
ASSEMBLY BILL NO. 426—COMMITTEE ON NATURAL RESOURCES, AGRICULTURE
AND MINING

MARCH 8, 1999

Referred to Committee on Government Affairs

SUMMARY—Provides that irrigation districts that generate, produce, transmit and sell electricity are not subject to jurisdiction of public utilities commission of Nevada. (BDR 58-1318)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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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 irrigation districts; providing that irrigation districts that generate, produce, transmit and sell electric power or energy are not public utilities subject to the jurisdiction of the public utilities commission of Nevada; and providing other matters properly relating thereto.

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

- 1 **Section 1.** NRS 704.020 is hereby amended to read as follows:
2 704.020 1. “Public utility” or “utility” includes:
3 (a) Any person who owns, operates, manages or controls any railroad or
4 part of a railroad as a common carrier in this state, or cars or other
5 equipment used thereon, or bridges, terminals, or sidetracks, or any docks
6 or wharves or storage elevators used in connection therewith, whether or
7 not they are owned by the railroad.
8 (b) Telephone companies and other companies which provide
9 telecommunication or a related service to the public.
10 (c) Radio or broadcasting instrumentalities providing common or
11 contract service.
12 (d) All companies which own cars of any kind or character, used and
13 operated as a part of railroad trains, in or through this state. All duties
14 required of and penalties imposed upon any railroad or any officer or agent
15 thereof are, insofar as applicable, required of and imposed upon the owner
16 or operator of any telephone, radio and broadcasting companies,

1 companies providing telecommunication or related services to the public
2 and companies which own cars of any kind or character, used and operated
3 as a part of railroad trains in or through this state, and their officers and
4 agents, and the commission may supervise and control all such companies
5 and persons to the same extent as railroads.

6 2. "Public utility" or "utility" also includes:

7 (a) Any person who owns, operates or controls any ditch, flume, tunnel
8 or tunnel and drainage system, charging rates, fares or tolls, directly or
9 indirectly.

10 (b) Any plant or equipment, or any part of a plant or equipment, within
11 this state for the production, delivery or furnishing for or to other persons,
12 including private or municipal corporations, heat, gas, coal slurry, light,
13 power in any form or by any agency, water for business, manufacturing,
14 agricultural or household use, or sewerage service, whether or not within
15 the limits of municipalities.

16 (c) Any system for the distribution of liquefied petroleum gas to 10 or
17 more users.

18 The commission may supervise, regulate and control all such utilities,
19 subject to the provisions of this chapter and to the exclusion of the
20 jurisdiction, regulation and control of such utilities by any municipality,
21 town or village, unless otherwise provided by law.

22 3. The provisions of this chapter and the term "public utility" apply to
23 all railroads, express companies, car companies and all associations of
24 persons, whether or not incorporated, that do any business as a common
25 carrier upon or over any line of railroad within this state.

26 **4. "Public utility" or "utility" does not include an irrigation district**
27 **that generates, produces, transmits and sells electric power or electrical**
28 **energy in any form in accordance with chapter 539 of NRS.**

29 **Sec. 2.** NRS 704.970 is hereby amended to read as follows:

30 704.970 "Electric distribution utility" means a utility that is in the
31 business of supplying noncompetitive electric distribution or transmission
32 service, or both, or a noncompetitive service pursuant to NRS 704.982, on
33 or after July 1, 1999, or the date on which alternative sellers are authorized
34 to provide potentially competitive services to customers in this state, as
35 appropriate. **The term does not include an irrigation district that**
36 **generates, produces, transmits and sells electric power or electrical**
37 **energy in any form in accordance with chapter 539 of NRS.**

38 **Sec. 3.** NRS 539.237 is hereby amended to read as follows:

39 539.237 1. The board of directors may:

40 (a) Generate, produce, transmit and sell electric power or electrical
41 energy in any form in furtherance of the purposes of this chapter.

42 (b) Acquire or contract for the delivery of electric power and electric
43 power or transmission lines.

1 2. In any irrigation district having a reservoir or reservoirs for the
2 storage of water with a capacity of less than 250,000 acre-feet, the board
3 may not acquire or contract for the construction or acquisition of electric
4 power or transmission lines at a cost exceeding the sum of \$50,000 without
5 first obtaining the approval of the electors of the district at a special
6 election, district election or primary or general state election.

7 3. In any irrigation district having a reservoir or reservoirs for the
8 storage of water with a capacity of 250,000 acre-feet or more, the board
9 may not acquire or contract for the construction or acquisition of electric
10 power or transmission lines at a cost exceeding the sum of \$100,000
11 without first obtaining the approval of the electors of the district at a
12 special election, district election or primary or general state election.

13 ***4. An irrigation district that generates, produces, transmits and sells***
14 ***electric power or electrical energy in any form in furtherance of the***
15 ***purposes of this chapter is not a utility subject to the jurisdiction of the***
16 ***public utilities commission of Nevada.***

17 **Sec. 4.** This act becomes effective upon passage and approval.