

ASSEMBLY BILL NO. 222—COMMITTEE ON COMMERCE AND LABOR

FEBRUARY 28, 2007

Referred to Committee on Commerce and Labor

SUMMARY—Makes various changes relating to energy.
(BDR 58-882)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Contains Appropriation not included
in Executive Budget.

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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; placing the Task Force for Renewable Energy and Energy Conservation in the Office of Energy within the Office of the Governor; requiring the Director of the Office of Energy to employ a Deputy Director for Renewable Energy and Energy Conservation; requiring an energy audit of certain public buildings; making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 **Section 1** of this bill requires that an energy audit be conducted on any public
2 building of a local government, the State of Nevada and the Nevada System of
3 Higher Education that is constructed on or after July 1, 2007. **Section 2** of this bill
4 requires the Director of the Office of Energy within the Office of the Governor to
5 employ a Deputy Director for Renewable Energy and Energy Conservation.
6 **Section 3** of this bill places the Task Force for Renewable Energy and Energy
7 Conservation in the Office of Energy and revises its membership. **Section 4** of this
8 bill requires that an energy audit be conducted on certain public buildings existing
9 before July 1, 2007, of a local government, the State of Nevada and the Nevada
10 System of Higher Education. **Section 5** of this bill makes an appropriation to the
11 Office of Energy in the sum of \$125,000 to pay the salary and other expenses
12 relating to the position of Deputy Director for Renewable Energy and Energy
13 Conservation.



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

Section 1. Chapter 701 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Each person who is responsible for the operation of a public building of a local government, the State of Nevada or the Nevada System of Higher Education that is constructed on or after July 1, 2007, shall cause an energy audit of the building to be conducted not later than 5 years after the building is occupied. A copy of the energy audit must be submitted to the Director not later than 90 days after the audit is completed.

2. An energy audit required by this section must:

(a) Include, without limitation:

(1) An assessment of the feasibility of implementing any measure which will reduce the consumption of energy in the building;

(2) An estimate of the costs to implement any measure described in subparagraph (1);

(3) A comparison of the energy consumption in the building to the energy consumption in similar buildings; and

(4) A report that compares the current pattern of the costs associated with the energy consumption in the building and any related labor costs to the projected costs if those measures were implemented; and

(b) Be based on:

(1) A review and analysis of the history of the energy usage of the building; and

(2) Surveys, plans, specifications or drawings that provide details of the structure or design of the building.

3. As used in this section, "local government" means every political subdivision or other entity which has the right to levy or receive money from ad valorem or other taxes or any mandatory assessments, and includes, without limitation, counties, cities, towns, boards, school districts and other districts organized pursuant to chapters 244A, 309, 318 and 379 of NRS, NRS 450.550 to 450.750, inclusive, and chapters 474, 541, 543 and 555 of NRS, and any agency or department of a county or city which prepares a budget separate from that of the parent political subdivision.

Sec. 2. NRS 701.150 is hereby amended to read as follows:

701.150 1. The Office of Energy is hereby created within the Office of the Governor.

2. The Governor shall appoint the Director. The Director:

(a) Is in the unclassified service of the State; and



(b) Serves at the pleasure of the Governor.

3. *The Director shall employ a Deputy Director for Renewable Energy and Energy Conservation who is in the unclassified service of the State.*

4. The Director may, within the limits of available money, employ:

(a) Such persons in the unclassified service of the State as the Director determines to be necessary to carry out the duties of the Office of Energy pursuant to this chapter; and

(b) Such additional personnel as may be required to carry out the duties of the Office of Energy pursuant to this chapter, who must be in the classified service of the State.

~~[4-]~~ 5. A person employed by the Director pursuant to this section must be qualified by training and experience to perform the duties for which the Director employs him.

~~[5-]~~ 6. The Director and the persons employed by the Director shall not have any conflict of interest relating to the performance of their duties pursuant to this chapter.

~~[6-]~~ 7. The provisions of NRS 223.085 do not apply to the Director or to any person employed by the Director pursuant to this section.

Sec. 3. NRS 701.350 is hereby amended to read as follows:

701.350 1. The Task Force for Renewable Energy and Energy Conservation is hereby created ~~[]~~ *in the Office of Energy.* The Task Force consists of ~~[11]~~ *15* members who are appointed as follows:

(a) Two members appointed by the Majority Leader of the Senate, one of whom represents the interests of the renewable energy industry in this State with respect to biomass and the other of whom represents the interests of the mining industry in this State.

(b) Two members appointed by the Speaker of the Assembly, one of whom represents the interests of the renewable energy industry in this State with respect to geothermal energy and the other of whom represents the interests of a nonprofit organization dedicated to the protection of the environment or to the conservation of energy or the efficient use of energy.

(c) ~~[One member]~~ *Two members* appointed by the Minority Leader of the Senate ~~[to represent]~~ *, one of whom represents the interests of the natural gas industry in this State and one of whom represents* the interests of the renewable energy industry in this State with respect to solar energy.

(d) ~~[One member]~~ *Two members* appointed by the Minority Leader of the Assembly to represent the interests of the public utilities in this State.



(e) ~~[Two members]~~ *One member* appointed by the Governor ~~for one of whom represents the interests of the renewable energy industry in this State with respect to wind and the other of whom represents]~~ *to represent* the interests of the gaming industry in this State.

(f) One member appointed by the Consumer's Advocate to represent the interests of the consumers in this State.

(g) One member appointed by the governing board of the State of Nevada AFL-CIO or, if the State of Nevada AFL-CIO ceases to exist, by its successor organization or, if there is no successor organization, by the Governor.

(h) One member appointed by the Governor to represent the interests of energy conservation and the efficient use of energy in this State.

(i) Two members appointed jointly by the United States Senators of this State.

(j) One member appointed by the Governor to represent the interests of public utilities that purchase natural gas for resale in this State.

2. A member of the Task Force:

(a) Must be a citizen of the United States and a resident of this State.

(b) Must have training, education, experience or knowledge concerning:

(1) The development or use of renewable energy;

(2) Financing, planning or constructing renewable energy generation projects;

(3) Measures which conserve or reduce the demand for energy or which result in more efficient use of energy;

(4) Weatherization;

(5) Building and energy codes and standards;

(6) Grants or incentives concerning energy;

(7) Public education or community relations; or

(8) Any other matter within the duties of the Task Force.

(c) Must not be an officer or employee of the Legislative or Judicial Department of State Government.

3. After the initial terms, the term of each member of the Task Force is 3 years. A vacancy on the Task Force must be filled for the remainder of the unexpired term in the same manner as the original appointment. A member may be reappointed to the Task Force.

4. A member of the Task Force who is an officer or employee of this State or a political subdivision of this State must be relieved from his duties without loss of his regular compensation so that he may prepare for and attend meetings of the Task Force and perform any work that is necessary to carry out the duties of the Task Force



1 in the most timely manner practicable. A state agency or political
2 subdivision of this State shall not require an officer or employee
3 who is a member of the Task Force to:

4 (a) Make up the time he is absent from work to carry out his
5 duties as a member of the Task Force; or

6 (b) Take annual leave or compensatory time for the absence.

7 **Sec. 4.** 1. Each person who is responsible for the operation
8 of a public building existing before July 1, 2007, of a local
9 government, the State of Nevada or the Nevada System of Higher
10 Education shall cause an energy audit of the building to be
11 conducted by that governmental entity, a consultant or a public
12 utility in accordance with a plan prepared by the governmental
13 entity which is submitted to the Office of Energy within the Office
14 of the Governor and posted on the Internet website of the Office of
15 Energy. Except as otherwise provided in subsections 3, 4 and 5, the
16 energy audit must be completed not later than:

17 (a) July 1, 2010, if the energy audit is conducted on a public
18 building of a local government in a county whose population is less
19 than 100,000;

20 (b) July 1, 2012, if the energy audit is conducted on a public
21 building of a local government in a county whose population is
22 100,000 or more; and

23 (c) July 1, 2010, if the energy audit is conducted on a public
24 building of the State of Nevada or the Nevada System of Higher
25 Education.

26 ➤ A copy of the energy audit must be submitted to the Director of
27 the Office of Energy not later than 90 days after the audit is
28 completed.

29 2. An energy audit required by this section must:

30 (a) Include, without limitation:

31 (1) An assessment of the feasibility of implementing any
32 measure which will reduce the consumption of energy in the
33 building;

34 (2) An estimate of the costs to implement any measure
35 described in subparagraph (1);

36 (3) A comparison of the energy consumption in the building
37 to the energy consumption in similar buildings; and

38 (4) A report that compares the current pattern of the costs
39 associated with the energy consumption in the building and any
40 related labor costs to the projected costs if those measures were
41 implemented; and

42 (b) Be based on:

43 (1) A review and analysis of the history of the energy usage
44 of the building; and



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(2) Surveys, plans, specifications or drawings that provide details of the structure or design of the building.

3. The plan prepared by a governmental entity pursuant to subsection 1 must begin with the oldest building and be updated annually to incorporate the results of the audits that have been completed. If a governmental entity fails to submit its plan on or before July 1, 2008, the governmental entity shall conduct all the audits that it is required to conduct pursuant to this section and submit a report concerning the results of those audits to the Office of Energy for transmittal to the Legislature not later than February 2, 2009.

4. A public building that is certified at or meets the equivalent of the silver level or higher of the Leadership in Energy and Environmental Design Green Building Rating System or its equivalent, if such a system is adopted for public buildings by the Director of the Office of Energy pursuant to NRS 701.217, is exempt from the provisions of this section until July 1, 2017. Upon the expiration of the exemption, the deadline for:

(a) The energy audit of the public building pursuant to subsection 1 must be determined by adding 10 years to the applicable deadline set forth in subsection 1;

(b) The submission of a plan pursuant to subsection 3 is July 1, 2018; and

(c) The submission of a report pursuant to subsection 3 is February 2, 2019.

5. A public building that, in a facilities plan approved by a governmental entity before July 1, 2008, has been identified for disposal before July 1, 2013, is exempt from the provisions of this section, except that, if the public building is not disposed of in accordance with the approved facilities plan, the responsible governmental entity shall complete the energy audit of the public building required by subsection 1 not later than September 1, 2013, and submit a report concerning the results of the audit to the Office of Energy not later than 90 days after the completion of the audit.

6. As used in this section:

(a) "Disposal" means demolition or transfer from public ownership.

(b) "Local government" means every political subdivision or other entity which has the right to levy or receive money from ad valorem or other taxes or any mandatory assessments, and includes, without limitation, counties, cities, towns, boards, school districts and other districts organized pursuant to chapters 244A, 309, 318 and 379 of NRS, NRS 450.550 to 450.750, inclusive, and chapters 474, 541, 543 and 555 of NRS, and any agency or department of a



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1 county or city which prepares a budget separate from that of the
2 parent political subdivision.

3 **Sec. 5.** There is hereby appropriated from the State General
4 Fund to the Office of Energy within the Office of the Governor the
5 sum of \$125,000 to pay the salary and other expenses relating to the
6 position of Deputy Director for Renewable Energy and Energy
7 Conservation created in NRS 701.150, as amended by section 2 of
8 this act.

9 **Sec. 6.** Any remaining balance of the appropriation made by
10 section 5 of this act must not be committed for expenditure after
11 June 30, 2009, by the entity to which the appropriation is made or
12 any entity to which money from the appropriation is granted or
13 otherwise transferred in any manner, and any portion of the
14 appropriated money remaining must not be spent for any purpose
15 after September 18, 2009, by either the entity to which the money
16 was appropriated or the entity to which the money was subsequently
17 granted or transferred, and must be reverted to the State General
18 Fund on or before September 18, 2009.

19 **Sec. 7.** 1. Notwithstanding the provisions of subsection 3 of
20 NRS 701.350, the term of the member of the Task Force for
21 Renewable Energy and Energy Conservation appointed by the
22 Governor pursuant to paragraph (e) of subsection 1 of NRS 701.350
23 to represent the interests of the renewable energy industry in this
24 State with respect to wind expires on July 1, 2007.

25 2. The appointments of additional members to the Task Force
26 for Renewable Energy and Energy Conservation required by NRS
27 701.350, as amended by section 3 of this act, must be made as soon
28 as practicable on or after July 1, 2007.

29 **Sec. 8.** This act becomes effective on July 1, 2007.

