

SENATE BILL NO. 301—SENATOR BROOKS

MARCH 18, 2019

Referred to Committee on Growth and Infrastructure

SUMMARY—Revises provisions governing nonprofit cooperative corporations that supply electric services. (BDR 58-1037)

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 service; revising provisions governing the operations, authorities and duties of nonprofit cooperative corporations that supply electric services solely to their own members; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law provides that certain cooperatives, nonprofit corporations and
2 associations supplying utility services in this State are subject to the jurisdiction of
3 the Public Utilities Commission of Nevada only for certain limited purposes,
4 including the filing of certain reports with the Commission and the requirement to
5 obtain a certificate of public convenience and necessity. (NRS 704.675, 704.677)
6 **Sections 2-20** of this bill create a new chapter of Nevada Revised Statutes (NRS)
7 governing the operation of nonprofit electric cooperatives that supply electric
8 services solely to their own members. **Sections 2-20** incorporate provisions of law
9 which currently apply to such cooperatives into the new chapter of NRS, including:
10 (1) a requirement to obtain a certificate of public convenience and necessity in
11 certain circumstances; (2) a requirement to maintain uniform and detailed records
12 regarding certain business engaged in by the nonprofit electric cooperative and
13 provide an annual report of such business to the Commission; and (3) a simplified
14 process for certain nonprofit electric cooperatives that have been in operation since
15 April 26, 1963, to obtain a certificate of public convenience and necessity. **Section**
16 **33** of this bill provides that a certificate of public convenience and necessity issued
17 to a nonprofit electric cooperative before October 1, 2019, is satisfactory for
18 complying with the requirement to hold a certificate of public convenience and
19 necessity under the new chapter of NRS.

20 **Section 19** of this bill authorizes a nonprofit electric cooperative to: (1) supply
21 community utility services other than electric service with approval of the majority
22 of voting members of the cooperative or the board of directors of the cooperative;



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23 and (2) provide management or operating services by contract with certain entities
24 which provide electric services.

25 **Section 20** of this bill provides that a nonprofit electric cooperative which is a
26 foreign corporation qualified to do business in this State and organized under the
27 laws of a bordering state may serve its members in this State as the law provides for
28 nonprofit electric cooperatives generally.

29 **Sections 21-32** of this bill make conforming changes.

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

1 **Section 1.** Title 58 of NRS is hereby amended by adding
2 thereto a new chapter to consist of the provisions set forth as
3 sections 2 to 20, inclusive, of this act.

4 **Sec. 2.** *As used in this chapter, unless the context otherwise
5 requires, the words and terms defined in sections 3 to 8, inclusive,
6 of this act have the meanings ascribed to them in those sections.*

7 **Sec. 3.** *“Board of directors” means the group of members
8 who are elected by the members to manage the business and
9 affairs of a nonprofit electric cooperative.*

10 **Sec. 4.** *“Certificate of public convenience and necessity”
11 means a certificate obtained from the Commission pursuant to this
12 chapter that the present or future public convenience or necessity
13 require or will require such continued operation or
14 commencement of operations or construction.*

15 **Sec. 5.** *“Commission” means the Public Utilities
16 Commission of Nevada.*

17 **Sec. 6.** *“Member” means any person, including, without
18 limitation, an original incorporator of a nonprofit electric
19 cooperative, that receives electric service and participates in the
20 management of a nonprofit electric cooperative.*

21 **Sec. 7.** *“Nonprofit electric cooperative” means a nonprofit
22 cooperative corporation formed in the manner prescribed by NRS
23 81.410 to 81.540, inclusive, that supplies electric services solely to
24 its own members.*

25 **Sec. 8.** *“Person” means:*

26 *1. A natural person;*
27 *2. Any form of business or social organization and any other
28 nongovernmental legal entity including, but not limited to, a
29 corporation, partnership, association, trust or unincorporated
30 organization;*

31 *3. A government or an agency or instrumentality of a
32 government, including, without limitation, this State or an agency
33 or instrumentality of this State; and*



1 4. A political subdivision of this State or an agency or
2 instrumentation of a political subdivision of this State.

3 Sec. 9. Every nonprofit electric cooperative is hereby
4 declared to be affected with a public interest, to be a public utility,
5 and to be subject to the jurisdiction, control and regulation of the
6 Commission for the purposes of this chapter but not to any other
7 jurisdiction, control and regulation of the Commission.

8 Sec. 10. 1. Every nonprofit electric cooperative shall,
9 before beginning operation as a nonprofit electric cooperative or
10 continuing operations or construction of any line, plant or system
11 or any extension of a line, plant or system within this State, obtain
12 from the Commission a certificate that the present or future public
13 convenience or necessity requires or will require such continued
14 operation or commencement of operations or construction.

15 2. The provisions of this section do not require a nonprofit
16 electric cooperative to secure such a certificate for any extension
17 within any town or city within which it lawfully has commenced
18 operations or for any other extension if the extension remains
19 within the boundaries of the service area which have been
20 established by the Commission for its line, plant or system, and not
21 then served by a public utility or another nonprofit electric
22 cooperative of like character.

23 3. Upon the granting of any certificate of public convenience
24 and necessity, the Commission may make such an order and
25 prescribe such terms and conditions for the location of lines,
26 plants or systems to be constructed, extended or affected as may be
27 just and reasonable.

28 4. When a complaint has been filed with the Commission
29 alleging that any nonprofit electric cooperative is being operated
30 without a certificate of public convenience and necessity as
31 required by this section, or when the Commission has reason to
32 believe that any provision of this section is being violated, the
33 Commission shall investigate such operations and the Commission
34 may, after a hearing, make its order requiring the nonprofit
35 electric cooperative to cease and desist from any operation in
36 violation of this section. The Commission shall enforce
37 compliance with such an order under the powers vested in the
38 Commission by law.

39 5. If any nonprofit electric cooperative, in constructing or
40 extending its line, plant or system, interferes or is about to
41 interfere with the operation of the line, plant or system of any
42 other nonprofit electric cooperative or public utility already
43 constructed, the Commission, on complaint of the nonprofit
44 electric cooperative or public utility claiming to be injuriously
45 affected, after hearing, may make such an order prohibiting the



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construction or extension, or prescribing such terms and conditions for the location of the lines, plants or systems affected, as to it may seem just and reasonable.

6. If the Commission, after a hearing upon its own motion or upon complaint, finds that there is or will be a duplication of service by nonprofit electric cooperatives or a public utility and a nonprofit electric cooperative in any area, the Commission shall either issue a certificate of public convenience and necessity assigning specific territories to one or to each of such nonprofit electric cooperatives or public utilities, or, by certificate of public convenience and necessity, otherwise define the conditions of rendering service and construction, extensions within such territories, and shall order the elimination of such duplication, all upon such terms as are just and reasonable, having due regard to due process of law and to all the rights of the respective parties and to public convenience and necessity.

7. Except as otherwise provided in section 11 of this act, the Commission shall have the power, after hearing, to issue or refuse such certificate of public convenience and necessity, or to issue it for the construction of a portion only of the contemplated line, plant or systems, or extension thereof, and may attach thereto such terms and conditions as, in its judgment, the public convenience and necessity may require.

Sec. 11. 1. Every nonprofit electric cooperative which has, prior to April 26, 1963, supplied electric services for the use of its own members, or has constructed facilities to provide such services and has done so prior to March 15, 1963, is hereby entitled to receive a certificate of public convenience and necessity from the Commission to cover such facilities and such area as it served prior to April 26, 1963.

2. Every nonprofit electric cooperative which has, prior to April 26, 1963, supplied such services and is thereby entitled to a certificate of public convenience and necessity for such facilities and area served shall file with the Commission a statement setting forth:

(a) The name or names of the nonprofit electric cooperative by whom the facilities have been operated.

(b) A physical description of all of the plan and facilities used by the nonprofit electric cooperative in rendering such service.

(c) A general description of the area or territory served.

(d) *Such other information as the Commission may reasonably prescribe.*

3. The Commission shall, within 60 days after receiving such statement, issue a certificate of public convenience and necessity to the nonprofit electric cooperative. The certificate of public



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1 convenience and necessity shall contain a description of the
2 territory which has been served by the nonprofit electric
3 cooperative prior to April 26, 1963, and such territory shall be
4 considered the service area within which the nonprofit electric
5 cooperative may conduct its business within the State of Nevada.

6 Sec. 12. Every applicant for a certificate of public
7 convenience and necessity pursuant to this chapter shall furnish
8 such evidence of its corporate character and of its franchise or
9 permits as may be required by the Commission.

10 Sec. 13. All hearings and investigations under sections 10 to
11 17, inclusive, of this act shall be conducted substantially as is
12 provided for hearings and investigations of tolls, charges and
13 service pursuant to chapter 704 of NRS.

14 Sec. 14. Any nonprofit electric cooperative beginning,
15 prosecuting or completing any new construction in violation of
16 this chapter is not permitted to levy any tolls or charges for
17 services rendered, and all such tolls and charges are void.

18 Sec. 15. It is unlawful for any nonprofit electric cooperative
19 to discontinue, modify or restrict service to any city, town,
20 municipality, community or territory theretofore serviced by it,
21 except upon 30 days' notice filed with the Commission, specifying
22 in detail the character and nature of the discontinuance or
23 restriction of the service intended, and upon order of the
24 Commission, made after hearing, permitting such discontinuance,
25 modification or restriction of service.

26 Sec. 16. Every order refusing or granting any certificates of
27 public convenience and necessity, or granting or refusing
28 permission to discontinue, modify or restrict service, as provided
29 in this chapter is *prima facie* lawful from the date of the order
30 until changed or modified by the order of the Commission or
31 pursuant to NRS 703.373 to 703.376, inclusive.

32 Sec. 17. 1. Any nonprofit electric cooperative subject to the
33 provisions of this chapter to which a certificate of public
34 convenience and necessity has been issued may transfer the
35 certificate to any person qualified as a nonprofit electric
36 cooperative pursuant to this chapter. Such a transfer is void and
37 unenforceable and is not valid for any purpose unless:

38 (a) A joint application to make the transfer has been made to
39 the Commission by the transferor and the transferee; and

40 (b) The Commission has authorized the substitution of the
41 transferee for the transferor.

42 2. The Commission shall conduct a hearing on the transfer.
43 The hearing must be noticed and conducted in the same manner
44 as other contested hearings before the Commission.



1 3. In determining whether the transfer of a certificate of
2 public convenience and necessity to an applicant transferee should
3 be authorized, the Commission must take into consideration:

4 (a) The utility service performed by the transferor and the
5 proposed utility service of the transferee;

6 (b) Other authorized utility services in the territory for which
7 the transfer is sought;

8 (c) Whether the transferee is fit, willing and able to perform
9 the services of a nonprofit electric cooperative; and

10 (d) Whether the transfer will be in the public interest.

11 4. The Commission may make such amendments, restrictions
12 or modifications in a certificate upon transferring it as the public
13 interest requires.

14 5. No transfer is valid beyond the life of the certificate
15 transferred.

16 Sec. 18. 1. Each nonprofit electric cooperative shall:

17 (a) Keep uniform and detailed accounts of all applicable
18 business transacted in this State as required by the Commission by
19 regulation, and render them to the Commission or an affected
20 governmental entity upon its request.

21 (b) Furnish an annual report, with respect to all applicable
22 business transacted in this State, to the Commission and each
23 affected governmental entity in the form and detail which the
24 Commission prescribes by regulation.

25 2. The report required by this section must be prepared for
26 each calendar year and submitted not later than May 15 of the
27 year following the year for which the report is submitted.

28 3. If the Commission or an affected governmental entity finds
29 that necessary information with respect to applicable business
30 transacted in this State is not contained in a report submitted
31 pursuant to this section, the Commission or affected governmental
32 entity may call for the omitted information at any time.

33 Sec. 19. 1. A nonprofit electric cooperative may, in addition
34 to supplying electric services solely to its own members:

35 (a) Supply or furnish other community utility services as
36 requested and approved by a majority of the voting members or by
37 the board of directors of the nonprofit electric cooperative.

38 (b) Provide management or operating services by contract with
39 any cooperative, public power district, municipal electric utility or
40 other entity engaged in the provision of electric power or energy
41 services.

42 2. As used in this section:

43 (a) "Municipal electric utility" means a utility established
44 pursuant to chapter 709 or 710 of NRS which supplies electricity
45 to the public.



1 **(b) “Public power district” means a general improvement
2 district established pursuant to chapter 318 of NRS which supplies
3 electricity to the public.**

4 **Sec. 20. A nonprofit electric cooperative which is a foreign
5 corporation qualified to do business in this State and organized
6 under the laws of any state bordering this State may serve its
7 members in this State as provided for by this chapter.**

8 **Sec. 21.** NRS 703.130 is hereby amended to read as follows:

9 703.130 1. The Commission shall, within the limits of
10 legislative appropriations or authorizations, employ and fix the
11 salaries of or contract for the services of such professional, technical
12 and operational personnel and consultants as the execution of its
13 duties and the operation of the Commission may require.

14 2. The Commission shall appoint an Executive Director, who
15 must be:

16 (a) Knowledgeable and experienced in public administration and
17 fiscal management;

18 (b) Knowledgeable in the areas of utility regulation by the
19 Commission; and

20 (c) Independent of and have no pecuniary interest in any entity
21 regulated by the Commission.

22 3. The Executive Director shall:

23 (a) Serve as Chief Financial Officer for the Commission;

24 (b) Direct the daily operation of the Commission, including,
25 without limitation:

26 (1) Budget preparation;

27 (2) Administration;

28 (3) Human resources;

29 (4) Purchases and acquisitions made by the Commission; and

30 (5) Contracts and leases entered into by the Commission;

31 (c) Develop and implement policies and procedures to ensure
32 the efficient operation of the Commission;

33 (d) Oversee:

34 (1) The review of applications for certificates, permits and
35 modifications of tariffs;

36 (2) The maintenance of a hearing calendar of all matters
37 pending before the Commission; and

38 (3) Compliance with and enforcement of statutes and
39 regulations pertaining to utilities which are regulated by the
40 Commission; and

41 (e) Authenticate documents and serve as custodian of all agency
42 records.

43 4. The Executive Director is in the unclassified service of the
44 State.



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1 5. The Executive Director, with the approval of the
2 Commission, shall designate a Secretary who shall perform such
3 administrative and other duties as are prescribed by the Executive
4 Director. The Executive Director, with the approval of the
5 Commission, shall also designate an Assistant Secretary.

6 6. The Executive Director may employ such other clerks,
7 experts or engineers as may be necessary.

8 7. Except as otherwise provided in subsection 8, the
9 Commission:

10 (a) May appoint one or more hearing officers for a period
11 specified by the Commission to conduct proceedings or hearings
12 that may be conducted by the Commission pursuant to NRS 702.160
13 and 702.170 and chapters 704, 704A, 704B, 705, 708 and 711 of
14 NRS ~~1~~ and sections 2 to 20, inclusive, of this act.

15 (b) Shall prescribe by regulation the procedure for appealing a
16 decision of a hearing officer to the Commission.

17 8. The Commission shall not appoint a hearing officer to
18 conduct proceedings or hearings:

19 (a) In any matter pending before the Commission pursuant to
20 NRS 704.7561 to 704.7595, inclusive; or

21 (b) In any matter pending before the Commission pursuant to
22 NRS 704.061 to 704.110, inclusive, in which an electric utility has
23 filed a general rate application or an annual deferred energy
24 accounting adjustment application.

25 9. As used in this section, "electric utility" has the meaning
26 ascribed to it in NRS 704.187.

Sec. 22. NRS 703.164 is hereby amended to read as follows:

28 703.164 1. The Commission may employ, or retain on a
29 contract basis, legal counsel who shall:

30 (a) Except as otherwise provided in subsection 2, be counsel and
31 attorney for the Commission in all actions, proceedings and
32 hearings.

33 (b) Prosecute in the name of the Commission all civil actions for
34 the enforcement of NRS 702.160 and 702.170 and chapters 704,
35 704A, 704B, 705 and 708 of NRS, ***and sections 2 to 20, inclusive,***
36 ***of this act,*** and for the recovery of any penalty or forfeiture provided
37 for therein.

38 (c) Generally aid the Commission in the performance of its
39 duties and the enforcement of NRS 702.160 and 702.170 and
40 chapters 704, 704A, 704B, 705 and 708 of NRS ~~1~~ and sections 2 to
41 **20, inclusive, of this act.**

42 2. Each district attorney shall:

43 (a) Prosecute any violation of chapter 704, 704A, 705, 708 or
44 711 of NRS ***and sections 2 to 20, inclusive, of this act*** for which a



1 criminal penalty is provided and which occurs in the district
2 attorney's county.

3 (b) Aid in any investigation, prosecution, hearing or trial held
4 under the provisions of chapter 704, 704A, 705, 708 or 711 of NRS
5 **or sections 2 to 20, inclusive, of this act** and, at the request of the
6 Commission or its legal counsel, act as counsel and attorney for the
7 Commission.

8 3. The Attorney General shall, if the district attorney fails or
9 refuses to do so, prosecute all violations of the laws of this state by
10 public utilities under the jurisdiction of the Commission and their
11 officers, agents and employees.

12 4. The Attorney General is not precluded from appearing in or
13 moving to intervene in any action and representing the interest of
14 the State of Nevada in any action in which the Commission is a
15 party and is represented by independent counsel.

16 **Sec. 23.** NRS 703.197 is hereby amended to read as follows:

17 703.197 1. The Commission may collect fees for the filing of
18 any official document required by this chapter and chapters 704,
19 704A, 704B, 705 and 708 of NRS **and sections 2 to 20, inclusive, of**
20 **this act** or by a regulation of the Commission.

21 2. Filing fees may not exceed:

22 (a) For applications, \$200.

23 (b) For petitions seeking affirmative relief, \$200.

24 (c) For each tariff page which requires public notice and is not
25 attached to an application, \$10. If more than one page is filed at one
26 time, the total fee may not exceed the cost of notice and publication.

27 (d) For all other documents which require public notice, \$10.

28 3. If an application or other document is rejected by the
29 Commission because it is inadequate or inappropriate, the filing fee
30 must be returned.

31 4. The Commission may not charge any fee for filing:

32 (a) A complaint.

33 (b) A request for a refund pursuant to NRS 702.160.

34 **Sec. 24.** NRS 703.377 is hereby amended to read as follows:

35 703.377 1. Any certificate of public convenience and
36 necessity, permit or license issued or transferred in accordance with
37 the provisions of NRS 704.001 to 704.754, inclusive, **or sections 2**
38 **to 20, inclusive, of this act** is not a franchise or irrevocable.

39 2. Upon receipt of a written complaint or on its own motion,
40 the Commission may, after investigation and hearing, revoke any
41 certificate, permit or license, except that the Commission may not
42 revoke the certificate of a public utility unless the Commission has
43 arranged for another public utility to provide the service for which
44 the certificate was granted.



1 3. If the Commission revokes any certificate, permit or license,
2 the person who held the certificate, permit or license may seek
3 judicial review pursuant to the provisions of NRS 703.373 to
4 703.376, inclusive.

5 **Sec. 25.** NRS 703.380 is hereby amended to read as follows:

6 703.380 1. Unless another administrative fine is specifically
7 provided, a person, including, without limitation, a public utility,
8 alternative seller, provider of discretionary natural gas service,
9 provider of new electric resources or holder of any certificate of
10 registration, license or permit issued by the Commission, or any
11 officer, agent or employee of a public utility, alternative seller,
12 provider of discretionary natural gas service, provider of new
13 electric resources or holder of any certificate of registration, license
14 or permit issued by the Commission who:

15 (a) Violates any applicable provision of this chapter or chapter
16 704, 704B, 705 or 708 of NRS, ***or sections 2 to 20, inclusive, of this
17 act,*** including, without limitation, the failure to pay any applicable
18 tax, fee or assessment;

19 (b) Violates any rule or regulation of the Commission; or

20 (c) Fails, neglects or refuses to obey any order of the
21 Commission or any order of a court requiring compliance with an
22 order of the Commission,

23 → is liable for an administrative fine, to be assessed by the
24 Commission after notice and the opportunity for a hearing, in an
25 amount not to exceed \$1,000 per day for each day of the violation
26 and not to exceed \$100,000 for any related series of violations.

27 2. In determining the amount of the administrative fine, the
28 Commission shall consider the appropriateness of the fine to the size
29 of the business of the person charged, the gravity of the violation,
30 the good faith of the person charged in attempting to achieve
31 compliance after notification of a violation and any repeated
32 violations committed by the person charged.

33 3. An administrative fine assessed pursuant to this section is
34 not a cost of service of a public utility and may not be included in
35 any new application by a public utility for a rate adjustment or rate
36 increase.

37 4. All money collected by the Commission as an administrative
38 fine pursuant to this section must be deposited in the State General
39 Fund.

40 5. The Commission may bring an appropriate action in its own
41 name for the collection of any administrative fine that is assessed
42 pursuant to this section. A court shall award costs and reasonable
43 attorney's fees to the prevailing party in an action brought pursuant
44 to this subsection.



1 6. The administrative fine prescribed by this section is in
2 addition to any other remedies, other than a monetary fine, provided
3 by law, including, without limitation, the authority of the
4 Commission to revoke a certificate of public convenience and
5 necessity, license or permit pursuant to NRS 703.377.

6 **Sec. 26.** Chapter 704 of NRS is hereby amended by adding
7 thereto a new section to read as follows:

8 ***The provisions of NRS 704.675 and 704.677 do not apply to a***
9 ***nonprofit electric cooperative, as defined in section 7 of this act.***

10 **Sec. 27.** NRS 704.3296 is hereby amended to read as follows:

11 704.3296 As used in NRS 704.3296 to 704.410, inclusive,
12 unless the context otherwise requires **[, “electric”]**:

13 1. **“Electric” utility** has the meaning ascribed to it in
14 NRS 704.7571.

15 2. **“Nonprofit electric cooperative” has the meaning ascribed**
16 **to it in section 7 of this act.**

17 **Sec. 28.** NRS 704.330 is hereby amended to read as follows:

18 704.330 1. Except as otherwise provided in this section, any
19 person owning, controlling, operating or maintaining or having any
20 contemplation of owning, controlling or operating any public utility
21 shall, before beginning such operation or continuing operations or
22 construction of any line, plant or system or any extension of a line,
23 plant or system within this State, obtain from the Commission a
24 certificate that the present or future public convenience or necessity
25 requires or will require such continued operation or commencement
26 of operations or construction.

27 2. The provisions of this section do not require a public utility
28 to secure such a certificate for any extension within any town or city
29 within which it lawfully has commenced operations or for any other
30 extension if the extension:

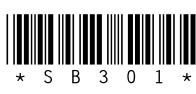
31 (a) Is undertaken by a small-scale provider of last resort to serve
32 a telephone toll station or stations to be located not more than 10
33 miles from existing telephone facilities;

34 (b) Is undertaken for any purpose by a competitive supplier; or

35 (c) Remains within the boundaries of the service area which
36 have been established by the Commission for its railroad, line, plant
37 or system, and not then served by a public utility **or nonprofit**
38 **electric cooperative** of like character.

39 3. Upon the granting of any certificate of public convenience,
40 the Commission may make such an order and prescribe such terms
41 and conditions for the location of lines, plants or systems to be
42 constructed, extended or affected as may be just and reasonable.

43 4. When a complaint has been filed with the Commission
44 alleging that any utility is being operated without a certificate of
45 public convenience and necessity as required by this section, or



1 when the Commission has reason to believe that any provision of
2 this section is being violated, the Commission shall investigate such
3 operations and the Commission may, after a hearing, make its order
4 requiring the owner or operator of the utility to cease and desist
5 from any operation in violation of this section. The Commission
6 shall enforce compliance with such an order under the powers
7 vested in the Commission by law.

8 5. If any public utility in constructing or extending its line,
9 plant or system interferes or is about to interfere with the operation
10 of the line, plant or system of any other public utility ***or nonprofit***
11 ***electric cooperative*** already constructed, the Commission, on
12 complaint of the public utility ***or nonprofit electric cooperative***
13 claiming to be injuriously affected, after hearing, may make such an
14 order prohibiting the construction or extension, or prescribing such
15 terms and conditions for the location of the lines, plants or systems
16 affected, as to it may seem just and reasonable.

17 6. Except as otherwise provided in subsections 7 and 8, if the
18 Commission, after a hearing upon its own motion or upon
19 complaint, finds that there is or will be a duplication of service by
20 public utilities ***or a public utility and a nonprofit electric***
21 ***cooperative*** in any area, the Commission shall either issue a
22 certificate of public convenience and necessity assigning specific
23 territories to one or to each of such utilities ***or nonprofit electric***
24 ***cooperatives***, or, by certificate of public convenience and necessity,
25 otherwise define the conditions of rendering service and
26 construction, extensions within such territories, and shall order the
27 elimination of such duplication, all upon such terms as are just and
28 reasonable, having due regard to due process of law and to all the
29 rights of the respective parties and to public convenience and
30 necessity.

31 7. The Commission may allow and regulate a duplication of
32 service by telecommunication providers in an area where the
33 provider of last resort is a small-scale provider of last resort if the
34 Commission finds that the competition should occur and that any
35 duplication of service is reasonable.

36 8. The Commission:

37 (a) Shall allow a duplication of service or facilities by
38 telecommunication providers in an area where the provider of last
39 resort is a competitive supplier; and

40 (b) On or after January 1, 2012, shall not regulate a duplication
41 of service or facilities by telecommunication providers in an area
42 where the provider of last resort is a competitive supplier.

43 9. A competitive supplier that is a provider of last resort:

44 (a) Must provide to the Commission a description of and map
45 depicting the boundaries of the service area in which the



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1 Commission has designated the competitive supplier as the provider
2 of last resort; and

3 (b) May change the boundaries of that service area by filing an
4 application with the Commission. The application shall be deemed
5 approved if the Commission does not act on the application within
6 120 days after the date the application is filed with the Commission.

7 **10. As used in this section, “nonprofit electric cooperative”**
8 **has the meaning ascribed to it in section 7 of this act.**

9 **Sec. 29.** NRS 704.675 is hereby amended to read as follows:

10 704.675 **[Every] Except as otherwise provided in section 26 of**
11 **this act, every** cooperative association or nonprofit corporation or
12 association and every other supplier of services described in this
13 chapter supplying those services for the use of its own members
14 only is hereby declared to be affected with a public interest, to be a
15 public utility, and to be subject to the jurisdiction, control and
16 regulation of the Commission for the purposes of NRS 703.191,
17 704.330 and 704.350 to 704.410, inclusive, but not to any other
18 jurisdiction, control and regulation of the Commission or to the
19 provisions of any section not specifically mentioned in this section.

20 **Sec. 30.** NRS 704.677 is hereby amended to read as follows:

21 704.677 1. **[Every] Except as otherwise provided in section**
22 **26 of this act, every** cooperative association or nonprofit corporation
23 or association and every other supplier of services described in this
24 chapter which has, prior to April 26, 1963, supplied such services
25 for the use of the public or for the use of its own members, or has
26 constructed facilities to provide such services and has done so prior
27 to March 15, 1963, is hereby entitled to receive a certificate of
28 public convenience and necessity from the Commission to cover
29 such facilities and such area as it served prior to April 26, 1963.

30 2. **[Every] Except as otherwise provided in section 26 of this**
31 **act, every** cooperative association or nonprofit corporation or
32 association and every other supplier of services described in this
33 chapter which has, prior to April 26, 1963, supplied such services
34 and is thereby entitled to a certificate of public convenience and
35 necessity for such facilities and area served shall file with the
36 Commission a statement setting forth:

37 (a) The name or names of the cooperative association or
38 nonprofit corporation or association, as the case may be, by whom
39 the facilities have been operated.

40 (b) A physical description of all of the plan and facilities used
41 by such association in rendering such service.

42 (c) A general description of the area or territory served.

43 (d) Such other information as the Commission may reasonably
44 prescribe.



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1 3. The Commission shall, within 60 days after receiving such
2 statement, issue a certificate of public convenience and necessity to
3 the cooperative association or nonprofit corporation or association
4 ~~14~~ **submitting the statement.** The certificate of public convenience
5 and necessity shall contain a description of the territory which has
6 been served by such cooperative association or nonprofit
7 corporation or association prior to April 26, 1963, and such territory
8 shall be considered the service area within which the cooperative
9 association or nonprofit corporation or association may conduct its
10 business within the State of Nevada.

11 **Sec. 31.** NRS 82.246 is hereby amended to read as follows:

12 82.246 1. Except as otherwise provided in subsection 2, and
13 unless otherwise provided in its articles or bylaws, a member of a
14 corporation may resign at any time. The resignation of a member
15 does not relieve the member from any obligations the member may
16 have to the corporation for dues, assessments or fees or charges for
17 goods or services. No member may avoid liability for dues,
18 assessments, fees or charges by resigning if the member owes them
19 as a condition of or by reason of the ownership of an interest in real
20 property.

21 2. Unless otherwise provided in its articles or bylaws, no
22 member of a corporation, including, but not limited to, a cooperative
23 corporation, which supplies services described in chapter 704 of
24 NRS **or sections 2 to 20, inclusive, of this act** to its members only,
25 and no person who is a member of a corporation as a condition of or
26 by reason of the ownership of an interest in real property, may
27 resign pursuant to subsection 1.

28 **Sec. 32.** NRS 92A.370 is hereby amended to read as follows:

29 92A.370 1. Except as otherwise provided in subsection 2,
30 and unless otherwise provided in the articles or bylaws, any member
31 of any constituent domestic nonprofit corporation who voted against
32 the merger may, without prior notice, but within 30 days after the
33 effective date of the merger, resign from membership and is thereby
34 excused from all contractual obligations to the constituent or
35 surviving corporations which did not occur before the member's
36 resignation and is thereby entitled to those rights, if any, which
37 would have existed if there had been no merger and the membership
38 had been terminated or the member had been expelled.

39 2. Unless otherwise provided in its articles of incorporation or
40 bylaws, no member of a domestic nonprofit corporation, including,
41 but not limited to, a cooperative corporation, which supplies
42 services described in chapter 704 of NRS **or sections 2 to 20,**
inclusive, of this act to its members only, and no person who is a
44 member of a domestic nonprofit corporation as a condition of or by



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1 reason of the ownership of an interest in real property, may resign
2 and dissent pursuant to subsection 1.

3 **Sec. 33.** 1. A valid certificate of public convenience and
4 necessity that was issued to a nonprofit electric cooperative pursuant
5 to chapter 704 of NRS before October 1, 2019, shall be considered a
6 certificate of public convenience and necessity for the purposes of
7 complying with section 10 of this act.

8 2. As used in this section, “nonprofit electric cooperative” has
9 the meaning ascribed to it by section 7 of this act.

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