

ASSEMBLY BILL NO. 380—ASSEMBLYMEN CONKLIN,  
KIRKPATRICK, ATKINSON; OCEGUERA AND SMITH

MARCH 21, 2011

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing certain programs for renewable energy systems. (BDR 58-308)

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.

AN ACT relating to energy; revising the prospective expiration of the Wind Energy Systems Demonstration Program and the Waterpower Energy Systems Demonstration Program; providing for the expiration of the Solar Energy Systems Incentive Program; revising provisions governing the Solar Program, the Wind Program and the Waterpower Program; providing that incentives awarded to participants in the Solar Program and Wind Program on or after January 1, 2013, must be awarded through a reverse auction mechanism established by the Public Utilities Commission of Nevada by regulation; revising provisions governing the amount of incentives which a utility must pay to participants in the Solar Program, the Wind Program and the Waterpower Program; repealing the requirement that the installation of certain solar energy systems and wind energy systems be deemed a public work under certain circumstances; requiring the Commission to adopt regulations; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

- 1 Existing law provides that the Wind Energy Systems Demonstration Program
- 2 and the Waterpower Energy Systems Demonstration Program will expire on
- 3 June 30, 2011. (NRS 701B.400-701B.890; chapter 509, Statutes of Nevada 2007,
- 4 p. 2999) **Sections 49-51 and 54** of this bill revise the prospective expiration dates
- 5 of these programs and provide that the Wind Program, the Waterpower Program



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6 and the Solar Energy Systems Incentive Program will expire on December 31,  
7 2021.

8 **Section 13** of this bill provides that, for the period beginning July 1, 2010, and  
9 ending December 31, 2012, a utility is not required to award an incentive under the  
10 Solar Program if the payment of the incentive would cause the total amount of  
11 incentives paid by all utilities for the installation of solar energy systems and  
12 distributed generation systems would exceed \$140,000,000. **Section 26** of this bill  
13 prohibits the Public Utilities Commission of Nevada from authorizing the payment  
14 of an incentive for the installation of a wind energy system under the Wind  
15 Program if, for the same period, the amount of the incentive would cause the total  
16 amount of incentives paid by all utilities for the installation of wind energy systems  
17 and distributed generation systems to exceed \$30,000,000.

18 **Section 52** of this bill repeals the requirement that the installation of certain  
19 solar energy systems and wind energy systems be deemed public works for certain  
20 purposes.

21 **Sections 1, 3-12, 14-25, 27-43 and 47** of this bill become effective on  
22 January 1, 2013, and revise provisions governing the Solar Program, the Wind  
23 Program and the Waterpower Program. **Section 5** provides that incentives for  
24 participation in the Wind Program must be awarded pursuant to a reverse auction  
25 mechanism established by the Commission by regulation. **Section 5** also provides  
26 limits on the total amount of an incentive which may be awarded to a participant in  
27 the Wind Program. **Section 5** additionally provides that a utility is not required to  
28 award an incentive if such an award would cause the total amount of incentives  
29 awarded pursuant to the Wind Program, the Solar Program and the Waterpower  
30 Program in a program year by all utilities in this State to exceed one-half of 1  
31 percent of the total revenues received by all utilities in this State from retail  
32 customers during the immediately preceding program year. **Section 9** imposes the  
33 same requirements for the payment of incentives pursuant to the Solar Program.  
34 **Section 37** provides the same cap for the award of incentives pursuant to the  
35 Waterpower Program. **Sections 14 and 29** provide that to be eligible for an  
36 incentive under the Solar Program or Wind Program, a renewable energy system  
37 must meet the requirements for net metering.

38 Existing law requires a utility to offer net metering until the cumulative  
39 capacity of all net metering systems within the service area of the utility is equal to  
40 1 percent of the utility's peak capacity. (NRS 704.773) **Section 45** of this bill  
41 requires a utility to offer net metering until the cumulative capacity of all net  
42 metering systems in this State is equal to 1 percent of the total peak capacity of all  
43 utilities in this State.

44 The portfolio standard requires a provider of electric service to generate,  
45 acquire or save a certain amount of energy from portfolio energy systems or energy  
46 efficiency measures. Not more than 25 percent of the electricity a provider  
47 generates, acquires or saves to comply with the portfolio standard may be based on  
48 energy efficiency measures. (NRS 704.7821) **Section 46** of this bill provides that  
49 any surplus portfolio energy credits derived from energy efficiency measures in 1  
50 year may be applied to reduce a deficiency in portfolio energy credits in future  
51 years under certain circumstances.

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

- 1       **Section 1.** NRS 701.180 is hereby amended to read as follows:  
2       701.180 The Director shall:  
3       1. Acquire and analyze information relating to energy and to  
4 the supply, demand and conservation of its sources, including,  
5 without limitation:  
6       (a) Information relating to the Solar Energy Systems Incentive  
7 Program created pursuant to NRS 701B.240 and the Wind Energy  
8 Systems ~~[Demonstration]~~ *Incentive* Program created pursuant to  
9 701B.580, including, without limitation, information relating to:  
10       (1) The development of distributed generation systems in this  
11 State pursuant to participation in the Solar Energy Systems  
12 Incentive Program;  
13       (2) The use of carbon-based energy in residential and  
14 commercial applications due to participation in the Programs; and  
15       (3) The average cost of generation on a kilowatt-hour basis  
16 for residential and commercial applications due to participation in  
17 the Programs; and  
18       (b) Information relating to any money distributed pursuant to  
19 NRS 702.270.  
20       2. Review and evaluate information which identifies trends and  
21 permits forecasting of the energy available to the State. Such  
22 forecasts must include estimates on:  
23       (a) The level of demand for energy in the State for 5-, 10- and  
24 20-year periods;  
25       (b) The amount of energy available to meet each level of  
26 demand;  
27       (c) The probable implications of the forecast on the demand and  
28 supply of energy; and  
29       (d) The sources of renewable energy and other alternative  
30 sources of energy which are available and their possible effects.  
31       3. Study means of reducing wasteful, inefficient, unnecessary  
32 or uneconomical uses of energy and encourage the maximum  
33 utilization of existing sources of energy in the State.  
34       4. Solicit and serve as the point of contact for grants and other  
35 money from the Federal Government, including, without limitation,  
36 any grants and other money available pursuant to any program  
37 administered by the United States Department of Energy, and other  
38 sources to cooperate with the Commissioner and the Authority:  
39       (a) To promote energy projects that enhance the economic  
40 development of the State;  
41       (b) To promote the use of renewable energy in this State;



1 (c) To promote the use of measures which conserve or reduce  
2 the demand for energy or which result in more efficient use of  
3 energy;

4 (d) To develop a comprehensive program for retrofitting public  
5 buildings in this State with energy efficiency measures; and

6 (e) If the Commissioner determines that it is feasible and cost-  
7 effective, to enter into contracts with researchers from the Nevada  
8 System of Higher Education for the design of energy efficiency and  
9 retrofit projects to carry out the comprehensive program for  
10 retrofitting public buildings in this State developed pursuant to  
11 paragraph (d).

12 5. Coordinate the activities and programs of the Office of  
13 Energy with the activities and programs of the Authority, the  
14 Consumer's Advocate and the Public Utilities Commission of  
15 Nevada, and with other federal, state and local officers and agencies  
16 that promote, fund, administer or operate activities and programs  
17 related to the use of renewable energy and the use of measures  
18 which conserve or reduce the demand for energy or which result in  
19 more efficient use of energy.

20 6. If requested to make a determination pursuant to NRS  
21 111.239 or 278.0208, make the determination within 30 days after  
22 receiving the request. If the Director needs additional information to  
23 make the determination, the Director may request the information  
24 from the person making the request for a determination. Within 15  
25 days after receiving the additional information, the Director shall  
26 make a determination on the request.

27 7. Carry out all other directives concerning energy that are  
28 prescribed by the Governor.

29 **Sec. 2.** NRS 701.180 is hereby amended to read as follows:

30 701.180 The Director shall:

31 1. Acquire and analyze information relating to energy and to  
32 the supply, demand and conservation of its sources, including,  
33 without limitation ~~†~~:

34 ~~—(a) Information relating to the Solar Energy Systems Incentive~~  
35 ~~Program created pursuant to NRS 701B.240 and the Wind Energy~~  
36 ~~Systems Incentive Program created pursuant to 701B.580;~~  
37 ~~including, without limitation, information relating to:~~

38 ~~—(1) The development of distributed generation systems in this~~  
39 ~~State pursuant to participation in the Solar Energy Systems~~  
40 ~~Incentive Program;~~

41 ~~—(2) The use of carbon-based energy in residential and~~  
42 ~~commercial applications due to participation in the Programs; and~~

43 ~~—(3) The average cost of generation on a kilowatt hour basis~~  
44 ~~for residential and commercial applications due to participation in~~  
45 ~~the Programs; and~~



1 ~~—(b) Information]~~, *information* relating to any money distributed  
2 pursuant to NRS 702.270.

3 2. Review and evaluate information which identifies trends and  
4 permits forecasting of the energy available to the State. Such  
5 forecasts must include estimates on:

6 (a) The level of demand for energy in the State for 5-, 10- and  
7 20-year periods;

8 (b) The amount of energy available to meet each level of  
9 demand;

10 (c) The probable implications of the forecast on the demand and  
11 supply of energy; and

12 (d) The sources of renewable energy and other alternative  
13 sources of energy which are available and their possible effects.

14 3. Study means of reducing wasteful, inefficient, unnecessary  
15 or uneconomical uses of energy and encourage the maximum  
16 utilization of existing sources of energy in the State.

17 4. Solicit and serve as the point of contact for grants and other  
18 money from the Federal Government, including, without limitation,  
19 any grants and other money available pursuant to any program  
20 administered by the United States Department of Energy, and other  
21 sources to cooperate with the Commissioner and the Authority:

22 (a) To promote energy projects that enhance the economic  
23 development of the State;

24 (b) To promote the use of renewable energy in this State;

25 (c) To promote the use of measures which conserve or reduce  
26 the demand for energy or which result in more efficient use of  
27 energy;

28 (d) To develop a comprehensive program for retrofitting public  
29 buildings in this State with energy efficiency measures; and

30 (e) If the Commissioner determines that it is feasible and cost-  
31 effective, to enter into contracts with researchers from the Nevada  
32 System of Higher Education for the design of energy efficiency and  
33 retrofit projects to carry out the comprehensive program for  
34 retrofitting public buildings in this State developed pursuant to  
35 paragraph (d).

36 5. Coordinate the activities and programs of the Office of  
37 Energy with the activities and programs of the Authority, the  
38 Consumer's Advocate and the Public Utilities Commission of  
39 Nevada, and with other federal, state and local officers and agencies  
40 that promote, fund, administer or operate activities and programs  
41 related to the use of renewable energy and the use of measures  
42 which conserve or reduce the demand for energy or which result in  
43 more efficient use of energy.

44 6. If requested to make a determination pursuant to NRS  
45 111.239 or 278.0208, make the determination within 30 days after



1 receiving the request. If the Director needs additional information to  
2 make the determination, the Director may request the information  
3 from the person making the request for a determination. Within 15  
4 days after receiving the additional information, the Director shall  
5 make a determination on the request.

6 7. Carry out all other directives concerning energy that are  
7 prescribed by the Governor.

8 **Sec. 3.** Chapter 701B of NRS is hereby amended by adding  
9 thereto the provisions set forth as sections 4, 5 and 6 of this act.

10 **Sec. 4.** *The provisions of this section and NRS 701B.410 to*  
11 *701B.650, inclusive, and section 5 of this act apply to the Wind*  
12 *Energy Systems Incentive Program.*

13 **Sec. 5. 1.** *The incentives awarded by a utility to applicants*  
14 *for participation in the Wind Program must be awarded through a*  
15 *reverse auction mechanism established by the Commission by*  
16 *regulation. The regulations establishing the reverse auction*  
17 *mechanism must include, without limitation, requirements that:*

18 (a) *The opening of bids by the utility be done in a public*  
19 *setting; and*

20 (b) *The Regulatory Operations Staff of the Commission and a*  
21 *representative of the Bureau of Consumer Protection in the Office*  
22 *of the Attorney General attend the bid opening and attest to the*  
23 *results.*

24 2. *Each utility shall determine the number and the timing of*  
25 *application cycles during a program year but must conduct at least*  
26 *one application cycle during each program year. A utility shall*  
27 *award incentives during an application cycle to applicants in*  
28 *reverse order of requested incentive amounts.*

29 3. *The total amount of an incentive awarded to an applicant*  
30 *must not exceed the lesser of 50 percent of the total construction*  
31 *costs set forth in the application submitted by the applicant or 50*  
32 *percent of the weighted average cost of actual construction costs*  
33 *for wind energy systems that received an incentive during the*  
34 *immediately preceding program year. Each utility shall publish*  
35 *the weighted average cost of actual construction costs for wind*  
36 *energy systems that received an incentive for a program year not*  
37 *later than January 31 of the following program year.*

38 4. *A utility is not required to award an incentive if such an*  
39 *award would cause the total amount of incentives awarded in a*  
40 *program year to participants in the Wind Program, the Solar*  
41 *Energy Systems Incentive Program created by NRS 701B.240 and*  
42 *the Waterpower Energy Systems Incentive Program created by*  
43 *NRS 701B.820 to exceed one-half of 1 percent of the total*  
44 *revenues received by all utilities in this State from retail customers*  
45 *in this State during the immediately preceding program year. For*



1 *each program year, the Commission shall determine the capacity*  
2 *each utility must allocate to each program.*

3 5. As used in this section, “reverse auction mechanism”  
4 means a process for the awarding of incentives in which bids for  
5 incentives from the Wind Program are solicited by a utility in the  
6 form of the proposed total incentive amount for a wind energy  
7 system expressed in dollars per watt of capacity.

8 **Sec. 6.** *The provisions of this section and NRS 701B.710 to*  
9 *701B.880, inclusive, apply to the Waterpower Energy Systems*  
10 *Incentive Program.*

11 **Sec. 7.** NRS 701B.100 is hereby amended to read as follows:

12 701B.100 “Program year” means ~~the period of July 1 to~~  
13 ~~June 30 of the following~~ a calendar year.

14 **Sec. 8.** NRS 701B.200 is hereby amended to read as follows:

15 701B.200 The Commission shall adopt regulations necessary  
16 to carry out the provisions of NRS 701B.010 to 701B.290, inclusive,  
17 including, without limitation, regulations that ~~1:~~

18 ~~1. Establish the type of incentives available to participants in~~  
19 ~~the Solar Program and the level or amount of those incentives,~~  
20 ~~except that the level or amount of an incentive available in a~~  
21 ~~particular program year must not be based upon whether the~~  
22 ~~incentive is for unused capacity reallocated from a past program~~  
23 ~~year pursuant to paragraph (b) of subsection 2 of NRS 701B.260.~~  
24 ~~The regulations must provide that the level or amount of the~~  
25 ~~incentives must decline over time as the cost of solar energy systems~~  
26 ~~and distributed generation systems decline.~~

27 ~~2. Establish~~ *establish* the requirements for a utility’s annual  
28 plan for carrying out and administering the Solar Program. A  
29 utility’s annual plan must include, without limitation:

30 ~~{(a)}~~ 1. A detailed plan for advertising the Solar Program;

31 ~~{(b)}~~ 2. A detailed budget and schedule for carrying out and  
32 administering the Solar Program;

33 ~~{(c)}~~ 3. A detailed account of administrative processes and  
34 forms that will be used to carry out and administer the Solar  
35 Program, including, without limitation, a description of the  
36 application process and copies of all applications and any other  
37 forms that are necessary to apply for and participate in the Solar  
38 Program;

39 ~~{(d)}~~ 4. A detailed account of the procedures that will be used  
40 for inspection and verification of a participant’s solar energy system  
41 and compliance with the Solar Program;

42 ~~{(e)}~~ 5. A detailed account of training and educational  
43 activities that will be used to carry out and administer the Solar  
44 Program; and

45 ~~{(f)}~~ 6. Any other information required by the Commission.



1 ~~[3. Authorize a utility to recover the reasonable costs incurred~~  
2 ~~in carrying out and administering the installation of distributed~~  
3 ~~generation systems pursuant to paragraph (b) of subsection 1 of~~  
4 ~~NRS 701B.260.]~~

5 **Sec. 9.** NRS 701B.220 is hereby amended to read as follows:  
6 701B.220 ~~[In adopting regulations for the Solar Program,]~~

7 *1. The incentives awarded by a utility to applicants for*  
8 *participation in the Solar Program must be awarded through a*  
9 *reverse auction mechanism established by the Commission* ~~[shall~~  
10 ~~adopt regulations establishing an incentive for participation in the~~  
11 ~~Solar Program.]~~ *by regulation. The regulations establishing the*  
12 *reverse auction mechanism must include, without limitation,*  
13 *requirements that:*

14 *(a) The opening of bids by the utility be done in a public*  
15 *setting; and*

16 *(b) The Regulatory Operations Staff of the Commission and a*  
17 *representative of the Bureau of Consumer Protection in the Office*  
18 *of the Attorney General attend the bid opening and attest to the*  
19 *results.*

20 *2. Each utility shall determine the number and the timing of*  
21 *application cycles during a program year but must conduct at least*  
22 *one application cycle during each program year. A utility shall*  
23 *award incentives during an application cycle to applicants in*  
24 *reverse order of requested incentive amounts, except that not less*  
25 *than 25 percent of the total amount of incentives awarded during*  
26 *a program year must be awarded to private residential property*  
27 *and small business property applicants.*

28 *3. The total amount of an incentive awarded to an applicant*  
29 *must not exceed the lesser of 50 percent of the total construction*  
30 *costs set forth in the application submitted by the applicant or 50*  
31 *percent of the weighted average cost of actual construction costs*  
32 *for solar energy systems that received an incentive during the*  
33 *immediately preceding program year. Each utility shall publish*  
34 *the weighted average cost of actual construction costs for solar*  
35 *energy systems that received an incentive for a program year not*  
36 *later than January 31 of the following program year.*

37 *4. A utility is not required to award an incentive if such an*  
38 *award would cause the total amount of incentives awarded in a*  
39 *program year to participants in the Solar Program, the Wind*  
40 *Energy Systems Incentive Program created by NRS 701B.580 and*  
41 *the Waterpower Energy Systems Incentive Program created by*  
42 *NRS 701B.820 to exceed one-half of 1 percent of the total*  
43 *revenues received by all utilities in this State from retail customers*  
44 *in this State during the immediately preceding program year. For*





1 *each program year, the Commission shall determine the capacity*  
2 *each utility must allocate to each program.*

3 *5. As used in this section, “reverse auction mechanism”*  
4 *means a process for the awarding of incentives in which bids for*  
5 *incentives from the Solar Program are solicited by a utility in the*  
6 *form of the proposed total incentive amount for a solar energy*  
7 *system expressed in dollars per watt of capacity.*

8 **Sec. 10.** NRS 701B.230 is hereby amended to read as follows:

9 701B.230 1. Each year on or before the date established by  
10 the Commission, a utility shall file with the Commission its annual  
11 plan for carrying out and administering the Solar Program within its  
12 service area for a program year. *A utility may file the plan as part*  
13 *of a combined annual plan for carrying out and administering the*  
14 *Solar Program, the Wind Energy Systems Incentive Program*  
15 *created by NRS 701B.580 and the Waterpower Energy Systems*  
16 *Incentive Program created by NRS 701B.820 in its service area for*  
17 *the program year.*

18 2. The Commission shall:

19 (a) Review each annual plan filed by a utility for compliance  
20 with the requirements established by regulation of the Commission;  
21 and

22 (b) Approve each annual plan with such modifications and upon  
23 such terms and conditions as the Commission finds necessary or  
24 appropriate to facilitate the Solar Program.

25 3. A utility shall carry out and administer the Solar Program  
26 within its service area in accordance with the utility’s annual plan as  
27 approved by the Commission.

28 4. A utility may recover its reasonable and prudent costs,  
29 including, without limitation, customer incentives ~~[ ]~~ *and*  
30 *administrative costs*, that are associated with carrying out and  
31 administering the Solar Program within its service area by seeking  
32 recovery of those costs in an appropriate proceeding before the  
33 Commission pursuant to NRS 704.110.

34 **Sec. 11.** NRS 701B.240 is hereby amended to read as follows:

35 701B.240 1. The Solar Energy Systems Incentive Program is  
36 hereby created.

37 2. The Solar Program ~~[must have]~~ *is limited to* three categories  
38 *of participants* as follows:

- 39 (a) School property;  
40 (b) Public and other property; and  
41 (c) Private residential property and small business property.

42 3. To be eligible to participate in the Solar Program, a person  
43 must:

44 (a) Meet the qualifications established by the Commission  
45 pursuant to NRS 701B.210;



1 (b) Submit an application to a utility and be selected by the  
2 ~~{Commission}~~ utility for inclusion in the Solar Program pursuant to  
3 NRS 701B.250 and 701B.255;

4 (c) When installing the solar energy system, use an installer who  
5 has been issued a classification C-2 license with the appropriate  
6 subclassification by the State Contractors' Board pursuant to the  
7 regulations adopted by the Board; and

8 (d) If the person will be participating in the Solar Program in the  
9 category of school property or public and other property, provide for  
10 the public display of the solar energy system, including, without  
11 limitation, providing for public demonstrations of the solar energy  
12 system and for hands-on experience of the solar energy system by  
13 the public.

14 **Sec. 12.** NRS 701B.255 is hereby amended to read as follows:

15 701B.255 1. After reviewing an application submitted  
16 pursuant to NRS 701B.250 and ensuring that the applicant meets the  
17 qualifications and requirements to be eligible to participate in the  
18 Solar Program, a utility may, *in accordance with the provisions of*  
19 *NRS 701B.220 and any regulations adopted pursuant thereto,*  
20 select the applicant for participation in the Solar Program.

21 2. Not later than 30 days after the date on which the utility  
22 selects an applicant, the utility shall provide written notice of the  
23 selection to the applicant.

24 3. After the utility selects an applicant to participate in the  
25 Solar Program, the utility may approve the solar energy system  
26 proposed by the applicant. Upon the utility's approval of the solar  
27 energy system:

28 (a) The utility shall provide to the applicant notice of the  
29 approval and the amount of incentive for which the solar energy  
30 system is eligible; and

31 (b) The applicant may install and energize the solar energy  
32 system.

33 4. *An applicant for participation in the Solar Program in the*  
34 *category of private residential property and small business*  
35 *property must complete the installation and energizing of the solar*  
36 *energy system within 12 months after issuance of the notice*  
37 *required by paragraph (a) of subsection 3, unless the utility grants*  
38 *the applicant an extension of the time within which to complete*  
39 *the installation and energizing of the solar energy system for a*  
40 *period not to exceed an additional 12 months. If the applicant has*  
41 *not completed the installation and energizing of his or her solar*  
42 *energy system within the time provided in this subsection, the*  
43 *notice of approval is void, and the applicant loses his or her right*  
44 *to receive the incentive payment provided in the notice. The*  
45 *applicant may submit a new application and may receive an*



1 *incentive payment pursuant to a new notice of approval issued by*  
2 *the utility for a new application cycle if the solar energy system*  
3 *has not been installed and energized before the date of issuance of*  
4 *the new notice of approval. The incentive for which the applicant*  
5 *is eligible is the lesser of the average incentive awarded to*  
6 *participants in the applicant's category in the current program*  
7 *year or the amount of the incentive which the applicant was*  
8 *authorized to receive pursuant to the original notice of approval.*

9 5. *An applicant for participation in the Solar Program in the*  
10 *category of school property or public and other property must*  
11 *complete the installation and energizing of the solar energy system*  
12 *within 18 months after issuance of the notice required by*  
13 *paragraph (a) of subsection 3, unless the utility grants the*  
14 *applicant an extension of the time within which to complete the*  
15 *installation and energizing of the solar energy system for a period*  
16 *not to exceed an additional 12 months. If the applicant has not*  
17 *completed the installation and energizing of his or her solar*  
18 *energy system within the time provided in this subsection, the*  
19 *notice of approval is void, and the applicant loses his or her right*  
20 *to receive the incentive payment provided in the notice. The*  
21 *applicant may submit a new application and may receive an*  
22 *incentive payment pursuant to a new notice of approval issued by*  
23 *the utility for a new application cycle if the solar energy system*  
24 *has not been installed and energized before the date of issuance of*  
25 *the new notice of approval. The incentive for which the applicant*  
26 *is eligible is the incentive in effect at the time the new notice of*  
27 *approval is issued.*

28 6. Upon the completion of the installation and energizing of the  
29 solar energy system, the participant must submit to the utility an  
30 incentive claim form and any supporting information, including,  
31 without limitation, a verification of the cost of the project and a  
32 calculation of the expected system output.

33 ~~5.~~ 7. Upon receipt of the incentive claim form and  
34 verification that the solar energy system is properly connected, the  
35 utility shall issue an incentive payment to the participant.

36 ~~6.~~ ~~The amount of the incentive for which an applicant is~~  
37 ~~eligible must be determined on the date on which the applicant is~~  
38 ~~selected for participation in the Solar Program, except that an~~  
39 ~~applicant forfeits eligibility for that amount of incentive if the~~  
40 ~~applicant withdraws from participation in the Solar Program or does~~  
41 ~~not complete the installation of the solar energy system within 12~~  
42 ~~months after the date on which the applicant is selected for~~  
43 ~~participation in the Solar Program. An applicant who forfeits~~  
44 ~~eligibility for the incentive for which the applicant was originally~~  
45 ~~determined to be eligible may become eligible for an incentive only~~



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1 ~~on the date on which the applicant completes the installation of the~~  
2 ~~solar energy system, and the amount of the incentive for which such~~  
3 ~~an applicant is eligible must be determined on the date on which the~~  
4 ~~applicant completes the installation of the solar energy system.]~~

5 **Sec. 13.** NRS 701B.260 is hereby amended to read as follows:

6 ~~701B.260 [1. Except as otherwise provided in this section,~~  
7 ~~the Commission may approve, for:~~

8 ~~—(a) The program year beginning July 1, 2009, solar energy~~  
9 ~~systems:~~

10 ~~—(1) Totalling 2,000 kilowatts of capacity for school property;~~

11 ~~—(2) Totalling 760 kilowatts of capacity for public and other~~  
12 ~~property; and~~

13 ~~—(3) Totalling 1,000 kilowatts of capacity for private~~  
14 ~~residential property and small business property; and~~

15 ~~—(b) Each program year for the period beginning July 1, 2010,~~  
16 ~~and ending on June 30, 2021, an additional 9 percent of the sum of~~  
17 ~~the total allocated capacities of all the categories described in~~  
18 ~~paragraph (a) which must be approved for distributed generation~~  
19 ~~systems.~~

20 ~~—2. If the capacity allocated to any category for a program year~~  
21 ~~is not fully subscribed by participants in that category, the~~  
22 ~~Commission may, in any combination it deems appropriate:~~

23 ~~—(a) Reallocate any of the unused capacity in that category to any~~  
24 ~~of the other categories; or~~

25 ~~—(b) Reallocate any of the unused capacity in that category to~~  
26 ~~future program years within the same category.~~

27 ~~—3. To promote the installation of solar energy systems on as~~  
28 ~~many school properties as possible, the Commission may not~~  
29 ~~approve for use in the Solar Program a solar energy system having a~~  
30 ~~generating capacity of more than 50 kilowatts if the solar energy~~  
31 ~~system is or will be installed on school property on or after July 1,~~  
32 ~~2007, unless the Commission determines that approval of a solar~~  
33 ~~energy system with a greater generating capacity is more practicable~~  
34 ~~for a particular school property.~~

35 ~~—4. The Commission shall not authorize the payment of an] A~~  
36 ~~utility is not required to award an~~ incentive for the installation of a  
37 solar energy system or distributed generation system if [:

38 ~~—(a) For] , for the period beginning July 1, 2010, and ending~~  
39 ~~[June 30, 2013,] December 31, 2012, inclusive, the payment of the~~  
40 ~~incentive would cause the total amount of incentives paid by [a~~  
41 ~~utility] all utilities for the installation of solar energy systems and~~  
42 ~~distributed generation systems to exceed [\$78,260,000; and~~

43 ~~—(b) For the period beginning July 1, 2010, and ending June 30,~~  
44 ~~2021, the payment of the incentive would cause the total amount of~~  
45 ~~incentives paid by a utility for the installation of solar energy~~



1 ~~systems and distributed generation systems to exceed~~  
2 ~~\$255,270,000.] \$140,000,000.~~

3 **Sec. 14.** NRS 701B.280 is hereby amended to read as follows:

4 701B.280 ~~[(#)]~~ *To be eligible for an incentive through the*  
5 *Solar Program*, a solar energy system ~~[used by a participant in the~~  
6 ~~Solar Program meets]~~ *must meet* the requirements ~~[of NRS 704.766~~  
7 ~~to 704.775, inclusive, the participant is entitled to participate]~~ *for*  
8 *participation* in net metering pursuant to the provisions of NRS  
9 704.766 to 704.775, inclusive.

10 **Sec. 15.** NRS 701B.350 is hereby amended to read as follows:

11 701B.350 1. The Renewable Energy School Pilot Program is  
12 hereby created. The goal of the Program is to encourage the  
13 development of and determine the feasibility for the integration of  
14 renewable energy systems on school properties.

15 2. The Commission shall adopt regulations for the Program.  
16 Such regulations shall include, but not be limited to:

17 (a) A time frame for implementation of the Program;

18 (b) The allowed renewable energy systems and combinations of  
19 such renewable energy systems on school property;

20 (c) The amount of capacity that may be installed at each school  
21 property that participates in the Program;

22 (d) A process by which a school district may apply for  
23 participation in the Program;

24 (e) Requirements for participation by a school district;

25 (f) The type of transactions allowed between a renewable energy  
26 system generator, a school district and a utility;

27 (g) Incentives which may be provided to a school district or  
28 school property to encourage participation; and

29 (h) Such other parameters as determined by the Commission and  
30 are consistent with the development of renewable energy systems at  
31 school properties.

32 3. The Program shall be limited to 10 school properties. Not  
33 more than 6 school properties from any one school district may  
34 participate in the Program.

35 4. The Commission shall adopt the regulations necessary to  
36 implement the Program not later than March 1, 2008.

37 5. The Commission shall prepare a report detailing the results  
38 of the Program and shall submit the report to the Legislature by  
39 December 1, 2008.

40 6. As used in this section:

41 (a) "Commission" means the Public Utilities Commission of  
42 Nevada.

43 (b) "Owned, leased or occupied" includes, without limitation,  
44 any real property, building or facilities which are owned, leased or



1 occupied under a deed, lease, contract, license, permit, grant, patent  
2 or any other type of legal authorization.

3 (c) "Renewable energy system" has the meaning ascribed to it in  
4 NRS 704.7815.

5 (d) "School district" has the meaning ascribed to it in  
6 NRS 395.0075.

7 (e) "School property" means any real property, building or  
8 facilities which are owned, leased or occupied by a public school as  
9 defined in NRS 385.007.

10 (f) "Utility" ~~has the meaning ascribed to it in NRS 701B.180.]~~  
11 *means a public utility that supplies electricity in this State.*

12 **Sec. 16.** NRS 701B.410 is hereby amended to read as follows:

13 701B.410 As used in NRS ~~[701B.400]~~ **701B.410** to 701B.650,  
14 inclusive, *and sections 4 and 5 of this act*, unless the context  
15 otherwise requires, the words and terms defined in NRS 701B.420  
16 to 701B.560, inclusive, have the meanings ascribed to them in those  
17 sections.

18 **Sec. 17.** NRS 701B.430 is hereby amended to read as follows:

19 701B.430 "Applicant" means a person who is applying to  
20 participate in the Wind ~~[Demonstration]~~ Program.

21 **Sec. 18.** NRS 701B.440 is hereby amended to read as follows:

22 701B.440 "Category" means one of the categories of  
23 participation in the Wind ~~[Demonstration]~~ Program as set forth in  
24 NRS 701B.580.

25 **Sec. 19.** NRS 701B.470 is hereby amended to read as follows:

26 701B.470 "Participant" means a person who has been selected  
27 by a utility to participate in the Wind ~~[Demonstration]~~ Program.

28 **Sec. 20.** NRS 701B.490 is hereby amended to read as follows:

29 701B.490 "Program year" means ~~[the period of July 1 to~~  
30 ~~June 30 of the following]~~ *a calendar* year.

31 **Sec. 21.** NRS 701B.550 is hereby amended to read as follows:

32 701B.550 "Wind ~~[Demonstration]~~ Program" or "Program"  
33 means the Wind Energy Systems ~~[Demonstration]~~ *Incentive*  
34 Program created by NRS 701B.580.

35 **Sec. 22.** NRS 701B.580 is hereby amended to read as follows:

36 701B.580 1. The Wind Energy Systems ~~[Demonstration]~~  
37 *Incentive* Program is hereby created.

38 2. The Program must have four categories as follows:

- 39 (a) School property;  
40 (b) Other public property;  
41 (c) Private residential property and small business property; and  
42 (d) Agricultural property.

43 3. To be eligible to participate in the Program, a person must:

44 (a) Meet the qualifications established by the Commission  
45 pursuant to NRS 701B.590;



1 (b) *Submit an application for participation in the Program to a*  
2 *utility;*

3 (c) When installing the wind energy system, use an installer who  
4 has been issued a classification C-2 license with the appropriate  
5 subclassification by the State Contractors' Board pursuant to the  
6 regulations adopted by the Board; and

7 ~~[(e)]~~ (d) If the person will be participating in the Program in the  
8 category of school property or other public property, provide for the  
9 public display of the wind energy system, including, without  
10 limitation, providing for public demonstrations of the wind energy  
11 system and for hands-on experience of the wind energy system by  
12 the public.

13 **Sec. 23.** NRS 701B.590 is hereby amended to read as follows:

14 701B.590 The Commission shall adopt regulations necessary  
15 to carry out the provisions of ~~[the Wind Energy Systems~~  
16 ~~Demonstration Program Act,]~~ *NRS 701B.410 to 701B.650,*  
17 *inclusive, and sections 4 and 5 of this act,* including, without  
18 limitation, regulations that establish:

19 1. The ~~[capacity goals for the Program, which must be~~  
20 ~~designed to meet the goal of the Legislature of the installation of not~~  
21 ~~less than 5 megawatts of wind energy systems in this State by 2012~~  
22 ~~and the goals for each category of the Program.~~

23 ~~—2. A system of incentives that are based on rebates that decline~~  
24 ~~as the capacity goals for the Program and the goals for each~~  
25 ~~category of the Program are met. The rebates must be based on~~  
26 ~~predicted energy savings.~~

27 ~~—3. The procedure for claiming incentives, including, without~~  
28 ~~limitation, the form and content of the incentive claim form.]~~  
29 *qualifications and requirements an applicant must meet to be*  
30 *eligible to participate in the Wind Program in each particular*  
31 *category of:*

32 (a) *School property;*

33 (b) *Other public property;*

34 (c) *Private residential property and small business property;*  
35 *and*

36 (d) *Agricultural property.*

37 2. *The requirements for a utility's annual plan for carrying*  
38 *out and administering the Wind Program. A utility's annual plan*  
39 *must include, without limitation:*

40 (a) *A detailed plan for advertising the Program;*

41 (b) *A detailed budget and schedule for carrying out and*  
42 *administering the Program;*

43 (c) *A detailed account of the administrative processes and*  
44 *forms that are necessary to apply for and participate in the*  
45 *Program;*



1 (d) *A detailed account of the procedures that will be used for*  
2 *inspection of a participant's wind energy system and verification*  
3 *of a participant's compliance with the Program;*

4 (e) *A detailed account of training and educational activities*  
5 *that will be used to carry out and administer the Program; and*

6 (f) *Any other information required by the Commission.*

7 **Sec. 24.** NRS 701B.600 is hereby amended to read as follows:

8 701B.600 1. Each utility shall carry out and administer the  
9 Wind ~~[Demonstration]~~ Program within its service area in  
10 accordance with its annual plan as approved by the Commission  
11 pursuant to NRS 701B.610.

12 2. A utility may recover its reasonable and prudent costs,  
13 including, without limitation, customer incentives ~~[ ]~~ and  
14 *administrative costs*, that are associated with carrying out and  
15 administering the Program within its service area by seeking  
16 recovery of those costs in an appropriate proceeding before the  
17 Commission pursuant to NRS 704.110.

18 **Sec. 25.** NRS 701B.610 is hereby amended to read as follows:

19 701B.610 1. ~~[On or before February 1, 2008, and on or~~  
20 ~~before February 1 of each year thereafter.]~~ *Each year on or before a*  
21 *date established by the Commission*, each utility shall file with the  
22 Commission its annual plan for carrying out and administering  
23 the Wind ~~[Demonstration]~~ Program within its service area for the  
24 following program year. *A utility may file the plan as part of a*  
25 *combined annual plan for carrying out and administering the*  
26 *Wind Program, the Solar Energy Systems Incentive Program*  
27 *created by NRS 701B.240 and the Waterpower Energy Systems*  
28 *Incentive Program created by NRS 701B.820 in its service area for*  
29 *the following program year.*

30 2. ~~[On or before July 1, 2008, and on or before July 1 of each~~  
31 ~~year thereafter.]~~ *Within 150 days after a utility files its annual plan*  
32 *for administering the Wind Program*, the Commission shall:

33 (a) Review the annual plan filed by each utility for compliance  
34 with the requirements established by regulation; and

35 (b) Approve the annual plan with such modifications and upon  
36 such terms and conditions as the Commission finds necessary or  
37 appropriate to facilitate the Program.

38 **Sec. 26.** NRS 701B.615 is hereby amended to read as follows:

39 701B.615 1. An applicant who wishes to participate in the  
40 Wind ~~[Demonstration]~~ Program must submit an application to a  
41 utility.

42 2. After reviewing an application submitted pursuant to  
43 subsection 1 and ensuring that the applicant meets the qualifications  
44 and requirements to be eligible to participate in the Program, a  
45 utility may select the applicant for participation in the Program.





1 3. Not later than 30 days after the date on which the utility  
2 selects an applicant, the utility shall provide written notice of the  
3 selection to the applicant.

4 4. After the utility selects an applicant to participate in the  
5 Program, the utility may approve the wind energy system proposed  
6 by the applicant. Upon the utility's approval of the wind energy  
7 system:

8 (a) The utility shall provide to the applicant notice of the  
9 approval and the amount of incentive for which the wind energy  
10 system is eligible; and

11 (b) The applicant may install and energize the wind energy  
12 system.

13 5. Upon the completion of the installation and energizing of the  
14 wind energy system, the participant must submit to the utility an  
15 incentive claim form and any supporting information, including,  
16 without limitation, a verification of the cost of the project and a  
17 calculation of the expected system output.

18 6. Upon receipt of the incentive claim form and verification  
19 that the wind energy system is properly connected, the utility shall  
20 issue an incentive payment to the participant.

21 7. The amount of the incentive for which an applicant is  
22 eligible must be determined on the date on which the applicant is  
23 selected for participation in the Wind ~~[Demonstration]~~ Program,  
24 except that an applicant forfeits eligibility for that amount of  
25 incentive if the applicant withdraws from participation in the  
26 Program or does not complete the installation of the wind energy  
27 system within 12 months after the date on which the applicant is  
28 selected for participation in the Program. An applicant who forfeits  
29 eligibility for the incentive for which the applicant was originally  
30 determined to be eligible may become eligible for an incentive only  
31 on the date on which the applicant completes the installation of the  
32 wind energy system, and the amount of the incentive for which such  
33 an applicant is eligible must be determined on the date on which the  
34 applicant completes the installation of the wind energy system.

35 *8. The Commission shall not authorize the payment of an*  
36 *incentive for the installation of a wind energy system if, for the*  
37 *period beginning July 1, 2010, and ending December 31, 2012,*  
38 *inclusive, the payment of the incentive would cause the total*  
39 *amount of incentives paid by all utilities for the installation of*  
40 *wind energy systems and distributed generation systems to exceed*  
41 *\$30,000,000.*

42 **Sec. 27.** NRS 701B.615 is hereby amended to read as follows:

43 701B.615 1. An applicant who wishes to participate in the  
44 Wind Program must submit an application to a utility.



1 2. After reviewing an application submitted pursuant to  
2 subsection 1 and ensuring that the applicant meets the qualifications  
3 and requirements to be eligible to participate in the Program, a  
4 utility may select the applicant for participation in the Program.

5 3. Not later than 30 days after the date on which the utility  
6 selects an applicant, the utility shall provide written notice of the  
7 selection to the applicant.

8 4. After the utility selects an applicant to participate in the  
9 Program, the utility may approve the wind energy system proposed  
10 by the applicant. Upon the utility's approval of the wind energy  
11 system:

12 (a) The utility shall provide to the applicant notice of the  
13 approval and the amount of incentive for which the wind energy  
14 system is eligible; and

15 (b) The applicant may install and energize the wind energy  
16 system.

17 5. *An applicant for participation in the Wind Program must  
18 complete the installation and energizing of the wind energy system  
19 within 12 months after issuance of the notice required by  
20 paragraph (a) of subsection 4. If the applicant has not completed  
21 the installation and energizing of his or her wind energy system  
22 within the time provided in this subsection, the notice of approval  
23 is void, and the applicant loses his or her right to receive the  
24 incentive payment provided in the notice. The applicant may  
25 submit a new application and may receive an incentive payment  
26 pursuant to a new notice of approval issued by the utility for a new  
27 application cycle if the wind energy system has not been installed  
28 and energized before the date of issuance of the new notice of  
29 approval. The incentive for which the applicant is eligible is the  
30 lesser of the average incentive awarded to participants in the  
31 applicant's category in the current program year or the amount of  
32 the incentive which the applicant was authorized to receive  
33 pursuant to the original notice of approval.*

34 6. Upon the completion of the installation and energizing of the  
35 wind energy system, the participant must submit to the utility an  
36 incentive claim form and any supporting information, including,  
37 without limitation, a verification of the cost of the project and a  
38 calculation of the expected system output.

39 ~~[6-]~~ 7. Upon receipt of the incentive claim form and  
40 verification that the wind energy system is properly connected, the  
41 utility shall issue an incentive payment to the participant.

42 ~~[7-]~~ 8. The amount of the incentive for which an applicant is  
43 eligible must be determined on the date on which the applicant is  
44 selected for participation in the Wind Program . ~~[, except that an  
45 applicant forfeits eligibility for that amount of incentive if the~~



1 ~~applicant withdraws from participation in the Program or does not~~  
2 ~~complete the installation of the wind energy system within 12~~  
3 ~~months after the date on which the applicant is selected for~~  
4 ~~participation in the Program. An applicant who forfeits eligibility~~  
5 ~~for the incentive for which the applicant was originally determined~~  
6 ~~to be eligible may become eligible for an incentive only on the date~~  
7 ~~on which the applicant completes the installation of the wind energy~~  
8 ~~system, and the amount of the incentive for which such an applicant~~  
9 ~~is eligible must be determined on the date on which the applicant~~  
10 ~~completes the installation of the wind energy system.~~

11 ~~8. The Commission shall not authorize the payment of an~~  
12 ~~incentive for the installation of a wind energy system if, for the~~  
13 ~~period beginning July 1, 2010, and ending December 31, 2012,~~  
14 ~~inclusive, the payment of the incentive would cause the total amount~~  
15 ~~of incentives paid by all utilities for the installation of wind energy~~  
16 ~~systems and distributed generation systems to exceed \$30,000,000.]~~

17 **Sec. 28.** NRS 701B.640 is hereby amended to read as follows:

18 701B.640 1. After a participant installs a wind energy system  
19 included in the Wind ~~[Demonstration]~~ Program, the Commission  
20 shall issue portfolio energy credits for use within the system of  
21 portfolio energy credits adopted by the Commission pursuant to  
22 NRS 704.7821 and 704.78213 equal to the actual or estimated  
23 kilowatt-hour production of the wind energy system.

24 2. All portfolio energy credits issued for a wind energy system  
25 installed pursuant to the Wind ~~[Demonstration]~~ Program must be  
26 assigned to and become the property of the utility administering the  
27 Program.

28 **Sec. 29.** NRS 701B.650 is hereby amended to read as follows:

29 701B.650 ~~[[~~ *To be eligible for an incentive through the*  
30 *Wind Program*, a wind energy system ~~[used by a participant in the~~  
31 ~~Wind Program meets] must meet~~ the requirements ~~[of NRS 704.766~~  
32 ~~to 704.775, inclusive, the participant is entitled to participate] for~~  
33 *participation* in net metering pursuant to the provisions of NRS  
34 704.766 to 704.775, inclusive.

35 **Sec. 30.** NRS 701B.710 is hereby amended to read as follows:

36 701B.710 As used in NRS ~~[701B.700] 701B.710~~ to 701B.880,  
37 inclusive, *and section 6 of this act*, unless the context otherwise  
38 requires, the words and terms defined in NRS 701B.720 to  
39 701B.810, inclusive, have the meanings ascribed to them in those  
40 sections.

41 **Sec. 31.** NRS 701B.720 is hereby amended to read as follows:

42 701B.720 “Applicant” means a person who is applying to  
43 participate in the Waterpower ~~[Demonstration]~~ Program.



1     **Sec. 32.** NRS 701B.740 is hereby amended to read as follows:  
2     701B.740 “Participant” means a person who has been selected  
3 by a utility to participate in the Waterpower ~~[Demonstration]~~  
4 Program.

5     **Sec. 33.** NRS 701B.760 is hereby amended to read as follows:  
6     701B.760 “Program year” means ~~[the period of July 1 to~~  
7 ~~June 30 of the following]~~ *a calendar* year.

8     **Sec. 34.** NRS 701B.810 is hereby amended to read as follows:  
9     701B.810 “Waterpower ~~[Demonstration]~~ Program” or  
10 “Program” means the Waterpower Energy Systems ~~[Demonstration]~~  
11 *Incentive* Program created by NRS 701B.820.

12     **Sec. 35.** NRS 701B.820 is hereby amended to read as follows:  
13     701B.820 1. The Waterpower Energy Systems  
14 ~~[Demonstration]~~ *Incentive* Program is hereby created.

15     2. The Waterpower ~~[Demonstration]~~ Program is created for  
16 agricultural uses.

17     3. To be eligible to participate in the Waterpower  
18 ~~[Demonstration]~~ Program, a person must meet the qualifications  
19 established pursuant to subsection 4, apply to a utility and be  
20 selected by the utility for inclusion in the Waterpower  
21 ~~[Demonstration]~~ Program.

22     4. The Commission shall adopt regulations providing for the  
23 qualifications an applicant must meet to qualify to participate in the  
24 Waterpower ~~[Demonstration]~~ Program.

25     **Sec. 36.** NRS 701B.830 is hereby amended to read as follows:  
26     701B.830 Each utility is responsible for the administration and  
27 delivery of the Waterpower ~~[Demonstration]~~ Program as approved  
28 by the Commission.

29     **Sec. 37.** NRS 701B.840 is hereby amended to read as follows:  
30     701B.840 The Commission shall adopt regulations that  
31 establish:

32     1. The capacity goals for the *Waterpower* Program, which  
33 must be designed to meet the goal of the Legislature of the  
34 installation of not less than 500 kilowatts of waterpower energy  
35 systems in this State by ~~[2012]~~ *2016* and the goals for each category  
36 of the Program.

37     2. A system of incentives that are based on rebates that decline  
38 as the capacity goals for the *Waterpower* Program and the goals for  
39 each category of the Program are met. The rebates must be based on  
40 predicted energy savings. *A utility is not required to award an*  
41 *incentive if such an award would cause the total amount of*  
42 *incentives awarded in a program year to participants in the*  
43 *Waterpower Program, the Solar Energy Systems Incentive*  
44 *Program created by NRS 701B.240 and the Wind Energy Systems*  
45 *Incentive Program created by NRS 701B.580 to exceed one-half of*



1 *1 percent of the total revenues received by all utilities in this State*  
2 *from retail customers in this State during the immediately*  
3 *preceding program year. For each program year, the Commission*  
4 *shall determine the capacity each utility must allocate to each*  
5 *program.*

6 3. The procedure for claiming incentives, including, without  
7 limitation, the form and content of the incentive claim form.

8 **Sec. 38.** NRS 701B.850 is hereby amended to read as follows:

9 701B.850 1. ~~On or before February 21, 2008, and on or~~  
10 ~~before February 1 of each subsequent year,] Each year on or before~~  
11 *a date established by the Commission, each utility shall file with*  
12 *the Commission [for approval an] its annual plan for [the*  
13 *administration and delivery of] carrying out and administering the*  
14 *Waterpower [Demonstration] Program in its service area for the*  
15 *following program year . [beginning July 1, 2008, and each*  
16 ~~subsequent year thereafter.] A utility may file the plan as part of a~~  
17 *combined annual plan for carrying out and administering the*  
18 *Waterpower Program, the Solar Energy Systems Incentive*  
19 *Program created by NRS 701B.240 and the Wind Energy Systems*  
20 *Incentive Program created by NRS 701B.580 in its service area for*  
21 *the following program year.*

22 2. ~~On or before July 1, 2008, and on or before each July 1 of~~  
23 ~~each subsequent year,] Within 150 days after a utility files its~~  
24 *annual plan for administering the Waterpower Program, the*  
25 *Commission shall [review] :*

26 (a) *Review the annual plan for compliance with the requirements*  
27 *[set forth] established by regulation [of the Commission.] ; and*

28 (b) *Approve the annual plan with such modifications and upon*  
29 *such terms and conditions as the Commission finds necessary or*  
30 *appropriate to facilitate the Program.*

31 **Sec. 39.** NRS 701B.860 is hereby amended to read as follows:

32 701B.860 Each utility may recover its reasonable and prudent  
33 costs, including, without limitation, customer incentives ~~[.]~~ *and*  
34 *administrative costs, that are associated with carrying out and*  
35 *administering the Waterpower [Demonstration] Program within its*  
36 *service area by seeking recovery of those costs in an appropriate*  
37 *proceeding before the Commission pursuant to NRS 704.110.*

38 **Sec. 40.** NRS 701B.865 is hereby amended to read as follows:

39 701B.865 1. An applicant who wishes to participate in the  
40 Waterpower ~~[.]~~ *[Demonstration] Program must submit an application*  
41 *to a utility.*

42 2. After reviewing an application submitted pursuant to  
43 subsection 1 and ensuring that the applicant meets the qualifications  
44 and requirements to be eligible to participate in the Program, a  
45 utility may select the applicant for participation in the Program.



1 3. Not later than 30 days after the date on which the utility  
2 selects an applicant, the utility shall provide written notice of the  
3 selection to the applicant.

4 4. After the utility selects an applicant to participate in the  
5 Program, the utility may approve the waterpower energy system  
6 proposed by the applicant. Upon the utility's approval of the  
7 waterpower energy system:

8 (a) The utility shall provide to the applicant notice of the  
9 approval and the amount of incentive for which the waterpower  
10 energy system is eligible; and

11 (b) The applicant may construct the waterpower energy system.

12 5. Upon the completion of the construction of a waterpower  
13 energy system, the participant must submit to the utility an incentive  
14 claim form and any supporting information, including, without  
15 limitation, a verification of the cost of the project and a calculation  
16 of the expected system output.

17 6. Upon receipt of the incentive claim form and verification  
18 that the waterpower energy system is properly connected, the utility  
19 shall issue an incentive payment to the participant.

20 7. The amount of the incentive for which an applicant is  
21 eligible must be determined on the date on which the applicant is  
22 selected for participation in the Waterpower ~~[Demonstration]~~  
23 Program, except that an applicant forfeits eligibility for that amount  
24 of incentive if the applicant withdraws from participation in the  
25 Program or does not complete the construction of the waterpower  
26 energy system within 12 months after the date on which the  
27 applicant is selected for participation in the Program. An applicant  
28 who forfeits eligibility for the incentive for which the applicant was  
29 originally determined to be eligible may become eligible for an  
30 incentive only on the date on which the applicant completes the  
31 construction of the waterpower energy system, and the amount of  
32 the incentive for which such an applicant is eligible must be  
33 determined on the date on which the applicant completes the  
34 construction of the waterpower energy system.

35 **Sec. 41.** NRS 701B.870 is hereby amended to read as follows:

36 701B.870 1. After a participant installs a waterpower energy  
37 system included in the Waterpower ~~[Demonstration]~~ Program, the  
38 Commission shall issue portfolio energy credits for use within the  
39 system of portfolio energy credits adopted by the Commission  
40 pursuant to NRS 704.7821 and 704.78213 equal to the actual or  
41 estimated kilowatt-hour production of the waterpower energy  
42 system of the participant.

43 2. All portfolio energy credits issued for a waterpower energy  
44 system installed pursuant to the Waterpower ~~[Demonstration]~~



1 Program are assigned to and become the property of the utility  
2 administering the Program.

3 **Sec. 42.** NRS 701B.880 is hereby amended to read as follows:

4 701B.880 If the waterpower energy system used by a  
5 participant in the Waterpower [~~Demonstration~~] Program meets the  
6 requirements of NRS 704.766 to 704.775, inclusive, the participant  
7 is entitled to participate in net metering pursuant to the provisions of  
8 NRS 704.766 to 704.775, inclusive.

9 **Sec. 43.** NRS 701B.924 is hereby amended to read as follows:

10 701B.924 1. The State Public Works Board shall, within 90  
11 days after June 9, 2009, determine the specific projects to  
12 weatherize and retrofit public buildings, facilities and structures,  
13 including, without limitation, traffic-control systems, and to  
14 otherwise use sources of renewable energy to serve those buildings,  
15 facilities and structures pursuant to the provisions of this section and  
16 NRS 701B.921. The projects must be prioritized and selected on the  
17 basis of the following criteria:

18 (a) The length of time necessary to commence the project.

19 (b) The number of workers estimated to be employed on the  
20 project.

21 (c) The effectiveness of the project in reducing energy  
22 consumption.

23 (d) The estimated cost of the project.

24 (e) Whether the project is able to be powered by or to otherwise  
25 use sources of renewable energy.

26 (f) Whether the project has qualified for participation in one or  
27 more of the following programs:

28 (1) The Solar Energy Systems Incentive Program created by  
29 NRS 701B.240;

30 (2) The Renewable Energy School Pilot Program created by  
31 NRS 701B.350;

32 (3) The Wind Energy Systems [~~Demonstration~~] *Incentive*  
33 Program created by NRS 701B.580;

34 (4) The Waterpower Energy Systems [~~Demonstration~~]  
35 *Incentive* Program created by NRS 701B.820; or

36 (5) An energy efficiency or energy conservation program  
37 offered by a public utility, as defined in NRS 704.020, pursuant to a  
38 plan approved by the Public Utilities Commission of Nevada  
39 pursuant to NRS 704.741.

40 2. The board of trustees of each school district shall, within 90  
41 days after June 9, 2009, determine the specific projects to  
42 weatherize and retrofit public buildings, facilities and structures,  
43 including, without limitation, traffic-control systems, and to  
44 otherwise use sources of renewable energy to serve those buildings,  
45 facilities and structures pursuant to the provisions of this section and



1 NRS 701B.921. The projects must be prioritized and selected on the  
2 basis of the following criteria:

- 3 (a) The length of time necessary to commence the project.
- 4 (b) The number of workers estimated to be employed on the  
5 project.
- 6 (c) The effectiveness of the project in reducing energy  
7 consumption.
- 8 (d) The estimated cost of the project.
- 9 (e) Whether the project is able to be powered by or to otherwise  
10 use sources of renewable energy.
- 11 (f) Whether the project has qualified for participation in one or  
12 more of the following programs:

13 (1) The Solar Energy Systems Incentive Program created by  
14 NRS 701B.240;

15 (2) The Renewable Energy School Pilot Program created by  
16 NRS 701B.350;

17 (3) The Wind Energy Systems ~~Demonstration~~ *Incentive*  
18 Program created by NRS 701B.580;

19 (4) The Waterpower Energy Systems ~~Demonstration~~  
20 *Incentive* Program created by NRS 701B.820; or

21 (5) An energy efficiency or energy conservation program  
22 offered by a public utility, as defined in NRS 704.020, pursuant to a  
23 plan approved by the Public Utilities Commission of Nevada  
24 pursuant to NRS 704.741.

25 3. The Board of Regents of the University of Nevada shall,  
26 within 90 days after June 9, 2009, determine the specific projects to  
27 weatherize and retrofit public buildings, facilities and structures,  
28 including, without limitation, traffic-control systems, and to  
29 otherwise use sources of renewable energy to serve those buildings,  
30 facilities and structures pursuant to the provisions of this section and  
31 NRS 701B.921. The projects must be prioritized and selected on the  
32 basis of the following criteria:

- 33 (a) The length of time necessary to commence the project.
- 34 (b) The number of workers estimated to be employed on the  
35 project.
- 36 (c) The effectiveness of the project in reducing energy  
37 consumption.
- 38 (d) The estimated cost of the project.
- 39 (e) Whether the project is able to be powered by or to otherwise  
40 use sources of renewable energy.
- 41 (f) Whether the project has qualified for participation in one or  
42 more of the following programs:

43 (1) The Solar Energy Systems Incentive Program created by  
44 NRS 701B.240;





1 (2) The Renewable Energy School Pilot Program created by  
2 NRS 701B.350;

3 (3) The Wind Energy Systems ~~[Demonstration]~~ *Incentive*  
4 Program created by NRS 701B.580;

5 (4) The Waterpower Energy Systems ~~[Demonstration]~~  
6 *Incentive* Program created by NRS 701B.820; or

7 (5) An energy efficiency or energy conservation program  
8 offered by a public utility, as defined in NRS 704.020, pursuant to a  
9 plan approved by the Public Utilities Commission of Nevada  
10 pursuant to NRS 704.741.

11 4. As soon as practicable after an entity described in  
12 subsections 1, 2 and 3 selects a project, the entity shall proceed to  
13 enter into a contract with one or more contractors to perform the  
14 work on the project. The request for proposals and all contracts for  
15 each project must include, without limitation:

16 (a) Provisions stipulating that all employees of the contractors  
17 and subcontractors who work on the project must be paid prevailing  
18 wages pursuant to the requirements of chapter 338 of NRS;

19 (b) Provisions requiring that each contractor and subcontractor  
20 employed on each such project:

21 (1) Employ a number of persons trained as described in  
22 paragraph (b) of subsection 3 of NRS 701B.921 that is equal to or  
23 greater than 50 percent of the total workforce the contractor or  
24 subcontractor employs on the project; or

25 (2) If the Director of the Department determines in writing,  
26 pursuant to a request submitted by the contractor or subcontractor,  
27 that the contractor or subcontractor cannot reasonably comply with  
28 the provisions of subparagraph (1) because there are not available a  
29 sufficient number of such trained persons, employ a number of  
30 persons trained as described in paragraph (b) of subsection 3 of NRS  
31 701B.921 or trained through any apprenticeship program that is  
32 registered and approved by the State Apprenticeship Council  
33 pursuant to chapter 610 of NRS that is equal to or greater than 50  
34 percent of the total workforce the contractor or subcontractor  
35 employs on the project;

36 (c) A component pursuant to which persons trained as described  
37 in paragraph (b) of subsection 3 of NRS 701B.921 must be  
38 classified and paid prevailing wages depending upon the  
39 classification of the skill in which they are trained; and

40 (d) A component that requires each contractor or subcontractor  
41 to offer to employees working on the project, and to their  
42 dependents, health care in the same manner as a policy of insurance  
43 pursuant to chapters 689A and 689B of NRS or the Employee  
44 Retirement Income Security Act of 1974.



1 5. The State Public Works Board, each of the school districts  
2 and the Board of Regents of the University of Nevada shall each  
3 provide a report to the Interim Finance Committee which describes  
4 the projects selected pursuant to this section and a report of the dates  
5 on which those projects are scheduled to be completed.

6 **Sec. 44.** NRS 701B.924 is hereby amended to read as follows:

7 701B.924 1. The State Public Works Board shall, within 90  
8 days after June 9, 2009, determine the specific projects to  
9 weatherize and retrofit public buildings, facilities and structures,  
10 including, without limitation, traffic-control systems, and to  
11 otherwise use sources of renewable energy to serve those buildings,  
12 facilities and structures pursuant to the provisions of this section and  
13 NRS 701B.921. The projects must be prioritized and selected on the  
14 basis of the following criteria:

15 (a) The length of time necessary to commence the project.

16 (b) The number of workers estimated to be employed on the  
17 project.

18 (c) The effectiveness of the project in reducing energy  
19 consumption.

20 (d) The estimated cost of the project.

21 (e) Whether the project is able to be powered by or to otherwise  
22 use sources of renewable energy.

23 (f) Whether the project has qualified for participation in ~~one or~~  
24 ~~more of the following programs:~~

25 ~~— (1) The Solar Energy Systems Incentive Program created by~~  
26 ~~NRS 701B.240;~~

27 ~~— (2) :~~

28 ~~(1) The Renewable Energy School Pilot Program created by~~  
29 ~~NRS 701B.350;~~

30 ~~{(3) The Wind Energy Systems Incentive Program created by~~  
31 ~~NRS 701B.580;~~

32 ~~— (4) The Waterpower Energy Systems Incentive Program~~  
33 ~~created by NRS 701B.820; or~~

34 ~~— (5) } or~~

35 (2) An energy efficiency or energy conservation program  
36 offered by a public utility, as defined in NRS 704.020, pursuant to a  
37 plan approved by the Public Utilities Commission of Nevada  
38 pursuant to NRS 704.741.

39 2. The board of trustees of each school district shall, within 90  
40 days after June 9, 2009, determine the specific projects to  
41 weatherize and retrofit public buildings, facilities and structures,  
42 including, without limitation, traffic-control systems, and to  
43 otherwise use sources of renewable energy to serve those buildings,  
44 facilities and structures pursuant to the provisions of this section and



1 NRS 701B.921. The projects must be prioritized and selected on the  
2 basis of the following criteria:

- 3 (a) The length of time necessary to commence the project.  
4 (b) The number of workers estimated to be employed on the  
5 project.  
6 (c) The effectiveness of the project in reducing energy  
7 consumption.  
8 (d) The estimated cost of the project.  
9 (e) Whether the project is able to be powered by or to otherwise  
10 use sources of renewable energy.

11 (f) Whether the project has qualified for participation in ~~one or~~  
12 ~~more of the following programs:~~

13 ~~— (1) The Solar Energy Systems Incentive Program created by~~  
14 ~~NRS 701B.240;~~

15 ~~— (2) :~~

16 (1) The Renewable Energy School Pilot Program created by  
17 NRS 701B.350;

18 ~~{(3) The Wind Energy Systems Incentive Program created by~~  
19 ~~NRS 701B.580;~~

20 ~~— (4) The Waterpower Energy Systems Incentive Program~~  
21 ~~created by NRS 701B.820; or~~

22 ~~— (5) } or~~

23 (2) An energy efficiency or energy conservation program  
24 offered by a public utility, as defined in NRS 704.020, pursuant to a  
25 plan approved by the Public Utilities Commission of Nevada  
26 pursuant to NRS 704.741.

27 3. The Board of Regents of the University of Nevada shall,  
28 within 90 days after June 9, 2009, determine the specific projects to  
29 weatherize and retrofit public buildings, facilities and structures,  
30 including, without limitation, traffic-control systems, and to  
31 otherwise use sources of renewable energy to serve those buildings,  
32 facilities and structures pursuant to the provisions of this section and  
33 NRS 701B.921. The projects must be prioritized and selected on the  
34 basis of the following criteria:

- 35 (a) The length of time necessary to commence the project.  
36 (b) The number of workers estimated to be employed on the  
37 project.  
38 (c) The effectiveness of the project in reducing energy  
39 consumption.  
40 (d) The estimated cost of the project.  
41 (e) Whether the project is able to be powered by or to otherwise  
42 use sources of renewable energy.

43 (f) Whether the project has qualified for participation in ~~one or~~  
44 ~~more of the following programs:~~



1 ~~(1) The Solar Energy Systems Incentive Program created by~~  
2 ~~NRS 701B.240;~~

3 ~~(2)]:~~

4 (1) The Renewable Energy School Pilot Program created by  
5 NRS 701B.350;

6 ~~[(3) The Wind Energy Systems Incentive Program created by~~  
7 ~~NRS 701B.580;~~

8 ~~(4) The Waterpower Energy Systems Incentive Program~~  
9 ~~created by NRS 701B.820; or~~

10 ~~(5)] or~~

11 (2) An energy efficiency or energy conservation program  
12 offered by a public utility, as defined in NRS 704.020, pursuant to a  
13 plan approved by the Public Utilities Commission of Nevada  
14 pursuant to NRS 704.741.

15 4. As soon as practicable after an entity described in  
16 subsections 1, 2 and 3 selects a project, the entity shall proceed to  
17 enter into a contract with one or more contractors to perform the  
18 work on the project. The request for proposals and all contracts for  
19 each project must include, without limitation:

20 (a) Provisions stipulating that all employees of the contractors  
21 and subcontractors who work on the project must be paid prevailing  
22 wages pursuant to the requirements of chapter 338 of NRS;

23 (b) Provisions requiring that each contractor and subcontractor  
24 employed on each such project:

25 (1) Employ a number of persons trained as described in  
26 paragraph (b) of subsection 3 of NRS 701B.921 that is equal to or  
27 greater than 50 percent of the total workforce the contractor or  
28 subcontractor employs on the project; or

29 (2) If the Director of the Department determines in writing,  
30 pursuant to a request submitted by the contractor or subcontractor,  
31 that the contractor or subcontractor cannot reasonably comply with  
32 the provisions of subparagraph (1) because there are not available a  
33 sufficient number of such trained persons, employ a number of  
34 persons trained as described in paragraph (b) of subsection 3 of NRS  
35 701B.921 or trained through any apprenticeship program that is  
36 registered and approved by the State Apprenticeship Council  
37 pursuant to chapter 610 of NRS that is equal to or greater than 50  
38 percent of the total workforce the contractor or subcontractor  
39 employs on the project;

40 (c) A component pursuant to which persons trained as described  
41 in paragraph (b) of subsection 3 of NRS 701B.921 must be  
42 classified and paid prevailing wages depending upon the  
43 classification of the skill in which they are trained; and

44 (d) A component that requires each contractor or subcontractor  
45 to offer to employees working on the project, and to their



1 dependents, health care in the same manner as a policy of insurance  
2 pursuant to chapters 689A and 689B of NRS or the Employee  
3 Retirement Income Security Act of 1974.

4 5. The State Public Works Board, each of the school districts  
5 and the Board of Regents of the University of Nevada shall each  
6 provide a report to the Interim Finance Committee which describes  
7 the projects selected pursuant to this section and a report of the dates  
8 on which those projects are scheduled to be completed.

9 **Sec. 45.** NRS 704.773 is hereby amended to read as follows:

10 704.773 1. A utility shall offer net metering, as set forth in  
11 NRS 704.775, to the customer-generators operating within its  
12 service area until the cumulative capacity of all such net metering  
13 systems *in this State* is equal to 1 percent of the ~~utility's~~ *total* peak  
14 capacity ~~of all utilities in this State~~.

15 2. If the net metering system of a customer-generator who  
16 accepts the offer of a utility for net metering has a capacity of not  
17 more than 100 kilowatts, the utility:

18 (a) Shall offer to make available to the customer-generator an  
19 energy meter that is capable of registering the flow of electricity in  
20 two directions.

21 (b) May, at its own expense and with the written consent of the  
22 customer-generator, install one or more additional meters to monitor  
23 the flow of electricity in each direction.

24 (c) Shall not charge a customer-generator any fee or charge that  
25 would increase the customer-generator's minimum monthly charge  
26 to an amount greater than that of other customers of the utility in the  
27 same rate class as the customer-generator.

28 3. If the net metering system of a customer-generator who  
29 accepts the offer of a utility for net metering has a capacity of more  
30 than 100 kilowatts, the utility:

31 (a) May require the customer-generator to install at its own cost:

32 (1) An energy meter that is capable of measuring generation  
33 output and customer load; and

34 (2) Any upgrades to the system of the utility that are required  
35 to make the net metering system compatible with the system of the  
36 utility.

37 (b) Except as otherwise provided in paragraph (c), may charge  
38 the customer-generator any applicable fee or charge charged to other  
39 customers of the utility in the same rate class as the customer-  
40 generator, including, without limitation, customer, demand and  
41 facility charges.

42 (c) Shall not charge the customer-generator any standby charge.

43 ➔ At the time of installation or upgrade of any portion of a net  
44 metering system, the utility must allow a customer-generator



1 governed by this subsection to pay the entire cost of the installation  
2 or upgrade of the portion of the net metering system.

3 4. The Commission shall adopt regulations prescribing the  
4 form and substance for a net metering tariff and a standard net  
5 metering contract. The regulations must include, without limitation:

6 (a) The particular provisions, limitations and responsibilities of  
7 a customer-generator which must be included in a net metering tariff  
8 with regard to:

9 (1) Metering equipment;

10 (2) Net energy metering and billing; and

11 (3) Interconnection,

12 ↪ based on the allowable size of the net metering system.

13 (b) The particular provisions, limitations and responsibilities of  
14 a customer-generator and the utility which must be included in a  
15 standard net metering contract.

16 (c) A timeline for processing applications and contracts for net  
17 metering applicants.

18 (d) Any other provisions the Commission finds necessary to  
19 carry out the provisions of NRS 704.766 to 704.775, inclusive.

20 **Sec. 46.** NRS 704.7828 is hereby amended to read as follows:

21 704.7828 1. The Commission shall adopt regulations to carry  
22 out and enforce the provisions of NRS 704.7801 to 704.7828,  
23 inclusive. The regulations adopted by the Commission may include  
24 any enforcement mechanisms which are necessary and reasonable to  
25 ensure that each provider of electric service complies with its  
26 portfolio standard. Such enforcement mechanisms may include,  
27 without limitation, the imposition of administrative fines.

28 2. If a provider exceeds the portfolio standard for any calendar  
29 year, the Commission shall authorize the provider to carry forward  
30 to subsequent calendar years for the purpose of complying with the  
31 portfolio standard for those subsequent calendar years any excess  
32 kilowatt-hours of electricity that the provider generates, acquires or  
33 saves from portfolio energy systems or efficiency measures. *Any  
34 surplus portfolio energy credits derived from energy efficiency  
35 measures may be applied to reduce a deficiency in portfolio energy  
36 credits caused by the inability of a developer of a renewable energy  
37 system that has contracted to sell renewable energy to the provider  
38 to construct and energize its renewable energy system within the  
39 time or in the amount agreed to by the developer and the provider.*

40 3. If a provider does not comply with its portfolio standard for  
41 any calendar year and the Commission has not exempted the  
42 provider from the requirements of its portfolio standard pursuant to  
43 NRS 704.7821 or 704.78213, the Commission:

44 (a) Shall require the provider to carry forward to subsequent  
45 calendar years the amount of the deficiency in kilowatt-hours of



1 electricity that the provider does not generate, acquire or save from  
2 portfolio energy systems or efficiency measures during a calendar  
3 year in violation of its portfolio standard; and

4 (b) May impose an administrative fine against the provider or  
5 take other administrative action against the provider, or do both.

6 4. The Commission may impose an administrative fine against  
7 a provider based upon:

8 (a) Each kilowatt-hour of electricity that the provider does not  
9 generate, acquire or save from portfolio energy systems or  
10 efficiency measures during a calendar year in violation of its  
11 portfolio standard; or

12 (b) Any other reasonable formula adopted by the Commission.

13 5. In the aggregate, the administrative fines imposed against a  
14 provider for all violations of its portfolio standard for a single  
15 calendar year must not exceed the amount which is necessary and  
16 reasonable to ensure that the provider complies with its portfolio  
17 standard, as determined by the Commission.

18 6. If the Commission imposes an administrative fine against a  
19 utility provider:

20 (a) The administrative fine is not a cost of service of the utility  
21 provider;

22 (b) The utility provider shall not include any portion of the  
23 administrative fine in any application for a rate adjustment or rate  
24 increase; and

25 (c) The Commission shall not allow the utility provider to  
26 recover any portion of the administrative fine from its retail  
27 customers.

28 7. All administrative fines imposed and collected pursuant to  
29 this section must be deposited in the State General Fund.

30 **Sec. 47.** NRS 338.1908 is hereby amended to read as follows:

31 338.1908 1. The governing body of each local government  
32 shall, by July 28, 2009, develop a plan to retrofit public buildings,  
33 facilities and structures, including, without limitation, traffic-control  
34 systems, and to otherwise use sources of renewable energy to serve  
35 those buildings, facilities and structures. Such a plan must:

36 (a) Be developed with input from one or more energy retrofit  
37 coordinators designated pursuant to NRS 338.1907, if any.

38 (b) Include a list of specific projects. The projects must be  
39 prioritized and selected on the basis of the following criteria:

40 (1) The length of time necessary to commence the project.

41 (2) The number of workers estimated to be employed on the  
42 project.

43 (3) The effectiveness of the project in reducing energy  
44 consumption.

45 (4) The estimated cost of the project.



1 (5) Whether the project is able to be powered by or otherwise  
2 use sources of renewable energy.

3 (6) Whether the project has qualified for participation in one  
4 or more of the following programs:

5 (I) The Solar Energy Systems Incentive Program created  
6 by NRS 701B.240;

7 (II) The Renewable Energy School Pilot Program created  
8 by NRS 701B.350;

9 (III) The Wind Energy Systems ~~[Demonstration]~~  
10 *Incentive* Program created by NRS 701B.580; or

11 (IV) The Waterpower Energy Systems ~~[Demonstration]~~  
12 *Incentive* Program created by NRS 701B.820.

13 (c) Include a list of potential funding sources for use in  
14 implementing the projects, including, without limitation, money  
15 available through the Energy Efficiency and Conservation Block  
16 Grant Program as set forth in 42 U.S.C. § 17152 and grants, gifts,  
17 donations or other sources of money from public and private  
18 sources.

19 2. The governing body of each local government shall transmit  
20 the plan developed pursuant to subsection 1 to the Nevada Energy  
21 Commissioner and to any other entity designated for that purpose by  
22 the Legislature.

23 3. As used in this section:

24 (a) "Local government" means each city or county that meets  
25 the definition of "eligible unit of local government" as set forth in  
26 42 U.S.C. § 17151 and each unit of local government, as defined in  
27 subsection 11 of NRS 338.010, that does not meet the definition of  
28 "eligible entity" as set forth in 42 U.S.C. § 17151.

29 (b) "Renewable energy" means a source of energy that occurs  
30 naturally or is regenerated naturally, including, without limitation:

- 31 (1) Biomass;
- 32 (2) Fuel cells;
- 33 (3) Geothermal energy;
- 34 (4) Solar energy;
- 35 (5) Waterpower; and
- 36 (6) Wind.

37 ➔ The term does not include coal, natural gas, oil, propane or any  
38 other fossil fuel, or nuclear energy.

39 (c) "Retrofit" means to alter, improve, modify, remodel or  
40 renovate a building, facility or structure to make that building,  
41 facility or structure more energy-efficient.

42 **Sec. 48.** NRS 338.1908 is hereby amended to read as follows:

43 338.1908 1. The governing body of each local government  
44 shall, by July 28, 2009, develop a plan to retrofit public buildings,  
45 facilities and structures, including, without limitation, traffic-control





1 systems, and to otherwise use sources of renewable energy to serve  
2 those buildings, facilities and structures. Such a plan must:

3 (a) Be developed with input from one or more energy retrofit  
4 coordinators designated pursuant to NRS 338.1907, if any.

5 (b) Include a list of specific projects. The projects must be  
6 prioritized and selected on the basis of the following criteria:

7 (1) The length of time necessary to commence the project.

8 (2) The number of workers estimated to be employed on the  
9 project.

10 (3) The effectiveness of the project in reducing energy  
11 consumption.

12 (4) The estimated cost of the project.

13 (5) Whether the project is able to be powered by or otherwise  
14 use sources of renewable energy.

15 (6) Whether the project has qualified for participation in ~~one~~  
16 ~~or more of the following programs:~~

17 ~~————(I) The Solar Energy Systems Incentive Program created~~  
18 ~~by NRS 701B.240;~~

19 ~~————(II) The~~ *the* Renewable Energy School Pilot Program  
20 created by NRS 701B.350. ~~;~~

21 ~~————(III) The Wind Energy Systems Incentive Program~~  
22 ~~created by NRS 701B.580; or~~

23 ~~————(IV) The Waterpower Energy Systems Incentive Program~~  
24 ~~created by NRS 701B.820.]~~

25 (c) Include a list of potential funding sources for use in  
26 implementing the projects, including, without limitation, money  
27 available through the Energy Efficiency and Conservation Block  
28 Grant Program as set forth in 42 U.S.C. § 17152 and grants, gifts,  
29 donations or other sources of money from public and private  
30 sources.

31 2. The governing body of each local government shall transmit  
32 the plan developed pursuant to subsection 1 to the Nevada Energy  
33 Commissioner and to any other entity designated for that purpose by  
34 the Legislature.

35 3. As used in this section:

36 (a) "Local government" means each city or county that meets  
37 the definition of "eligible unit of local government" as set forth in  
38 42 U.S.C. § 17151 and each unit of local government, as defined in  
39 subsection 11 of NRS 338.010, that does not meet the definition of  
40 "eligible entity" as set forth in 42 U.S.C. § 17151.

41 (b) "Renewable energy" means a source of energy that occurs  
42 naturally or is regenerated naturally, including, without limitation:

43 (1) Biomass;

44 (2) Fuel cells;

45 (3) Geothermal energy;



- 1 (4) Solar energy;
- 2 (5) Waterpower; and
- 3 (6) Wind.

4 ➔ The term does not include coal, natural gas, oil, propane or any  
5 other fossil fuel, or nuclear energy.

6 (c) "Retrofit" means to alter, improve, modify, remodel or  
7 renovate a building, facility or structure to make that building,  
8 facility or structure more energy-efficient.

9 **Sec. 49.** Section 113 of chapter 509, Statutes of Nevada 2007,  
10 at page 2999, is hereby amended to read as follows:

11 Sec. 113. 1. This act becomes effective:

12 (a) Upon passage and approval for the purposes of  
13 adopting regulations and taking such other actions as are  
14 necessary to carry out the provisions of this act; and

15 (b) For all other purposes besides those described in  
16 paragraph (a):

17 (1) For this section and sections 1, 30, 32, 36 to 46,  
18 inclusive, 49, 51 to 61, inclusive, 107, 109, 110 and 111 of  
19 this act, upon passage and approval.

20 (2) For sections 1.5 to 29, inclusive, 43.5, 47, 51.3,  
21 51.7, 108, 112 and 112.5 of this act, on July 1, 2007.

22 (3) For sections 62 to 106, inclusive, of this act, on  
23 October 1, 2007.

24 (4) For sections 31, 32.3, 32.5, 32.7, 33, 34 and 35 of  
25 this act, on January 1, 2009.

26 (5) For section 48 of this act, on January 1, 2010.

27 (6) For section 50 of this act, on January 1, 2011.

28 2. Sections ~~[62 to 106,]~~ *63 to 75, inclusive, 77 to 82,*  
29 *inclusive, 85, 86, 88 to 94, inclusive, and 95 to 105,*  
30 *inclusive, of this act expire by limitation on ~~[June 30, 2011.]~~*  
31 *December 31, 2021.*

32 **Sec. 50.** Section 13 of chapter 246, Statutes of Nevada 2009,  
33 at page 1002, is hereby amended to read as follows:

34 Sec. 13. 1. This act becomes effective on July 1, 2009.

35 2. Sections 2 and 3 of this act expire by limitation on  
36 ~~[June 30, 2011.]~~ *December 31, 2021.*

37 **Sec. 51.** Section 21 of chapter 321, Statutes of Nevada 2009,  
38 at page 1410, is hereby amended to read as follows:

39 Sec. 21. 1. This section and sections 1 to 1.51,  
40 inclusive, 1.55 to 19.7, inclusive, and 19.9 to 20.9, inclusive,  
41 of this act become effective upon passage and approval.

42 2. Sections 1.51, 1.85, 1.87, ~~[1.92, 1.93,]~~ *1.95, 4.3 to 7,*  
43 *inclusive, 7.3 to 9, inclusive, and 19.4 of this act expire by*  
44 *limitation on ~~[June 30, 2011.]~~*



~~3. Sections 1.53 and 19.8 of this act become effective on July 1, 2011.] December 31, 2021.~~

**Sec. 52.** 1. NRS 701B.010, 701B.020, 701B.030, 701B.040, 701B.050, 701B.055, 701B.060, 701B.070, 701B.080, 701B.090, 701B.100, 701B.110, 701B.120, 701B.130, 701B.140, 701B.150, 701B.160, 701B.170, 701B.180, 701B.200, 701B.210, 701B.220, 701B.230, 701B.240, 701B.250, 701B.255, 701B.280 and 701B.290 are hereby repealed.

2. NRS 701B.265 and 701B.625 are hereby repealed.

3. NRS 701B.260 is hereby repealed.

4. NRS 701B.400, 701B.615 and 701B.700 are hereby repealed.

5. Sections 1.53 and 19.8 of chapter 321, Statutes of Nevada 2009, at pages 1372 and 1408, respectively, are hereby repealed.

**Sec. 53.** The Public Utilities Commission of Nevada shall adopt the regulations necessary to carry out the provisions of sections 1, 3 to 12, inclusive, 14 to 25, inclusive, 27 to 43, inclusive, and 47 of this act on or before July 1, 2012.

**Sec. 54.** 1. This section, sections 49, 50 and 51 and subsection 5 of section 52 of this act become effective upon passage and approval.

2. Sections 13, 26, 45, 46 and subsection 2 of section 52 of this act become effective on July 1, 2011.

3. Sections 1, 3 to 12, inclusive, 14 to 25, inclusive, 27 to 43, inclusive, 47, subsection 4 of section 52 and section 53 of this act become effective upon passage and approval for the purpose of adopting regulations and on January 1, 2013, for all other purposes.

4. Subsection 3 of section 52 of this act becomes effective on December 31, 2012.

5. Sections 3 to 6, inclusive, 15 to 25, inclusive, 27 to 43, inclusive, and 47 of this act expire by limitation on December 31, 2021.

6. Sections 2, 44, 48 and subsection 1 of section 52 of this act become effective on January 1, 2022.

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**LEADLINES OF REPEALED SECTIONS OF NRS AND  
TEXT OF REPEALED SECTIONS OF STATUTES OF NEVADA**

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**701B.010** Applicability.

**701B.020** Definitions.

**701B.030** “Applicant” defined.

**701B.040** “Category” defined.



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- 701B.050 “Commission” defined.
- 701B.055 “Distributed generation system” defined.
- 701B.060 “Institution of higher education” defined.
- 701B.070 “Owned, leased or occupied” defined.
- 701B.080 “Participant” defined.
- 701B.090 “Person” defined.
- 701B.100 “Program year” defined.
- 701B.110 “Public and other property” defined.
- 701B.120 “Public entity” defined.
- 701B.130 “School property” defined.
- 701B.140 “Small business” defined.
- 701B.150 “Solar energy system” defined.
- 701B.160 “Solar Program” defined.
- 701B.170 “Task Force” defined.
- 701B.180 “Utility” defined.
- 701B.200 Regulations: Establishment of incentives and requirements for utility’s annual plan; exceptions; recovery of costs by utility.
- 701B.210 Regulations: Establishment of qualifications and requirements for participation; form and content of utility’s master application.
- 701B.220 Regulations: Establishment of incentives for participation.
- 701B.230 Duty of utility to file annual plan; review and approval of annual plan by Commission; recovery of costs by utility.
- 701B.240 Creation of Solar Program; categories of participation; eligibility requirements.
- 701B.250 Application to participate; review of application by utility.
- 701B.255 Procedure for selection and notification of participants; authorization to install and energize solar energy system; submission of incentive claim form; determination of amount of incentive; withdrawal of participant; forfeiture of incentive.
- 701B.260 Capacity allocated to each category; reallocation of capacity; limitations on incentives.
- 701B.265 Installation of solar energy system deemed public work under certain circumstances.
- 701B.280 Participation in net metering.
- 701B.290 Issuance of portfolio energy credits.
- 701B.400 Short title.



**701B.615 Procedure for selection and notification of participants; authorization to install and energize wind energy system; submission of incentive claim form; determination of amount of incentive; withdrawal of participant; forfeiture of incentive.**

**701B.625 Installation of wind energy system deemed public work under certain circumstances.**

**701B.700 Short title.**

**Section 1.53 of chapter 321, Statutes of Nevada 2009, at pages 1372-73.**

Sec. 1.53. NRS 701.180 is hereby amended to read as follows:

701.180 The Director shall:

1. Acquire and analyze information relating to energy and to the supply, demand and conservation of its sources, including, without limitation:

(a) Information relating to the Solar Energy Systems Incentive Program created pursuant to NRS 701B.240 ~~and the Wind Energy Systems Demonstration Program created pursuant to 701B.580,~~ including, without limitation, information relating to:

(1) The development of distributed generation systems in this State pursuant to participation in the Solar Energy Systems Incentive Program;

(2) The use of carbon-based energy in residential and commercial applications due to participation in the ~~Programs;~~ **Program;** and

(3) The average cost of generation on a kilowatt-hour basis for residential and commercial applications due to participation in the ~~Programs;~~ **Program;** and

(b) Information relating to any money distributed pursuant to NRS 702.270.

2. Review and evaluate information which identifies trends and permits forecasting of the energy available to the State. Such forecasts must include estimates on:

(a) The level of demand for energy in the State for 5-, 10- and 20-year periods;

(b) The amount of energy available to meet each level of demand;

(c) The probable implications of the forecast on the demand and supply of energy; and

(d) The sources of renewable energy and other alternative sources of energy which are available and their possible effects.



3. Study means of reducing wasteful, inefficient, unnecessary or uneconomical uses of energy and encourage the maximum utilization of existing sources of energy in the State.

4. Solicit and serve as the point of contact for grants and other money from the Federal Government, including, without limitation, any grants and other money available pursuant to any program administered by the United States Department of Energy, and other sources to cooperate with the Commissioner and the Authority:

(a) To promote energy projects that enhance the economic development of the State;

(b) To promote the use of renewable energy in this State;

(c) To promote the use of measures which conserve or reduce the demand for energy or which result in more efficient use of energy;

(d) To develop a comprehensive program for retrofitting public buildings in this State with energy efficiency measures; and

(e) If the Commissioner determines that it is feasible and cost-effective, to enter into contracts with researchers from the Nevada System of Higher Education for the design of energy efficiency and retrofit projects to carry out the comprehensive program for retrofitting public buildings in this State developed pursuant to paragraph (d).

5. Coordinate the activities and programs of the Office of Energy with the activities and programs of the Authority, the Consumer's Advocate and the Public Utilities Commission of Nevada, and with other federal, state and local officers and agencies that promote, fund, administer or operate activities and programs related to the use of renewable energy and the use of measures which conserve or reduce the demand for energy or which result in more efficient use of energy.

6. Carry out all other directives concerning energy that are prescribed by the Governor.

**Section 19.8 of chapter 321, Statutes of Nevada 2009, at pages 1408-09.**

Sec. 19.8. Section 19.4 of this act is hereby amended to read as follows:

Sec. 19.4. Chapter 338 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The governing body of each local government shall, within 60 days after the effective date of this



section, develop a plan to retrofit public buildings, facilities and structures, including, without limitation, traffic-control systems, and to otherwise use sources of renewable energy to serve those buildings, facilities and structures. Such a plan must:

(a) Be developed with input from one or more energy retrofit coordinators designated pursuant to NRS 338.1907, if any.

(b) Include a list of specific projects. The projects must be prioritized and selected on the basis of the following criteria:

(1) The length of time necessary to commence the project.

(2) The number of workers estimated to be employed on the project.

(3) The effectiveness of the project in reducing energy consumption.

(4) The estimated cost of the project.

(5) Whether the project is able to be powered by or otherwise use sources of renewable energy.

(6) Whether the project has qualified for participation in one or more of the following programs:

(I) The Solar Energy Systems Incentive Program created by NRS 701B.240; *or*

(II) The Renewable Energy School Pilot Program created by NRS 701B.350. ~~†~~

~~(III) The Wind Energy Systems Demonstration Program created by NRS 701B.580; or~~

~~(IV) The Waterpower Energy Systems Demonstration Program created by NRS 701B.820.]~~

(c) Include a list of potential funding sources for use in implementing the projects, including, without limitation, money available through the Energy Efficiency and Conservation Block Grant Program as set forth in 42 U.S.C. § 17152 and grants, gifts, donations or other sources of money from public and private sources.

2. The governing body of each local government shall transmit the plan developed pursuant to subsection 1 to the Nevada Energy Commissioner and to any other entity designated for that purpose by the Legislature.

3. As used in this section:

(a) "Local government" means each city or county that meets the definition of "eligible unit of local government" as set forth in 42 U.S.C. § 17151 and each unit of local government, as defined in subsection 11 of NRS 338.010,



that does not meet the definition of “eligible entity” as set forth in 42 U.S.C. § 17151.

(b) “Renewable energy” means a source of energy that occurs naturally or is regenerated naturally, including, without limitation:

- (1) Biomass;
- (2) Fuel cells;
- (3) Geothermal energy;
- (4) Solar energy;
- (5) Waterpower; and
- (6) Wind.

↳ The term does not include coal, natural gas, oil, propane or any other fossil fuel, or nuclear energy.

(c) “Retrofit” means to alter, improve, modify, remodel or renovate a building, facility or structure to make that building, facility or structure more energy-efficient.

