRS 598.9809, 598.9813 or 598.9816, as applicable.

2. The verbal communication required by subsection 1 must be:

(a) Recorded by the solar installation company; and

(b) Provided:

(1) At the time of the execution of the agreement or within 48 hours after the execution of the agreement; and

(2) Before the installation of any distributed generation system under the agreement.

3. A solar installation company shall maintain the recording of a verbal communication made pursuant to this section for not less than 10 years after the recording is made.

Sec. 3. Any purchaser or lessee who enters into or signs an agreement for the purchase or lease of a distributed generation system or host customer who enters into a power purchase agreement may rescind the agreement by giving notice in writing to the solar installation company either by delivering, mailing or telegraphing such notice or sending such notice by electronic mail not later than midnight of the third business day after the date the agreement was entered into or signed. The notice must be addressed to the solar installation company at the solar installation company's place of business or sent to the electronic mail address set forth on the cover page required by NRS 598.9809, 598.9813 or 598.9816, as applicable, and must contain words indicating the intent of the purchaser, lessee or host customer to rescind the transaction previously entered into.

Sec. 4. NRS 598.9801 is hereby amended to read as follows:

598.9801 As used in NRS 598.9801 to 598.9822, inclusive, and sections 2 and 3 of this act, unless the context otherwise requires, the words and terms defined in NRS 598.9802 to 598.9808, inclusive, have the meanings ascribed to them in those sections.

Sec. 5. NRS 598.9804 is hereby amended to read as follows:

598.9804 "Distributed generation system" means a system or facility for the generation of electricity ~~;~~

~~1. That that uses solar energy to generate electricity. ~~;~~~~

~~2. That is located on the property of a customer of an electric utility;~~

~~3. That is connected on the customer's side of the electricity meter;~~

~~4. That provides electricity primarily to offset customer load on that property, and~~

~~5. The excess generation from which is periodically exported to the grid in accordance with the provisions governing net metering systems used by customer-generators pursuant to NRS 704.766 to 704.776, inclusive.]~~

Sec. 6. NRS 598.9809 is hereby amended to read as follows:

598.9809 An agreement for the lease of a distributed generation system must include a cover page that ~~provides~~ :

1. Prominently displays the following information at the top of the cover page in at least 16-point font:

(a) Notice of the right to cancel the agreement with 3 business days after the execution of the agreement, as provided in section 3 of this act.

(b) An electronic mail address to which a notice of cancellation may be sent pursuant to section 3 of this act and notice that the lessee may send such a notice to that electronic mail address.

2. Provides the following information in at least 10-point font:

~~11.~~ **(a)** The amounts due at the signing for and at the completion of the installation or any inspection of the distributed generation system.

~~12.~~ **(b)** An estimated timeline for the installation of the distributed generation system.

~~13.~~ **(c)** The estimated amount of the monthly payments due under the lease in the first year of operation of the distributed generation system.

~~14.~~ **(d)** The length of the term of the lease.

~~15.~~ **(e)** A description of any warranties.

~~16.~~ **(f)** The rate of any payment increases.

~~17.~~ **(g)** The identification of any state or federal tax incentives that are included in calculating the amount of the monthly payments due under the lease.

~~18.~~ **(h)** The estimated production of the distributed generation system in the first year of operation.

~~19.~~ **(i)** A description of the terms for renewal or any other options available at the end of the term of the lease.

~~20.~~ **(j)** A description of any option to purchase the distributed generation system before the end of the term of the lease.

~~21.~~ **(k)** Notice of the existence of the Recovery Fund administered by the State Contractors' Board pursuant to NRS 624.470.

~~22.~~ **(l)** Notice that a person financially damaged by a licensed contractor who performs work on a residence may be eligible to recover certain financial damages from the Recovery Fund.

~~23.~~ **(m)** Notice that a host customer may file a complaint with the Public Utilities Commission of Nevada.

~~24.~~ **(n)** Contact information for the State Contractors' Board and the Public Utilities Commission of Nevada, including, without limitation, a telephone number.

(o) Notice that the lessee, before the execution of the agreement, may request any document used in the solicitation, offer or transaction for the agreement in any language.

Sec. 7. NRS 598.9813 is hereby amended to read as follows:

598.9813 An agreement for the purchase of a distributed generation system must include a cover page that ~~provides~~ :

1. Prominently displays the following information at the top of the cover page in at least 16-point font:

(a) Notice of the right to cancel the agreement with 3 business days after the execution of the agreement, as provided in section 3 of this act.

1 (b) An electronic mail address to which a notice of cancellation may be sent
 2 pursuant to section 3 of this act and notice that the purchaser may send such a
 3 notice to that electronic mail address.

4 2. Provide the following information in at least 10-point font:

5 ~~(1)~~ (a) The size of the distributed generation system.

6 ~~(2)~~ (b) The length of the term of the warranty for the distributed generation
 7 system.

8 ~~(3)~~ (c) An estimated timeline for the installation of the distributed generation
 9 system.

10 ~~(4)~~ (d) A description of any warranties.

11 ~~(5)~~ (e) The total cost of the distributed generation system.

12 ~~(6)~~ (f) The estimated value of any portfolio energy credits and rebates of any
 13 incentives included in the calculation of the total cost of the distributed generation
 14 system.

15 ~~(7)~~ (g) The amounts due at the signing for and at the completion of the
 16 installation of the distributed generation system.

17 ~~(8)~~ (h) The estimated production of the distributed generation system in the
 18 first year of operation.

19 ~~(9)~~ (i) Notice of the existence of the Recovery Fund administered by the State
 20 Contractors' Board pursuant to NRS 624.470.

21 ~~(10)~~ (j) Notice that a person financially damaged by a licensed contractor who
 22 performs work on a residence may be eligible to recover certain financial damages
 23 from the Recovery Fund.

24 ~~(11)~~ (k) Notice that a host customer may file a complaint with the Public
 25 Utilities Commission of Nevada.

26 ~~(12)~~ (l) Contact information for the State Contractors' Board and Public
 27 Utilities Commission of Nevada, including, without limitation, a telephone number.

28 (m) Notice that the purchaser, before the execution of the agreement, may
 29 request any document used in the solicitation, offer or transaction for the
 30 agreement in any language.

31 Sec. 8. NRS 598.9816 is hereby amended to read as follows:

32 598.9816 A power purchase agreement for the sale of the output of a
 33 distributed generation system must include a cover page that ~~provides~~ :

34 1. Prominently displays the following information at the top of the cover
 35 page in at least 16-point font:

36 (a) Notice of the right to cancel the agreement with 3 business days after the
 37 execution of the agreement, as provided in section 3 of this act.

38 (b) An electronic mail address to which a notice of cancellation may be sent
 39 pursuant to section 3 of this act and notice that the host customer may send such
 40 a notice to that electronic mail address.

41 2. Provides the following information in at least 10-point font:

42 ~~(1)~~ (a) The rate of any increase in the payments to be made during the term of
 43 the agreement and, if applicable, the date of the first such increase.

44 ~~(2)~~ (b) An estimated timeline for the installation of the distributed generation
 45 system.

46 ~~(3)~~ (c) The rate of electricity per kilowatt-hour of electricity for the first year
 47 of the agreement.

48 ~~(4)~~ (d) The length of the term of the agreement.

49 ~~(5)~~ (e) The amounts due at the signing for and at the completion of the
 50 installation or any inspection of the distributed generation system.

51 ~~(6)~~ (f) The estimated production of the distributed generation system in the
 52 first year of operation.

~~(g)~~ (g) A description of the options available at the end of the term of the agreement.

~~(h)~~ (h) A description of any option to purchase the distributed generation system before the end of the term of the agreement.

~~(i)~~ (i) Notice of the existence of the Recovery Fund administered by the State Contractors' Board pursuant to NRS 624.470.

~~(j)~~ (j) Notice that a person financially damaged by a licensed contractor who performs work on a residence may be eligible to recover certain financial damages from the Recovery Fund.

~~(k)~~ (k) Notice that a host customer may file a complaint with the Public Utilities Commission of Nevada.

~~(l)~~ (l) Contact information for the State Contractors' Board and the Public Utilities Commission of Nevada, including, without limitation, a telephone number.

(m) Notice that the host customer, before execution of the agreement, may request any document used in the solicitation, offer or transaction for the power purchase agreement in any language.

Sec. 9. NRS 598.9822 is hereby amended to read as follows:

598.9822 1. A host customer may file a complaint concerning a solar installation company with the Public Utilities Commission of Nevada. Upon receipt of a complaint, the Commission may direct the host customer to the appropriate agency or person to resolve the complaint.

2. The failure of a person to comply with NRS 598.9801 to 598.9822, inclusive, and sections 2 and 3 of this act constitutes a deceptive trade practice for the purposes of NRS 598.0903 to 598.0999, inclusive.

3. If a solar installation company executes with a purchaser or lessee an agreement for the purchase or lease of a distributed generation system or with a host customer a power purchase agreement and fails to comply with any requirement of NRS 598.9801 to 598.9822, inclusive, and sections 2 and 3 of this act, including, without limitation, by failing to include any disclosure or information required by NRS 598.9801 to 598.9822, inclusive, and sections 2 and 3 of this act, or failing to maintain a recording of a verbal communication as required by section 2 of this act, the agreement is voidable by the purchaser, lessee or host customer.

4. A violation of any provision of NRS 598.9801 to 598.9822, inclusive, and sections 2 and 3 of this act constitutes consumer fraud for the purposes of NRS 41.600.

~~(4)~~ 5. Any document described in NRS 598.9809 to 598.9821, inclusive, and sections 2 and 3 of this act must be provided in:

(a) English; or

(b) ~~(Spanish)~~ Any other language, if any person so requests.

6. A solar installation company, before the execution of an agreement for the purchase or lease of a distributed generation system or a power purchase agreement, shall provide the purchaser, lessee or host customer, as applicable, a copy of the cover page required by NRS 598.9809, 598.9813 or 598.9816, as applicable, in the language that the majority of the solicitation, offer or transaction for the agreement occurred, if the majority of the language that was used was a language other than English.

Sec. 10. NRS 624.860 is hereby amended to read as follows:

624.860 1. A person shall not, directly or indirectly ~~(1)~~ on his or her own behalf or on behalf of another, perform or offer to perform any work concerning a residential photovoltaic system used to produce electricity, or advertise, solicit or offer to enter into an agreement described in NRS 598.9801 to 598.9822, inclusive, and sections 2 and 3 of this act unless the person ~~(holds)~~

~~1. A):~~

(a) *Holds a license issued pursuant to this chapter which authorizes the person to perform ~~such~~ work ~~is or~~ concerning a residential photovoltaic system used to produce electricity; or*

(b) Is an employee of a person described in paragraph (a).

2. ~~Any other license, certificate, registration or permit under state law which authorizes the person to perform such work.~~ *The provisions of this section do not prohibit a person who does not hold a license issued pursuant to this chapter and who is not an employee of a person who holds a license issued pursuant to this chapter from generating leads or referrals for a residential photovoltaic system used to produce electricity if the person does not provide a quote or offer for the sale or installation of such a residential photovoltaic system.*