

SENATE BILL NO. 300—SENATOR BROOKS

MARCH 18, 2019

Referred to Committee on Growth and Infrastructure

SUMMARY—Requires electric utilities to share a portion of their earnings with customers under certain circumstances. (BDR 58-302)

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 electric utilities; requiring electric utilities to share a portion of their earnings with customers under certain circumstances; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1     **Section 1** of this bill requires the Public Utilities Commission of Nevada to  
2     adopt regulations requiring an electric utility to share its earnings with its customers  
3     when its annual earnings exceed the rate of return authorized by the Commission in  
4     the most recent general rate case proceeding for the electric utility. The regulations  
5     must specify the manner in which such earnings must be shared, but the amount  
6     that must be shared must be not less than 50 percent of the amount by which the  
7     earnings exceed the authorized rate of return.

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

1     **Section 1.** Chapter 704 of NRS is hereby amended by adding  
2     thereto a new section to read as follows:

3     ***1. The Commission shall adopt regulations requiring***  
4     ***earnings between an electric utility and its customers to be shared***  
5     ***in a manner set forth in such regulations when the electric utility***  
6     ***earns in excess of the rate of return authorized by the Commission***  
7     ***in the most recent general rate case proceeding for the electric***  
8     ***utility.***



2. *The amount of the earnings which must be shared with the customers of the electric utility must be not less than 50 percent of the amount by which actual earnings exceed the rate of return authorized by the Commission.*

3. *The method of calculating the earnings of the electric utility must be approved by the Commission. The calculation of earnings must be:*

(a) *Submitted by the electric utility in an annual report filed with the Commission; and*

(b) *Based on results for the calendar year preceding the filing.*

4. *As used in this section, “electric utility” has the meaning ascribed to it in NRS 704.187.*

**Sec. 2.** NRS 704.061 is hereby amended to read as follows:

704.061 As used in NRS 704.061 to 704.110, inclusive, *and section 1 of this act*, unless the context otherwise requires, the words and terms defined in NRS 704.062, 704.065 and 704.066 have the meanings ascribed to them in those sections.

**Sec. 3.** This act becomes effective:

1. Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

2. On January 1, 2020, for all other purposes.

